

PROLOGIS INC (PLD)

Real Estate – REIT - Industrial

April 22, 2026

Stock Rating

DO NOT BUY

Investment Thesis

Prologis, Inc. (PLD) is a leading global industrial REIT supported by long-term tailwinds such as e-commerce growth and supply chain optimization. Despite its high-quality asset base and stable cash flows, our valuation suggests the stock is overvalued. Our DCF implies a price target of ~\$94, further supported by our DDM (\$91.40) and relative multiple (\$126.32), all converging well below the current price of ~\$141, representing implied downside of ~10% to ~33%. We recommend a DO NOT BUY, as the current valuation appears to reflect overly optimistic future performance.

Drivers of Thesis

- Interest rate environment:** Cap rates on industrial real estate remain near historically compressed levels relative to risk-free rates, leaving meaningful room for further expansion. As the market adjusts to a higher-for-longer rate regime, cap rate expansion would mechanically compress asset values and REIT multiples independent of operational performance.
- Commercial vacancy** has risen from **2.0% in 2022** to **4.4% in 2025**, with occupied square footage declining year-over-year. Our model forecasts revenue per occupied square foot growth stepping down from **4.0%** in 2026 to **2.5%** by 2035, producing a DCF value of **\$94**, a **~33%** discount to the current price.

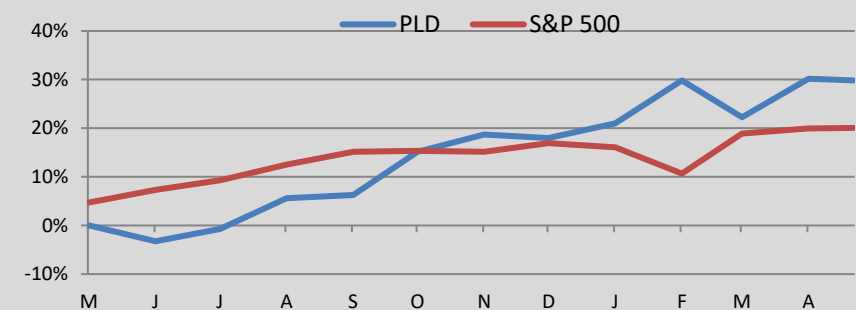
Risks to Thesis

- If new construction permits decline sharply, supply constraints could restore pricing power faster than our model assumes, pushing rents and occupancy back toward 2022 peaks and invalidating our deceleration thesis.
- If a broader credit crunch limits smaller competitors' access to capital, Prologis's investment-grade balance sheet could allow it to acquire distressed assets at attractive yields, accelerating ROIC improvement well ahead of our 2029 inflection forecast.

Earnings Estimates

Year	2023	2024	2025	2026E	2027E	2028E
EPS	\$3.22	\$4.02	\$3.58	\$4.43	\$4.65	\$4.84
KF est. growth	-22.60%	21.90%	11.2%	24.4%	4.97%	4.09%

12 Month Performance



Target Price

\$93.81-126.32

Krause Fund DCF	\$93.81
Krause Fund DDM	\$91.40
Relative Multiple	\$126.32

Price Data

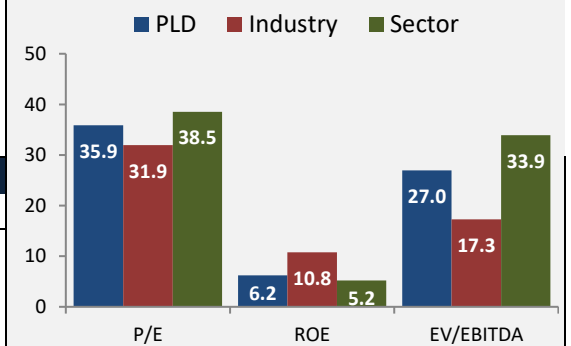
Current Price	\$141.43
52wk Range	\$97.1 – 145.44
Consensus 1yr Target	\$149.21

Key Statistics

Market Cap (B)	\$132.3
Shares Outstanding (M)	932.23
Institutional Ownership	96.72%
Beta	0.90
Dividend Yield	2.72%
Est. 5yr Growth	6.5%
Price/Earnings (TTM)	35.75
Price/Earnings (FY1)	35.88
Price/Sales (TTM)	15.19
Price/Book (mrq)	2.33

Profitability

Operating Margin	38.49%
Profit Margin	39.65%
Return on Assets (TTM)	2.48%
Return on Equity (TTM)	6.84%



Company Description

Prologis is the world's largest industrial real estate investment trust, owning and operating approximately 1.3 billion square feet of warehouse and distribution facilities across 23 countries. The company leases space to over 6,500 customers, including e-commerce retailers, third-party logistics providers, and manufacturers, serving as a critical link in global supply chains.

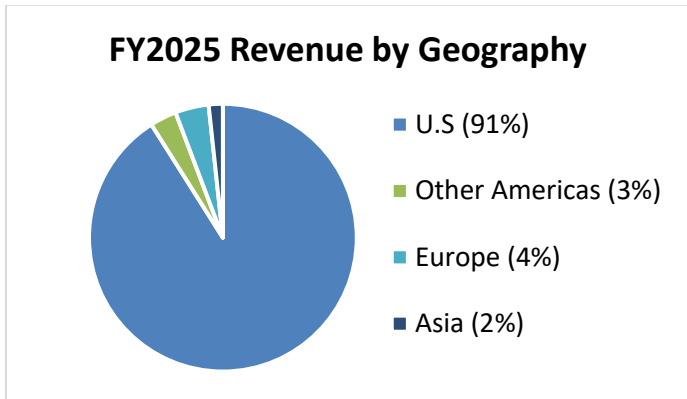


COMPANY DESCRIPTION

Prologis, Inc. (NYSE: PLD) is the world's largest industrial real estate investment trust, specializing in the ownership, operation, and development of modern logistics facilities across high-barrier, high-growth markets globally. The company serves over 6,500 customers across business-to-business and retail/online fulfillment categories, spanning over 5,400 buildings and approximately 1.3 billion square feet across over 20 countries.¹

Prologis generates revenue through two segments: Real Estate and Strategic Capital. The Real Estate segment derives income primarily through leasing logistics and distribution facilities, representing most of the total revenue. Total revenues reached \$8.79 billion for full-year 2025, driven mainly by higher rental revenues. The Strategic Capital segment manages co-investment ventures with large institutional partners, generating recurring asset management fees, transactional fees, and periodically promoting revenue. The U.S. accounts for approximately 91% of Total Revenue.²

Growth is driven by rolling below-market leases to current market rents upon expiration, expanding its development pipeline, and growing assets under management. As of December 31, 2025, Prologis managed approximately \$102 billion in assets under management.¹⁰



Prologis, Inc. (2025)

Real Estate Operations

Prologis generates most of its revenue through the ownership and leasing of industrial logistics facilities, with rental income comprising 92.8% of total 2025 revenue at \$8.16 billion across approximately 1.3 billion square feet globally.¹ Leases are structured on a triple-net or modified gross basis with average

terms of approximately five years, providing relatively predictable near-term cash flows.

However, we believe the market is overestimating the durability of the post-pandemic rent surge. According to CBRE's Q4 2025 U.S. Industrial & Logistics report, the national vacancy rate rose to 6.7% by year-end, with construction completions outpacing absorption for the fourteenth consecutive quarter.³ Critically, over 400 million square feet of new industrial supply added since early 2023 remained vacant as of late 2024,⁴ signaling that the demand needed to absorb post-pandemic construction has not materialized at the pace the market expected. We forecast rental income to grow 3.4% in 2026 to \$8.43 billion, with revenue per occupied square foot growth decelerating from 4.0% in 2026 to 2.5% by 2035, assumptions that are the primary driver of the gap between our \$94 DCF price target and the current market price

Strategic Capital

Prologis's Strategic Capital segment manages co-investment ventures alongside large institutional partners, generating recurring asset management fees, transactional fees, and periodic promote revenue. In 2025, the segment produced \$592 million in revenue, down from \$672 million in 2024², driven largely by the near-complete collapse of promote income from \$139 million in 2024 to just \$2 million in 2025.² Recurring fees remained relatively stable at \$521 million, providing a degree of income durability, and our model forecasts modest revenue growth over the projection period. However, we view the segment's earnings quality as deteriorating. The near-elimination of promote income signals that the high-growth, asset-appreciation environment that made this segment a meaningful earnings contributor has largely faded. Looking forward, promoted revenue recovery depends on fund asset appreciation, which faces direct headwinds from cap rate expansion in a higher-for-longer rate environment, making consensus estimates that embed a meaningful promote recovery increasingly difficult to justify.

ROIC & Value Creation Analysis

Prologis operates as a high-margin, low-turnover business, which is characteristic of large-scale industrial REITs. Our model shows a NOPAT margin of approximately 38.0% in 2025, reflecting the company's ability to generate strong operating income from its leasing base. However, capital turnover remains low at approximately 0.105x, a direct consequence of the enormous invested capital base required to own and operate 1.3 billion square feet of logistics real estate globally. The interaction of these two drivers produces a ROIC that has consistently fallen short of our estimated WACC of 7.24% across



every historical year in our model, ranging from 2.67% in 2017 to 5.09% in 2025. This persistent ROIC-WACC spread means that despite growing revenues and expanding margins, Prologis has been destroying economic value rather than creating it, a dynamic confirmed by negative economic profit in every historical year we modeled.

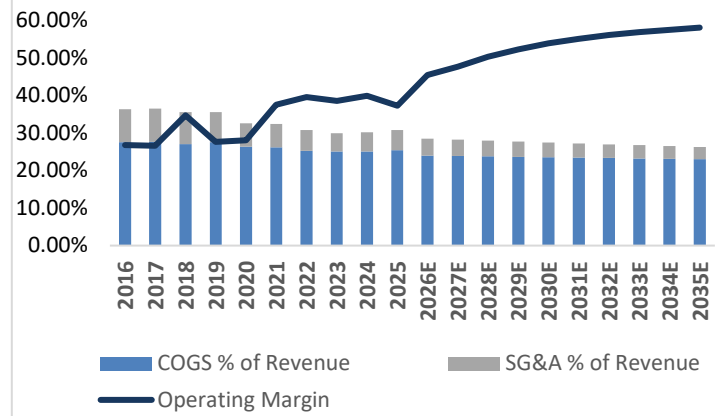
Looking forward, our forecast projects a gradual ROIC improvement driven primarily by margin expansion as revenue per occupied square foot grows and operating leverage improves. However, ROIC does not reach our WACC of 7.24% until 2029E, meaning the company is not forecast to begin creating economic value on a sustained basis for another four years. This delayed inflection point is central to our valuation gap. A market price of ~\$141 implies the market is either assuming a faster ROIC recovery than our model supports, a lower cost of capital, or both. Our \$94 DCF price target reflects a more conservative but defensible view of when and how much value Prologis can realistically generate

Cost Structure Analysis

Prologis operates with a cost structure dominated by largely fixed expenses, which creates meaningful operating leverage as revenue scales. Depreciation and amortization is the largest expense category, representing approximately 29.9% of revenue in 2025, and is forecasted at a stable 3.0% of prior year investment property through 2035, reflecting the predictable nature of asset depreciation across a largely static property base. Cost of goods sold excluding depreciation and amortization, which captures property operating expenses such as maintenance and utilities, represented 25.4% of revenue in 2025 and is forecasted to decline gradually to 23.0% by 2035, an improvement of approximately 240 basis points driven by modest pricing power on lease renewals and operational efficiency gains across the portfolio. Selling, general and administrative expenses represented 5.3% of revenue in 2025 and are forecasted to decline to 3.25% by 2035, an improvement of approximately 205 basis points, reflecting operating leverage as fixed overhead costs are spread across a growing revenue base. Together, these two drivers are expected to expand our operating margin from 37.3% in 2025 to approximately 58.1% by 2035.

However, we note that this margin expansion is heavily dependent on continued revenue growth materializing as forecasted. Both depreciation and SG&A are predominantly fixed in nature, meaning that if revenue growth lessens due to rising vacancy or softening rent growth, as our thesis anticipates, operating leverage works in reverse and margin expansion stalls. This is consistent with our broader bear case, as the market appears to be pricing in a margin expansion trajectory more optimistic than our model supports.

Cost Structure & Operating Margin Analysis, 2016–2035E



Invested Capital Analysis

Prologis is an overwhelmingly fixed capital-intensive business, with total invested capital of \$83,910 million in 2025 composed almost entirely of fixed capital at \$82,635 million, or 98.5% of the total. Within fixed capital, investment property dominates at \$80,400 million, or 97.3% of fixed capital, reflecting the core nature of the business as a large-scale owner of industrial logistics real estate. Working capital represents just 1.5% of total invested capital at \$1,276 million, and intangible capital is negligible at \$588 million or 0.7%. This structure has a direct implication for scalability, as growth requires continuous and substantial property investment, meaning Prologis cannot scale efficiently without deploying significant additional capital unlike asset-light businesses where revenue growth requires minimal incremental investment.

Working capital has been a modest but growing source of funds for the firm. Deferred income grew from \$330 million in 2022 to \$500 million in 2025, acting as a form of interest-free financing from tenants that partially offsets operating capital needs, though it remains immaterial relative to the scale of fixed capital requirements.

Capital turnover tells the most important story for our thesis. Historically, Prologis required approximately \$9.51 of invested capital for every \$1 of new revenue generated between 2016 and 2025, driven by aggressive property acquisitions. Capital turnover compressed to 0.078x in 2022 as the Duke Realty acquisition expanded the invested capital base faster than revenue could catch up, before recovering to 0.105x by 2025.¹¹ Looking forward, total invested capital declines modestly from \$82,691 million in 2026E to \$77,786 million by 2035E while revenue grows from \$9,370 million to \$14,751 million, producing a forecasted capital turnover of 0.190x and implying \$5,381 million of incremental revenue on a shrinking capital base. If vacancy continues to rise and rent growth softens as our



thesis anticipates, capital efficiency stalls, invested capital turnover remains depressed, and the ROIC recovery we forecast does not arrive on schedule, further supporting our view that the current market price overstates Prologis's intrinsic value.

MARKETS AND COMPETITION

The industrial logistics real estate market is in a cyclical soft patch following an unprecedented post-pandemic boom, and understanding this transition is central to our do not buy thesis. The industry is in a late-growth to early-maturity stage, characterized by moderating demand, rising vacancy, and slowing rent growth. National industrial vacancy reached 7.5%⁸ in the third quarter of 2025, rising for the twelfth consecutive quarter, with year-over-year rent growth slowing to 1.3%, the lowest level since 2012.⁸ Net effective market rents are projected to decline approximately 5% in 2025, with a return to inflationary rent growth not anticipated until 2027.⁵ These dynamics directly pressure Prologis's revenue per occupied square foot assumptions and support our conservative forecast relative to consensus.

Competition is driven primarily by location, scale, and asset quality rather than price, which structurally favors Prologis as the dominant global operator. Barriers to entry are high, as land scarcity, zoning restrictions, and capital intensity limit meaningful new competition. Prologis's primary competitors include EastGroup Properties, Rexford Industrial Realty, STAG Industrial, and First Industrial Realty Trust, though none operate at comparable global scale, each pursuing narrower strategies that trade diversification for market-specific depth. Bargaining power has shifted toward tenants as vacancy has risen, with cap rates expanding approximately 150 basis points from their 2021 lows to nearly 6%.¹² Average asking rents reached \$10.34 per square foot in 2025, growing just 0.8% year-over-year, a sharp deceleration from the double-digit rent growth seen during the post-pandemic surge, consistent with our forecast that revenue per occupied square foot growth decelerates from 4.0% in 2026 to 2.5% by 2035.⁶

Looking forward, long-term structural demand drivers including e-commerce penetration, supply chain reshoring, and replacement of functionally obsolete facilities support sustained occupier demand. Sharply declining new construction is reducing supply risks and setting the stage for healthier rent growth, though vacancy near decade highs is likely to temper landlord pricing power in the near term.⁹ Prologis's scale and high-barrier market concentration provide a genuine competitive advantage, but not sufficient to justify a market

price that embeds a growth and margin trajectory our analysis does not support.

Peer Comparisons

Despite commanding a significant valuation premium over its peers, Prologis does not generate superior financial returns to justify that premium, a disconnect that is central to our do not buy thesis. Across ROIC, operating margin, capital turnover, and occupancy, Prologis performs at or below the peer group average in 2025, while its P/FFO multiple of 24.7x sits well above the peer average of 18.9x excluding Americold. The market is paying a premium for scale and global platform, but the underlying financial performance does not justify that premium relative to peers.

On ROIC, First Industrial leads the peer group at 5.34% in 2025, followed by EastGroup at 5.27%, STAG at 4.15%, and Prologis at just 3.80%, below both its smaller domestic peers and well below its own WACC of 7.24%. This is particularly striking because Prologis commands the largest global portfolio, the deepest institutional relationships, and the most diversified tenant base, advantages that should theoretically translate into superior returns. Instead, the sheer scale of Prologis's invested capital base, driven by years of aggressive acquisitions including the \$23 billion Duke Realty transaction in 2022,¹¹ has diluted capital turnover to 0.102x, the second lowest in the peer group behind only Rexford at 0.048x. EastGroup generates 0.132x capital turnover through a disciplined Sun Belt focused strategy that avoids the capital intensity of global platform building, while First Industrial generates superior ROIC through a leaner cost structure and higher operating margins of 42.3% versus Prologis's 37.3%.

The occupancy comparison adds further context. STAG leads the peer group at 97.2% in 2025, with EastGroup close behind at 96.5%, while Prologis has seen occupancy decline to 95.4% from a peak of 98.3% in 2022. Each percentage point of occupancy decline across 1.3 billion square feet represents a meaningful drag on rental income and reflects the broader vacancy headwind hitting Prologis's large-format bulk distribution assets harder than peers with greater exposure to smaller bay, last-mile facilities.

The pricing power argument for Prologis is partially valid but increasingly difficult to sustain. Genuine switching costs and concentration in supply-constrained infill markets provide some structural rent support, but these advantages are not producing superior margins or returns relative to peers today. Our forecast assumes they will not be sufficient to reverse the ROIC deficit relative to WACC until 2029E, while First Industrial and EastGroup continue generating higher ROIC with less capital and less complexity.



The valuation premium Prologis commands at 21.7x P/FFO versus the peer average of 18.9x implies the market expects a meaningful acceleration in financial performance our analysis does not support. Our \$94 DCF, \$91.40 DDM, and \$126.32 relative multiple all converge well below the current price of ~\$141, and the peer comparison confirms that the premium being paid for Prologis's scale is not currently being earned through superior returns.

RECENT DEVELOPMENTS

Recent Earnings Announcement

Prologis reported Q1 2026 results² that modestly exceeded expectations, with core FFO of \$1.50 per share vs. \$1.49 consensus and revenue of approximately \$2.30B vs. \$2.12B expected.² The outperformance was driven by strong leasing spreads and rental rate growth, which offset slower development activity as demand normalizes.²

Management raised full-year Core FFO guidance to \$6.07–\$6.23, with occupancy expected around 95–95.75% and same-store NOI growth of 6.25–7.0%.² While guidance reflects continued strength, our forecasts are more conservative, as we assume further deceleration in rental growth and a slower pace of development given elevated interest rates.

Interest Rates and Cap Rate Pressure

A key development impacting Prologis is the normalization of supply growth in the logistics real estate market. Following a period of elevated development driven by strong e-commerce demand, new construction has slowed as higher interest rates and increased construction costs have reduced the feasibility of new projects. At the same time, demand has moderated from post-pandemic highs, contributing to a more balanced supply-demand environment.

While this may limit near-term growth from development, reduced supply is expected to support occupancy and rental rate growth over time, particularly in core logistics markets. We incorporate this dynamic into our forecasts by assuming a slower pace of development activity and greater reliance on same store rent growth, resulting in a more moderate long-term growth profile.

RISKS

We highlight the key risks to our bearish thesis below. If these factors materialize, Prologis could exceed our expectations and result in upside to our valuation.

Sources of upside risk include the following:

- Stronger-than-expected demand: Continued e-commerce growth and supply chain reconfiguration could sustain higher occupancy and rental rate growth than assumed, particularly in core logistics markets where supply remains constrained.⁴
- Declining interest rates: A lower interest rate environment would reduce Prologis' cost of capital and compress cap rates, increasing property valuations and NAV.⁴
- Competitive advantages from scale: Prologis' global platform, high-quality asset base, and strong balance sheet may allow it to outperform smaller peers, particularly in periods of constrained financing, enabling it to capture incremental market share and investment opportunities.
- Development upside: Stabilization or decline in construction costs, combined with stronger-than-expected demand, could lead to increased development activity and higher returns on new projects, resulting in growth exceeding our current assumptions.⁷

DEBT MATURITY ANALYSIS

The primary financial risk for Prologis is its ability to service \$34.5 billion in total debt when obligations come due. As shown in the maturity schedule below, near-term maturities are manageable, ranging from \$1.2 billion in 2026 to \$3.4 billion in 2029, with the bulk of debt (\$25.2 billion) pushed well beyond the five-year horizon. Prologis maintains a weighted average remaining maturity of 8.2 years, a weighted average interest rate of 3.3%, and only 3.8% of total debt at floating rates, providing meaningful insulation against near-term interest rate volatility.¹ Credit ratings of A from Standard and Poor's and A2 from Moody's, both with stable outlooks, confirm continued access to capital markets at favorable terms.¹

With approximately \$7.6 billion in total available liquidity and a Debt/Adjusted EBITDA ratio of 5.3x,¹ Prologis has sufficient coverage to service upcoming maturities from existing liquidity without requiring immediate capital market access. Management has demonstrated a consistent preference for pushing maturities through staggered debt issuance, reducing concentration risk across any single year, and we do not expect meaningful refinancing pressure in the near term.



Refinancing risk is more meaningful over a longer horizon. The current weighted average rate of 3.3% is well below current market rates, and as debt matures, it will be refinanced at higher costs. As recently as the first quarter of 2026, Prologis closed \$5.5 billion of new debt at a weighted average interest rate of 3.7%,¹ confirming new issuances are coming at rates above the existing portfolio average. This gradual increase in the cost of debt compounds the operational headwinds already embedded in our bear case. That said, Prologis's strong balance sheet and liquidity position also present an upside risk to our thesis, as tighter credit markets could allow Prologis to acquire distressed assets at attractive yields, accelerating ROIC improvement ahead of our 2029E forecast.

Five-Year Debt Maturity Schedule

Fiscal Year	Coupon (%)	Payment (\$mil)
2026	2.9%	\$1,177
2027	2.2%	\$2,034
2028	3.2%	\$2,628
2029	2.7%	3,430
2030	-	-
Thereafter	3.4%	25,225
Total		\$34,494

Prologis, Inc. (2026). Form 10-K. U.S. Securities and Exchange Commission.

VALUATION

Our valuation of Prologis Inc. is driven by a key tension between a high-quality industrial platform and market expectations that assume continued strong rent growth and margin expansion. We believe the current price reflects a more optimistic outlook than what the underlying fundamentals support, especially as industrial real estate conditions begin to normalize.⁴

• **Revenue Growth and Profitability Assumptions:** We project revenue growth from \$9.37B in 2025 to \$14.75B by 2035, driven by both rent growth and occupied square footage. Revenue per occupied square foot growth declines from about 4.0% to 2.5%, while occupancy-related growth slows from 2.5% to 1.5%. This reflects normalization after the pandemic-driven surge, as industrial vacancy has increased and rents declined in 2025.⁵ On the profitability side, we assume modest operating leverage. COGS declines from 25.4% to 23.0% of revenue and SG&A decreases from 5.3% to 3.25%. This leads to gradual margin expansion, but it depends heavily on revenue growth occurring. If demand weakens, fixed costs would become a larger burden and margins would compress. Because of this, revenue growth is the most important driver in our valuation.

• **Capital Intensity, Capital Structure, and Payout**

Policy: Prologis operates a very capital-intensive business, with investment property making up about 97% of total invested capital. We model CapEx at about 1.0% of investment property,

which is in line with historical levels, and we expect invested capital to decline slightly over time as development slows. This helps improve ROIC gradually, although returns remain somewhat limited in the near term. We assume a stable capital structure, with debt increasing slightly from about 32.5% to 35.0% of assets. Dividend growth follows earnings, increasing from \$4.38 to \$9.02 per share. This results in payout ratios above 100%, which is typical for REITs but also means the company relies on external capital markets. That becomes a risk if credit conditions tighten.

• **Valuation Results and Key Risks:** Our valuation models all point to downside, although at different levels. The DCF implies a value of about \$94, the DDM suggests around \$91, and relative valuation comes in higher at about \$126. We place more weight on the DCF and EP framework because relative valuation depends on peer multiples that we believe are also elevated. The model is most sensitive to WACC, terminal growth, and ROIC assumptions. For example, changing WACC from about 5.2% to 8.2% results in a valuation range from about \$167 to \$67. Key risks include weaker leasing demand, slower rent growth, and higher interest rates, all of which would negatively impact valuation.

Our DCF valuation of about \$94 implies roughly 33% downside compared to the current price of about \$142. The main difference comes from our ROIC assumptions. We do not expect Prologis to consistently earn returns above its cost of capital until later in the forecast period. We have priced in a normalization of industrial real estate fundamentals along with moderate margin improvement. However, we cannot fully capture potential upside from newer areas like data centers and energy infrastructure. If those segments grow faster than expected, they could improve returns and represent the biggest upside risk to our thesis.

KEYS TO MONITOR

Our investment view on Prologis Inc. reflects downside risk as industrial real estate fundamentals normalize,⁴ but several factors could shift this outlook. The following highlights the key upside drivers, downside risks, and indicators that would cause us to revisit our thesis.

• Stronger-than-expected rent growth is the primary upside catalyst. If revenue per occupied square foot growth remains above 5% rather than declining toward our 2–3% assumption, this would drive higher NOI and valuation. A decline in interest rates would also support upside by lowering the cost of capital and increasing valuation multiples.

• On the downside, further deterioration in leasing fundamentals would reinforce our thesis. If vacancy continues to rise and rent growth weakens, revenue and margins would fall



below expectations. Higher-for-longer interest rates would also pressure valuation and limit access to external capital.

- The most important indicators to monitor are rent growth, vacancy rates, and ROIC relative to WACC. Rent growth below 2% or vacancy above 7–8% would signal continued weakness, while sustained ROIC above WACC would indicate value creation and challenge our view.

Our ~\$94 target price implies meaningful downside. We would reconsider our rating if operating performance materially exceeds our assumptions or if the stock price declines to a level that better reflects normalized growth.

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DISCLAIMER

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Prologis Inc.
Income Statement

Fiscal Years Ending Dec. 31	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026E	2027E	2028E	2029E	2030E	2031E	2032E	2033E	2034E	2035E
Sales	\$ 2,533	\$ 2,618	\$ 2,804	\$ 3,331	\$ 4,439	\$ 4,759	\$ 5,974	\$ 8,023	\$ 8,202	\$ 8,790	\$ 9,370	\$ 9,962	\$ 10,562	\$ 11,169	\$ 11,778	\$ 12,388	\$ 12,993	\$ 13,592	\$ 14,179	\$ 14,751
Rental Income	\$ 2,220	\$ 2,225	\$ 2,389	\$ 2,832	\$ 3,791	\$ 4,148	\$ 4,913	\$ 6,819	\$ 7,515	\$ 8,159	\$ 8,433	\$ 8,966	\$ 9,506	\$ 10,052	\$ 10,601	\$ 11,149	\$ 11,694	\$ 12,232	\$ 12,761	\$ 13,276
Sundry Revenue/Income	\$ 313	\$ 393	\$ 416	\$ 499	\$ 648	\$ 611	\$ 1,061	\$ 1,205	\$ 687	\$ 631	\$ 937	\$ 996	\$ 1,056	\$ 1,117	\$ 1,178	\$ 1,239	\$ 1,299	\$ 1,359	\$ 1,418	\$ 1,475
Total Expense	\$ 1,855	\$ 1,921	\$ 1,832	\$ 2,412	\$ 3,189	\$ 2,973	\$ 3,607	\$ 4,923	\$ 4,929	\$ 5,514	\$ 5,106	\$ 5,215	\$ 5,251	\$ 5,327	\$ 5,432	\$ 5,559	\$ 5,703	\$ 5,858	\$ 6,019	\$ 6,183
Selling, General & Admin. Expenses	\$ (222)	\$ (231)	\$ (239)	\$ (267)	\$ (275)	\$ (293)	\$ (331)	\$ (390)	\$ (419)	\$ (469)	\$ (422)	\$ (434)	\$ (446)	\$ (456)	\$ (465)	\$ (471)	\$ (476)	\$ (479)	\$ (481)	\$ (479)
Depreciation & Amortization Expense	\$ (931)	\$ (879)	\$ (947)	\$ (1,140)	\$ (1,562)	\$ (1,578)	\$ (1,813)	\$ (2,485)	\$ (2,581)	\$ (2,626)	\$ (2,412)	\$ (2,375)	\$ (2,268)	\$ (2,199)	\$ (2,163)	\$ (2,152)	\$ (2,162)	\$ (2,188)	\$ (2,227)	\$ (2,274)
Cost of Goods Sold excluding D&A	\$ (697)	\$ (725)	\$ (758)	\$ (919)	\$ (1,170)	\$ (1,248)	\$ (1,509)	\$ (2,010)	\$ (2,057)	\$ (2,235)	\$ (2,249)	\$ (2,380)	\$ (2,512)	\$ (2,643)	\$ (2,774)	\$ (2,904)	\$ (3,032)	\$ (3,156)	\$ (3,277)	\$ (3,393)
Other Operating Expense	\$ (5)	\$ (86)	\$ 112	\$ (87)	\$ (182)	\$ 147	\$ 46	\$ (37)	\$ 128	\$ (184)	\$ (23)	\$ (25)	\$ (26)	\$ (28)	\$ (29)	\$ (31)	\$ (32)	\$ (34)	\$ (35)	\$ (37)
Operating Income	\$ 678	\$ 697	\$ 972	\$ 918	\$ 1,249	\$ 1,787	\$ 2,367	\$ 3,101	\$ 3,273	\$ 3,276	\$ 4,264	\$ 4,747	\$ 5,311	\$ 5,842	\$ 6,347	\$ 6,829	\$ 7,290	\$ 7,733	\$ 8,159	\$ 8,568
Nonoperating Income	\$ 956	\$ 1,456	\$ 1,158	\$ 1,114	\$ 1,001	\$ 1,990	\$ 1,653	\$ 1,002	\$ 1,706	\$ 1,499	\$ 1,481	\$ 1,534	\$ 1,487	\$ 1,465	\$ 1,459	\$ 1,468	\$ 1,487	\$ 1,514	\$ 1,548	\$ 1,585
Total Interest Expense	\$ 248	\$ 269	\$ 242	\$ 240	\$ 315	\$ 266	\$ 309	\$ 641	\$ 864	\$ 1,002	\$ 826	\$ 821	\$ 825	\$ 838	\$ 859	\$ 886	\$ 920	\$ 958	\$ 999	\$ 1,006
Miscellaneous Nonoperating Expense	\$ 750	\$ 1,207	\$ 860	\$ 914	\$ 703	\$ 1,585	\$ 1,342	\$ 694	\$ 1,352	\$ 1,096	\$ 1,728	\$ 1,750	\$ 1,679	\$ 1,627	\$ 1,595	\$ 1,577	\$ 1,570	\$ 1,570	\$ 1,576	\$ 1,585
Equity in Affiliates (Pretax)	\$ 206	\$ 249	\$ 298	\$ 200	\$ 297	\$ 404	\$ 311	\$ 307	\$ 354	\$ 403	\$ 600	\$ 633	\$ 667	\$ 700	\$ 733	\$ 765	\$ 797	\$ 828	\$ 857	\$ 885
Unusual Expense - Net	\$ (139)	\$ 7	\$ 3	\$ 16	\$ 188	\$ 187	\$ 20	\$ (3)	\$ (1)	\$ 3	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Investment Property	\$ 136	\$ 61	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Exclpl Chrgs - Others	\$ (2)	\$ 68	\$ 3	\$ 16	\$ 188	\$ 187	\$ 20	\$ (3)	\$ (1)	\$ 3	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restructuring of Debt	\$ (2)	\$ 68	\$ 3	\$ 16	\$ 188	\$ 187	\$ 20	\$ (3)	\$ (1)	\$ 3	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Pretax Income	\$ 1,347	\$ 1,816	\$ 1,886	\$ 1,776	\$ 1,747	\$ 3,323	\$ 3,691	\$ 3,464	\$ 4,115	\$ 3,769	\$ 4,920	\$ 5,450	\$ 5,973	\$ 6,469	\$ 6,948	\$ 7,410	\$ 7,857	\$ 8,290	\$ 8,708	\$ 9,147
Income Taxes	\$ 55	\$ 55	\$ 63	\$ 75	\$ 130	\$ 174	\$ 135	\$ 211	\$ 167	\$ 204	\$ 229	\$ 254	\$ 278	\$ 301	\$ 324	\$ 345	\$ 366	\$ 386	\$ 406	\$ 426
Consolidated Net Income	\$ 1,293	\$ 1,761	\$ 1,823	\$ 1,702	\$ 1,617	\$ 3,149	\$ 3,555	\$ 3,253	\$ 3,948	\$ 3,565	\$ 4,690	\$ 5,196	\$ 5,694	\$ 6,168	\$ 6,624	\$ 7,065	\$ 7,491	\$ 7,904	\$ 8,302	\$ 8,721
Minority Interest	\$ 83	\$ 109	\$ 174	\$ 129	\$ 135	\$ 209	\$ 191	\$ 194	\$ 216	\$ 237	\$ 311	\$ 306	\$ 285	\$ 268	\$ 254	\$ 243	\$ 234	\$ 226	\$ 219	\$ 211
Net Income	\$ 1,210	\$ 1,652	\$ 1,649	\$ 1,573	\$ 1,482	\$ 2,940	\$ 3,365	\$ 3,059	\$ 3,732	\$ 3,328	\$ 4,379	\$ 4,890	\$ 5,409	\$ 5,900	\$ 6,369	\$ 6,821	\$ 7,257	\$ 7,678	\$ 8,084	\$ 8,510
Preferred Dividends	\$ 7	\$ 10	\$ 6	\$ 6	\$ 9	\$ 6	\$ 6	\$ 6	\$ 6	\$ 6	\$ 6	\$ 6	\$ 6	\$ 6	\$ 6	\$ 6	\$ 6	\$ 6	\$ 6	\$ 6
Net Income available to Common	\$ 1,203	\$ 1,642	\$ 1,643	\$ 1,567	\$ 1,473	\$ 2,934	\$ 3,359	\$ 3,053	\$ 3,726	\$ 3,322	\$ 4,373	\$ 4,884	\$ 5,403	\$ 5,894	\$ 6,363	\$ 6,815	\$ 7,251	\$ 7,672	\$ 8,078	\$ 8,504
Per Share																				
EPS (basic)	\$ 2.23	\$ 3.02	\$ 2.80	\$ 2.41	\$ 1.97	\$ 3.86	\$ 4.15	\$ 3.22	\$ 4.02	\$ 3.58	\$ 4.43	\$ 4.65	\$ 4.84	\$ 4.96	\$ 5.03	\$ 5.06	\$ 5.06	\$ 5.04	\$ 4.98	\$ 4.93
Basic Shares Outstanding	540	545	587	649	749	760	809	948	926	928	988	1051	1118	1190	1266	1347	1433	1525	1622	1726
Total Shares Outstanding	543	547	649	650	760	761	946	948	926	929	990	1055	1125	1199	1277	1361	1451	1546	1648	1756
EPS (diluted)	\$ 2.21	\$ 2.99	\$ 2.78	\$ 2.40	\$ 1.95	\$ 3.84	\$ 4.13	\$ 3.21	\$ 4.01	\$ 3.56	\$ 4.44	\$ 4.82	\$ 5.17	\$ 5.48	\$ 5.74	\$ 5.97	\$ 6.17	\$ 6.33	\$ 6.48	\$ 6.52
Diluted Shares Outstanding	561	567	610	673	775	786	935	975	954	957	986	1015	1046	1077	1109	1143	1177	1212	1248	1286
Total Shares Outstanding	543	547	649	650	760	761	946	948	926	929	938	948	959	970	982	994	1008	1022	1036	1052
Dividends per Share	\$ 1.68	\$ 1.76	\$ 1.92	\$ 2.12	\$ 2.32	\$ 2.52	\$ 3.16	\$ 3.48	\$ 3.84	\$ 4.04	\$ 4.38	\$ 4.74	\$ 5.14	\$ 5.57	\$ 6.04	\$ 6.54	\$ 7.09	\$ 7.68	\$ 8.33	\$ 9.02
Payout Ratio	75.97%	58.96%	69.13%	88.46%	118.72%	65.66%	76.44%	108.38%	95.86%	113.66%	98.52%	98.48%	99.38%	101.70%	105.15%	109.59%	114.98%	121.30%	128.60%	136.36%
EBITDA	\$ 1,609	\$ 1,576	\$ 1,919	\$ 2,058	\$ 2,811	\$ 3,365	\$ 4,180	\$ 5,586	\$ 5,853	\$ 5,902	\$ 6,676	\$ 7,123	\$ 7,579	\$ 8,042	\$ 8,510	\$ 8,981	\$ 9,453	\$ 9,922	\$ 10,386	\$ 10,842
EBIT	\$ 678	\$ 697	\$ 972	\$ 918	\$ 1,249	\$ 1,787	\$ 2,367	\$ 3,101	\$ 3,273	\$ 3,276	\$ 4,264	\$ 4,747	\$ 5,311	\$ 5,842	\$ 6,347	\$ 6,829	\$ 7,290	\$ 7,733	\$ 8,159	\$ 8,568
Depreciation & Amortization Expense	\$ 931	\$ 879	\$ 947	\$ 1,140	\$ 1,562	\$ 1,578	\$ 1,813	\$ 2,485	\$ 2,581	\$ 2,626	\$ 2,412	\$ 2,375	\$ 2,268	\$ 2,199	\$ 2,163	\$ 2,152	\$ 2,162	\$ 2,188	\$ 2,227	\$ 2,274

All figures in millions of U.S. Dollar except per share items.

Tax Rate (Income Taxes/Pretax Income)	0.0405047	0.0300782	0.0335738	0.0419492	0.07467168	0.052442363	0.036688965	0.060919992	0.040570583	0.054125735	0.465525216	4.66%								
Dividend Growth Rate	4.76%	9.09%	10.42%	9.43%	8.62%	25.40%	10.13%	10.34%	5.21%	5.00%	Average									
Diluted Shares Outstanding Growth Rate	1.06%	7.54%	10.47%	15.10%	1.36%	6.25%	16.81%	-2.21%	0.34%	6.30%	Average									

NOPLAT	\$ 646.40	\$ 664.71	\$ 926.84	\$ 875.49	\$ 1,191.17	\$ 1,703.64	\$ 2,256.83	\$ 2,956.36	\$ 3,120.42	\$ 3,123.78	\$ 4,065.80	\$ 4,526.39	\$ 5,063.70	\$ 5,570.37	\$ 6,051.46	\$ 6,510.73	\$ 6,950.83	\$ 7,373.48	\$ 7,779.62	\$ 8,169.57
ROE	8%	11%	7%	7%	5%	9%	6%	6%	7%	6%	8%	9%	9%	10%	11%	11%	11%	11%	12%	12%

Prologis Inc.
Balance Sheet

Fiscal Years Ending Dec. 31	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026E	2027E	2028E	2029E	2030E	2031E	2032E	2033E	2034E	2035E
Assets																				
Cash & Short-Term Investments	\$ 807	\$ 447	\$ 344	\$ 1,089	\$ 598	\$ 556	\$ 278	\$ 530	\$ 1,319	\$ 1,146	\$ 937.03	\$ 996.19	\$ 1,056.24	\$ 1,116.89	\$ 1,177.85	\$ 1,238.77	\$ 1,299.33	\$ 1,359.15	\$ 1,417.88	\$ 1,475.13
Cash Only	\$ 807	\$ 447	\$ 344	\$ 1,089	\$ 598	\$ 556	\$ 278	\$ 530	\$ 1,319	\$ 1,146	\$ 937.03	\$ 996.19	\$ 1,056.24	\$ 1,116.89	\$ 1,177.85	\$ 1,238.77	\$ 1,299.33	\$ 1,359.15	\$ 1,417.88	\$ 1,475.13
Cash Equivalents																				
Short-Term Receivables	\$ 241	\$ 205	\$ 240	\$ 242	\$ 380	\$ 593	\$ 638	\$ 554	\$ 624	\$ 838	\$ 937.03	\$ 996.19	\$ 1,056.24	\$ 1,116.89	\$ 1,177.85	\$ 1,238.77	\$ 1,299.33	\$ 1,359.15	\$ 1,417.88	\$ 1,475.13
Investments	\$ 23,440	\$ 21,833	\$ 29,953	\$ 29,800	\$ 43,847	\$ 45,428	\$ 72,815	\$ 77,822	\$ 78,625	\$ 80,481	\$ 79,272.53	\$ 75,685.50	\$ 73,415.25	\$ 72,212.43	\$ 71,867.56	\$ 72,204.43	\$ 73,074.61	\$ 74,352.83	\$ 75,933.02	\$ 73,903.88
Net Loans	\$ 32	\$ 34																		
Investment Property	\$ 23,361	\$ 21,779	\$ 29,930	\$ 29,787	\$ 43,845	\$ 45,337	\$ 72,587	\$ 77,735	\$ 78,488	\$ 80,400	\$ 79,178.83	\$ 75,585.88	\$ 73,309.62	\$ 72,100.75	\$ 71,749.78	\$ 72,080.55	\$ 72,944.68	\$ 74,216.92	\$ 75,791.24	\$ 73,756.37
Other Investments	\$ 47	\$ 19	\$ 23	\$ 13	\$ 2	\$ 91	\$ 227	\$ 87	\$ 137	\$ 81	\$ 93.70	\$ 99.62	\$ 105.62	\$ 111.69	\$ 117.78	\$ 123.88	\$ 129.93	\$ 135.92	\$ 141.79	\$ 147.51
Investment in Unconsolidated Subs.	\$ 4,230	\$ 5,496	\$ 5,745	\$ 6,237	\$ 7,602	\$ 8,611	\$ 9,699	\$ 9,544	\$ 10,079	\$ 11,094	\$ 14,992.44	\$ 15,828.35	\$ 16,665.11	\$ 17,498.01	\$ 18,322.07	\$ 19,132.17	\$ 19,933.05	\$ 20,689.36	\$ 21,425.75	\$ 22,126.91
Net Property, Plant & Equipment	\$ 103	\$ 110	\$ 112	\$ 107	\$ 118	\$ 118	\$ 120	\$ 208	\$ 212	\$ 222	\$ 281.11	\$ 287.79	\$ 293.40	\$ 297.84	\$ 301.01	\$ 302.81	\$ 303.18	\$ 302.03	\$ 299.33	\$ 295.03
Deferred Tax Assets	\$ 14	\$ 14	\$ 9	\$ 5	\$ 6	\$ 9	\$ 6	\$ 1	\$ 3	\$ 8	\$ 9.87	\$ 10.16	\$ 9.91	\$ 9.76	\$ 9.73	\$ 9.79	\$ 9.91	\$ 10.09	\$ 10.32	\$ 10.57
Other Assets	\$ 1,414	\$ 1,377	\$ 2,015	\$ 2,065	\$ 3,022	\$ 2,712	\$ 3,607	\$ 2,666	\$ 3,758	\$ 4,264	\$ 4,195.78	\$ 4,318.55	\$ 4,212.20	\$ 4,149.89	\$ 4,135.11	\$ 4,158.88	\$ 4,212.95	\$ 4,290.31	\$ 4,384.99	\$ 4,491.90
Tangible Other Assets	\$ 1,146	\$ 1,175	\$ 1,564	\$ 1,751	\$ 2,295	\$ 2,159	\$ 2,424	\$ 1,656	\$ 2,993	\$ 3,676	\$ 3,455.35	\$ 3,556.46	\$ 3,468.87	\$ 3,417.55	\$ 3,405.39	\$ 3,424.96	\$ 3,469.49	\$ 3,533.20	\$ 3,611.16	\$ 3,699.21
Intangible Assets	\$ 268	\$ 202	\$ 451	\$ 314	\$ 727	\$ 553	\$ 1,183	\$ 1,011	\$ 765	\$ 588	\$ 740.43	\$ 762.10	\$ 743.33	\$ 732.33	\$ 729.73	\$ 733.92	\$ 743.46	\$ 757.11	\$ 773.82	\$ 792.69
Other Minor Assets	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 672	\$ 987.24	\$ 987.90	\$ 936.04	\$ 895.07	\$ 864.86	\$ 842.65	\$ 826.07	\$ 813.20	\$ 802.48	\$ 792.69
Total Assets	\$ 30,250	\$ 29,481	\$ 38,418	\$ 40,032	\$ 56,065	\$ 58,486	\$ 87,897	\$ 93,021	\$ 95,329	\$ 98,724	\$ 101,613.03	\$ 99,110.63	\$ 97,644.39	\$ 97,296.79	\$ 97,856.04	\$ 99,128.27	\$ 100,948.43	\$ 103,176.14	\$ 105,691.65	\$ 104,571.23
Liabilities & Shareholders' Equity																				
Liabilities																				
Total Debt	\$ 10,640	\$ 9,437	\$ 11,166	\$ 12,436	\$ 17,534	\$ 18,362	\$ 26,888	\$ 31,805	\$ 33,273	\$ 35,037	\$ 33,024.23	\$ 32,486.26	\$ 32,276.90	\$ 32,432.26	\$ 32,890.50	\$ 33,593.47	\$ 34,490.71	\$ 35,338.45	\$ 36,698.49	\$ 36,599.93
ST Debt & Curr. Portion LT Debt	\$ 622	\$ 169	\$ -	\$ 536	\$ 376	\$ 986	\$ 33	\$ 531	\$ 514	\$ 1,983	\$ 990.73	\$ 1,010.68	\$ 1,040.03	\$ 1,081.08	\$ 1,132.90	\$ 1,194.43	\$ 1,264.66	\$ 1,342.56	\$ 1,427.16	\$ 1,464.00
Short-term debt																				
Long-Term Debt	\$ 10,018	\$ 9,269	\$ 11,166	\$ 11,900	\$ 17,158	\$ 17,377	\$ 26,855	\$ 31,274	\$ 32,759	\$ 35,037	\$ 32,033.51	\$ 31,475.58	\$ 31,236.86	\$ 31,351.19	\$ 31,757.61	\$ 32,399.04	\$ 33,226.05	\$ 34,195.88	\$ 35,271.33	\$ 35,133.93
Long-Term Debt excl Lease Obligations	\$ 9,986	\$ 9,244	\$ 11,090	\$ 11,370	\$ 16,473	\$ 16,729	\$ 23,843	\$ 28,470	\$ 30,365	\$ 33,123	\$ 30,059.02	\$ 29,499.77	\$ 29,364.77	\$ 29,561.04	\$ 30,027.89	\$ 30,713.74	\$ 31,573.92	\$ 32,569.49	\$ 33,666.36	\$ 33,550.56
Capital and Operating Lease Obligations	\$ 32	\$ 25	\$ 76	\$ 530	\$ 685	\$ 647	\$ 3,012	\$ 2,804	\$ 2,394	\$ 2,013	\$ 1,974.49	\$ 1,975.81	\$ 1,872.09	\$ 1,790.15	\$ 1,729.72	\$ 1,685.30	\$ 1,652.14	\$ 1,626.39	\$ 1,604.96	\$ 1,585.37
Provision for Risks & Charges	\$ 25	\$ 26	\$ 89	\$ 64	\$ 70	\$ 87	\$ 210	\$ 178	\$ 176	\$ 208	\$ 148.09	\$ 158.06	\$ 159.68	\$ 162.74	\$ 167.57	\$ 173.97	\$ 181.74	\$ 190.68	\$ 200.62	\$ 211.38
Deferred Tax Liabilities											\$ 148.09	\$ 152.42	\$ 148.67	\$ 145.95	\$ 146.78	\$ 148.69	\$ 151.42	\$ 154.76	\$ 158.54	
Other Liabilities	\$ 1,127	\$ 1,312	\$ 1,362	\$ 1,460	\$ 2,137	\$ 2,295	\$ 2,937	\$ 3,095	\$ 3,121	\$ 3,488	\$ 3,923.86	\$ 3,987.03	\$ 3,863.40	\$ 3,776.03	\$ 3,725.75	\$ 3,703.71	\$ 3,702.10	\$ 3,714.48	\$ 3,735.51	\$ 3,760.80
Other Liabilities (excl. Deferred Income)	\$ 1,015	\$ 1,225	\$ 1,266	\$ 1,342	\$ 1,969	\$ 2,108	\$ 2,607	\$ 2,748	\$ 2,646	\$ 2,988	\$ 3,455.35	\$ 3,500.00	\$ 3,358.75	\$ 3,254.81	\$ 3,189.17	\$ 3,153.14	\$ 3,139.06	\$ 3,140.62	\$ 3,152.60	\$ 3,170.75
Deferred Income	\$ 112	\$ 87	\$ 96	\$ 118	\$ 168	\$ 186	\$ 330	\$ 347	\$ 475	\$ 500	\$ 468.51	\$ 487.03	\$ 504.65	\$ 521.22	\$ 536.57	\$ 550.57	\$ 563.04	\$ 573.87	\$ 582.91	\$ 590.05
Total Liabilities	\$ 11,792	\$ 10,775	\$ 12,617	\$ 13,960	\$ 19,740	\$ 20,744	\$ 30,034	\$ 35,197	\$ 36,712	\$ 40,970	\$ 37,244.27	\$ 36,783.78	\$ 36,448.64	\$ 36,517.50	\$ 36,929.76	\$ 37,617.93	\$ 38,523.25	\$ 39,595.03	\$ 40,789.38	\$ 40,730.65
Equity																				
Preferred Stock (Carrying Value)	\$ 78	\$ 69	\$ 69	\$ 69	\$ 64	\$ 64	\$ 64	\$ 64	\$ 64	\$ 64	\$ 64	\$ 64	\$ 64	\$ 64	\$ 64	\$ 64	\$ 64	\$ 64	\$ 64	\$ 64
Non-Redeemable Preferred Stock	\$ 78	\$ 69	\$ 69	\$ 69	\$ 64	\$ 64	\$ 64	\$ 64	\$ 64	\$ 64	\$ 64	\$ 64	\$ 64	\$ 64	\$ 64	\$ 64	\$ 64	\$ 64	\$ 64	\$ 64
Common Equity	\$ 14,913	\$ 15,562	\$ 22,229	\$ 22,584	\$ 31,908	\$ 33,363	\$ 53,173	\$ 53,118	\$ 53,887	\$ 53,129	\$ 57,394.11	\$ 55,375.80	\$ 54,634.55	\$ 54,531.20	\$ 54,916.41	\$ 55,683.76	\$ 56,743.96	\$ 58,021.07	\$ 59,450.23	\$ 58,492.04
Common Stock Par/Carry Value	\$ 5	\$ 5	\$ 6	\$ 6	\$ 7	\$ 7	\$ 9	\$ 9	\$ 9	\$ 9	\$ 9	\$ 9	\$ 9	\$ 9	\$ 9	\$ 9	\$ 9	\$ 9	\$ 9	\$ 9
Additional Paid-In Capital/Capital Surplus	\$ 19,455	\$ 19,363	\$ 25,686	\$ 25,719	\$ 35,489	\$ 35,562	\$ 54,065	\$ 54,250	\$ 54,464	\$ 54,699	\$ 54,699	\$ 54,699	\$ 54,699	\$ 54,699	\$ 54,699	\$ 54,699	\$ 54,699	\$ 54,699	\$ 54,699	\$ 54,699
Retained Earnings	\$ (3,610)	\$ (2,904)	\$ (2,378)	\$ (2,151)	\$ (2,395)	\$ (1,328)	\$ (458)	\$ (627)	\$ (466)	\$ (902)	\$ (165.36)	\$ 880.14	\$ 2,216.10	\$ 3,807.44	\$ 5,626.05	\$ 7,645.25	\$ 9,838.74	\$ 12,179.95	\$ 14,641.50	\$ 17,229.77
Total Shareholders' Equity	\$ 14,991	\$ 15,631	\$ 22,298	\$ 22,653	\$ 31,972	\$ 33,427	\$ 53,237	\$ 53,182	\$ 53,951	\$ 53,193	\$ 54,607	\$ 55,652	\$ 56,988	\$ 58,579	\$ 60,398	\$ 62,417	\$ 64,611	\$ 66,952	\$ 69,413	\$ 72,002
Accumulated Minority Interest	\$ 3,467	\$ 3,075	\$ 3,503	\$ 3,419	\$ 4,353	\$ 4,315	\$ 4,626	\$ 4,642	\$ 4,666	\$ 4,561	\$ 6,910.70	\$ 6,887.11	\$ 6,497.25	\$ 6,184.14	\$ 5,945.92	\$ 5,762.63	\$ 5,617.27	\$ 5,496.08	\$ 5,388.09	\$ 5,284.58
Total Equity	\$ 18,458	\$ 18,706	\$ 25,801	\$ 26,072	\$ 36,325	\$ 37,742	\$ 57,863	\$ 57,824	\$ 58,617	\$ 57,754	\$ 64,368.76	\$ 62,326.86	\$ 61,195.76	\$ 60,779.29	\$ 60,926.28	\$ 61,510.35	\$ 62,425.18	\$ 63,581.10	\$ 64,902.26	\$ 63,840.58
Total Liabilities & Shareholders' Equity	\$ 30,250	\$ 29,481	\$ 38,418	\$ 40,032	\$ 56,065	\$ 58,486	\$ 87,897	\$ 93,021	\$ 95,329	\$ 98,724	\$ 101,613.03	\$ 99,110.63	\$ 97,644.39	\$ 97,296.79	\$ 97,856.04	\$ 99,128.27	\$ 100,948.43	\$ 103,176.14	\$ 105,691.65	\$ 104,571.23
Per Share																				
Book Value per Share	\$ 27	\$ 28	\$ 34	\$ 35	\$ 42	\$ 44	\$ 56	\$ 56	\$ 58	\$ 57	\$ 58.24	\$ 54.55	\$ 52.25	\$ 50.64	\$ 49.51	\$ 48.74	\$ 48.22	\$ 47.87	\$ 47.62	\$ 45.49
Tangible Book Value per Share	\$ 27	\$ 28	\$ 34	\$ 34	\$ 41	\$ 43	\$ 55	\$ 55	\$ 57	\$ 57	\$ 57.49	\$ 53.80	\$ 51.54	\$ 49.96	\$ 48.85	\$ 48.10	\$ 47.59	\$ 47.24	\$ 47.00	\$ 44.87

All figures in millions of U.S. Dollar except per share items.

Prologis Inc.

Historical Cash Flow Statement

Fiscal Years Ending Dec. 31	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Operating Activities										
Funds from Operations	\$ 1,482	\$ 1,644	\$ 1,886	\$ 2,245	\$ 2,956	\$ 3,162	\$ 4,153	\$ 5,303	\$ 5,039	\$ 5,204.00
Changes in Working Capital	\$ (65)	\$ 43	\$ (83)	\$ 19	\$ (19)	\$ (166)	\$ (26)	\$ 70	\$ (127)	\$ (195.00)
Receivables	\$ 15	\$ (31)	\$ (40)	\$ 12	\$ 15	\$ (14)	\$ (64)	\$ (82)	\$ 21	\$ 1.00
Accounts Payable	\$ 27	\$ 36	\$ 30	\$ 115	\$ 94	\$ 177	\$ 109	\$ 255	\$ 195	\$ 226.00
Other Assets/Liabilities	\$ (106)	\$ 37	\$ (73)	\$ (108)	\$ (128)	\$ (329)	\$ (71)	\$ (103)	\$ (342)	\$ (442.00)
Net Operating Cash Flow	\$ 1,417	\$ 1,687	\$ 1,804	\$ 2,264	\$ 2,937	\$ 2,996	\$ 4,126	\$ 5,373	\$ 4,912	\$ 5,008.00
Investing Activities										
Capital Expenditures	\$ (268)	\$ (264)	\$ (228)	\$ (322)	\$ (371)	\$ (499)	\$ (551)	\$ (692)	\$ (886)	\$ (890.00)
Capital Expenditures (Fixed Assets)	\$ (268)	\$ (264)	\$ (228)	\$ (322)	\$ (371)	\$ (499)	\$ (551)	\$ (692)	\$ (886)	\$ (890.00)
Net Assets from Acquisitions	\$ (3)	\$ (1,188)	\$ (122)	\$ (110)	\$ (1,812)	\$ (153)	\$ (181)	\$ (103)	\$ (2)	\$ (34.00)
Sale of Fixed Assets & Businesses	\$ 2	\$ 241	\$ 170	\$ 12	\$ 917	\$ 74	\$ 13	\$ 21	\$ 73	\$ 71.00
Purchase/Sale of Investments	\$ 1,520	\$ 1,182	\$ (390)	\$ (363)	\$ (1,009)	\$ (1,491)	\$ (3,856)	\$ (5,695)	\$ (2,213)	\$ (2,741.00)
Purchase of Investments	\$ 2,366	\$ 2,304	\$ 3,124	\$ 3,108	\$ 3,554	\$ 5,775	\$ 6,056	\$ 7,881	\$ 6,077	\$ 5,096.00
Sale/Maturity of Investments	\$ 3,886	\$ 3,485	\$ 2,734	\$ 2,745	\$ 2,546	\$ 4,284	\$ 2,200	\$ 2,187	\$ 3,865	\$ 2,355.00
Net Investing Cash Flow	\$ 1,251	\$ (30)	\$ (570)	\$ (784)	\$ (2,274)	\$ (2,069)	\$ (4,575)	\$ (6,468)	\$ (3,028)	\$ (3,593.00)
Financing Activities										
Cash Dividends Paid	\$ (893)	\$ (943)	\$ (1,123)	\$ (1,346)	\$ (1,723)	\$ (1,873)	\$ (2,495)	\$ (3,229)	\$ (3,570)	\$ (3,765.00)
Common Dividends	\$ (893)	\$ (943)	\$ (1,123)	\$ (1,346)	\$ (1,723)	\$ (1,873)	\$ (2,495)	\$ (3,229)	\$ (3,570)	\$ (3,765.00)
Change in Capital Stock	\$ 39	\$ 20	\$ 7	\$ 6	\$ (40)	\$ 1	\$ -	\$ -	\$ -	\$ -
Repurchase of Common & Preferred Stk.	\$ -	\$ (13)	\$ -	\$ -	\$ (42)	\$ -	\$ -	\$ -	\$ -	\$ -
Sale of Common & Preferred Stock	\$ 39	\$ 33	\$ 7	\$ 6	\$ 2	\$ 1	\$ -	\$ -	\$ -	\$ -
Proceeds from Sale of Stock	\$ 39	\$ 33	\$ 7	\$ 6	\$ 2	\$ 1	\$ -	\$ -	\$ -	\$ -
Issuance/Reduction of Debt, Net	\$ (898)	\$ (876)	\$ 59	\$ 803	\$ 1,031	\$ 1,361	\$ 3,030	\$ 4,916	\$ 2,856	\$ 2,555.00
Change in Long-Term Debt	\$ (898)	\$ (876)	\$ 59	\$ 803	\$ 1,031	\$ 1,361	\$ 3,030	\$ 4,916	\$ 2,856	\$ 2,555.00
Issuance of Long-Term Debt	\$ 1,403	\$ 2,703	\$ 4,900	\$ 4,105	\$ 7,825	\$ 3,921	\$ 4,411	\$ 5,755	\$ 4,506	\$ 3,461.00
Reduction in Long-Term Debt	\$ (2,302)	\$ (3,579)	\$ (4,841)	\$ (3,302)	\$ (6,793)	\$ (2,560)	\$ (1,381)	\$ (839)	\$ (1,650)	\$ (906.00)
Other Funds	\$ (372)	\$ (235)	\$ (269)	\$ (205)	\$ (441)	\$ (418)	\$ (343)	\$ (318)	\$ (357)	\$ (391.00)
Other Uses	\$ (372)	\$ (228)	\$ (251)	\$ (187)	\$ (387)	\$ (395)	\$ (298)	\$ (260)	\$ (326)	\$ (351.00)
Financing Cash Flow	\$ (2,125)	\$ (2,034)	\$ (1,326)	\$ (741)	\$ (1,172)	\$ (929)	\$ 191	\$ 1,369	\$ (1,071)	\$ (1,601.00)
Exchange Rate Effect	\$ (0)	\$ 16	\$ (11)	\$ 6	\$ 19	\$ (40)	\$ (21)	\$ (22)	\$ (25)	\$ 13.00
Net Change in Cash	\$ 543	\$ (360)	\$ (103)	\$ 745	\$ (491)	\$ (42)	\$ (278)	\$ 252	\$ 788	\$ (173.00)
Free Cash Flow	\$ 1,149	\$ 1,423	\$ 1,576	\$ 1,942	\$ 2,566	\$ 2,497	\$ 3,576	\$ 4,681	\$ 4,026	\$ 4,119.00
Free Cash Flow per Share	\$ 2	\$ 3	\$ 3	\$ 3	\$ 3	\$ 3	\$ 4	\$ 5	\$ 4	\$ 4.00
Free Cash Flow Yield (%)	\$ 4	\$ 4	\$ 4	\$ 3	\$ 3	\$ 2	\$ 4	\$ 4	\$ 4	\$ 3.37

All figures in millions of U.S. Dollar except per share items.

Prologis, Inc. (PLD)
Forecasted Cash Flow Statement

Fiscal Years Ending Dec. 31	2026E	2027E	2028E	2029E	2030E	2031E	2032E	2033E	2034E	2035E
Net cash provided by Operating Activities										
Net Income	\$ 4,379.34	\$ 4,890.32	\$ 5,409.26	\$ 5,899.74	\$ 6,369.46	\$ 6,821.35	\$ 7,257.17	\$ 7,677.88	\$ 8,083.78	\$ 8,509.68
Depreciation and Amortization	\$ 2,412.01	\$ 2,375.36	\$ 2,267.58	\$ 2,199.29	\$ 2,163.02	\$ 2,152.49	\$ 2,162.42	\$ 2,188.34	\$ 2,226.51	\$ 2,273.74
Change in Receivables	\$ (99.03)	\$ (99.03)	\$ (59.16)	\$ (60.05)	\$ (60.65)	\$ (60.95)	\$ (60.93)	\$ (60.56)	\$ (59.83)	\$ (58.73)
Change in Other Assets	\$ 68.22	\$ (122.77)	\$ 106.35	\$ 62.32	\$ 14.77	\$ (23.77)	\$ (54.07)	\$ (77.36)	\$ (94.68)	\$ (106.91)
Change in Other Liabilities	\$ (467.35)	\$ 44.66	\$ (141.26)	\$ (103.94)	\$ (65.64)	\$ (36.03)	\$ (14.08)	\$ 1.56	\$ 11.99	\$ 18.15
Change in Deferred Tax Liabilities	\$ (7.91)	\$ 4.33	\$ (3.75)	\$ (2.20)	\$ (0.52)	\$ 0.84	\$ 1.91	\$ 2.73	\$ 3.34	\$ 3.77
Cash from Operating	\$ 6,293.19	\$ 7,088.54	\$ 7,582.77	\$ 7,997.36	\$ 8,420.96	\$ 8,853.09	\$ 9,290.51	\$ 9,729.87	\$ 10,167.77	\$ 10,635.92
Net Cash used in Investing activities										
Change in Investments	\$ 1,208.45	\$ 3,587.03	\$ 2,270.26	\$ 1,202.81	\$ 344.87	\$ (336.86)	\$ (870.19)	\$ (1,278.22)	\$ (1,580.19)	\$ 2,029.14
Change in Unconsolidated Subs	\$ (3,898.50)	\$ (835.90)	\$ (836.77)	\$ (832.89)	\$ (824.07)	\$ (810.10)	\$ (790.87)	\$ (766.31)	\$ (736.39)	\$ (701.16)
Change in Intangible Assets	\$ (152.43)	\$ (21.67)	\$ 18.77	\$ 11.00	\$ 2.61	\$ (4.19)	\$ (9.54)	\$ (13.65)	\$ (16.71)	\$ (18.87)
Cash from Investing	\$ (2,842.49)	\$ 2,729.46	\$ 1,452.26	\$ 380.91	\$ (476.58)	\$ (1,151.16)	\$ (1,670.60)	\$ (2,058.18)	\$ (2,333.29)	\$ 1,309.11
Net Cash Financing										
Change in Debt	\$ (2,012.84)	\$ (537.97)	\$ (209.37)	\$ 155.37	\$ 458.24	\$ 702.97	\$ 897.24	\$ 1,047.73	\$ 1,160.04	\$ (98.56)
Change in Capital and Operating Lease Obli.	\$ (38.10)	\$ 1.32	\$ (103.72)	\$ (81.94)	\$ (60.43)	\$ (44.42)	\$ (33.16)	\$ (25.75)	\$ (21.43)	\$ (19.59)
Dividends Paid	\$ (3,953.25)	\$ (4,150.91)	\$ (4,358.46)	\$ (4,576.38)	\$ (4,805.20)	\$ (5,045.46)	\$ (5,297.73)	\$ (5,562.62)	\$ (5,840.75)	\$ (6,132.79)
Change in Common Equity	\$ 4,264.88	\$ (2,018.31)	\$ (741.25)	\$ (103.36)	\$ 385.22	\$ 767.35	\$ 1,060.20	\$ 1,277.11	\$ 1,429.16	\$ (958.18)
Change in Additional Paid in Capital	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Cash From Financing	\$ (1,739.31)	\$ (6,705.87)	\$ (5,412.79)	\$ (4,606.31)	\$ (4,022.17)	\$ (3,619.56)	\$ (3,373.45)	\$ (3,263.53)	\$ (3,272.98)	\$ (7,209.12)
Change in Cash	\$ (208.62)	\$ 59.16	\$ 60.05	\$ 60.65	\$ 60.95	\$ 60.93	\$ 60.56	\$ 59.83	\$ 58.73	\$ 57.25
Beginning Cash	\$ 1,145.65	\$ 937.03	\$ 996.19	\$ 1,056.24	\$ 1,116.89	\$ 1,177.85	\$ 1,238.77	\$ 1,299.33	\$ 1,359.15	\$ 1,417.88
Ending cash	\$ 937.03	\$ 996.19	\$ 1,056.24	\$ 1,116.89	\$ 1,177.85	\$ 1,238.77	\$ 1,299.33	\$ 1,359.15	\$ 1,417.88	\$ 1,475.13

Prologis, Inc. (PLD)

Weighted Average Cost of Capital (WACC) Estimation

Cost of Equity:

Risk-Free Rate	4.25%
Beta	0.90
Equity Risk Premium	4.46%
Cost of Equity	8.26%

ASSUMPTIONS:

10-year Treasury Bond

Morningstar

Damodaran

Cost of Debt:

Risk-Free Rate	4.25%
Implied Default Premium	0.54%
Pre-Tax Cost of Debt	4.79%
Marginal Tax Rate	22%
After-Tax Cost of Debt	3.74%

Damodaran

Prologis, L.P. 5.125% 15-JAN-2034 (10-year corporate bond YTM)

Damodaran

Market Value of Common Equity:

Total Shares Outstanding	938
Current Stock Price	\$142.10
MV of Equity	\$ 133,352.97

MV Weights

77.36%

Market Value of Debt:

Short-Term Debt	\$1,983.01
Current Portion of LTD	
Long-Term Debt	\$35,037.07
PV of Operating Leases	\$ 2,012.59
MV of Total Debt	\$ 39,032.67

22.64%

Market Value of the Firm

172,385.64

100.00%

Estimated WACC

7.24%

Prologis, Inc. (PLD)*Discounted Cash Flow (DCF) and Economic Profit (EP) Valuation Models*

Key Inputs:

CV Growth of NOPLAT	3.25%
CV Year ROIC	10.50%
WACC	7.24%
Cost of Equity	8.26%
NOPLAT Forecast in Final Year	\$ 8,373.33
EP Forecast in Final Year	\$ 2,600.31

Fiscal Years Ending Dec. 31	2026E	2027E	2028E	2029E	2030E	2031E	2032E	2033E	2034E	2035E
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DCF Model:

Free Cash Flow (FCF)	5492.4	8233.6	7542.1	6955.0	6555.2	6317.5	6215.6	6226.9	6331.9	10335.5
Continuing Value (CV)										144934.8
PV of FCF	5121.6	7159.5	6115.5	5258.7	4621.9	4153.6	3810.8	3560.0	3375.7	77267.1

Value of Operating Assets:	\$ 120,444.34
Non-Operating Adjustments	
Excess Cash	1145.6
Value of Debt	33024.2
Value of Operating Lease Liabilities	1974.5
Value of Equity	86591.3
Shares Outstanding	938.4
Intrinsic Value of Last FYE	\$ 92.27
Implied Price as of Today	\$ 93.84

EP Model:

Economic Profit (EP)	-1800.5	-1247.7	-464.6	201.7	765.9	1246.5	1659.0	2015.8	2326.9	2600.3
Continuing Value (CV)										65187.1
PV of EP	-1679.0	-1084.9	-376.7	152.5	540.0	819.6	1017.1	1152.5	1240.5	34752.3

Total PV of EP	36533.9
Invested Capital (last FYE)	83910.4
Value of Operating Assets:	\$ 120,444.33
Non-Operating Adjustments	
Excess Cash	1145.6
Value of Debt	33024.2
Value of Operating Lease Liabilities	1974.5
Value of Equity	86591.3
Shares Outstanding	938.4
Intrinsic Value of Last FYE	\$ 92.27
Implied Price as of Today	\$ 93.84

Prologis, Inc. (PLD)
Relative Valuation Models

Ticker	Company	Price	EV (\$ billions)	EV/Rev 2025E	EV/Rev 2026E	EV/EBITDA 2025E	EV/EBITDA 2026E	FFO/Share 2025E	FFO/Share 2026E	P/FFO 2025E	P/FFO 2026E	P/S 2025E	Market Cap
REXR	Rexford Industrial Realty	\$37.40	\$11.62	12.15		15.72		2.4		15.58		8.93	8.6
EGP	EastGroup Properties	\$203.11	\$12.46	15.79		22.61		8.95		22.69		13.29	10.8
FR	First Industrial Realty Trust	\$64.40	\$10.95	13.79		19.01		2.96		21.76		10.62	8.6
STAG	Stag Industrial	\$39.75	\$10.88	15.05		15.05		2.55		15.59		8.30	7.6
COLD	Americold Realty Trust	\$12.80	\$7.92	18.43		18.43		1.43		8.95		1.41	3.5
Average						18.16		3.658		18.91		10.29	

7.9 Average market cap of comps

132.4 PLD Market Cap

PLD	Prologis Inc.	\$142.10	\$6,676.32 6.68	\$9,370.28	0.0	0.0	103.2	5.81	0.0	24.46	20.00	5.81	7.11
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Implied Relative Value:

EV/EBITDA (2025E)	\$	121.27	Billion									\$1,177
P/S 2025E	\$	97.56										\$2,034
P/B		109.84										\$2,628
P/FFO (2025E)		18.91x										3,430
Peer Average P/FFO (ex-COLD)		18.91x										
Premium for Size / Global Platform / Fee Income		15.0%										
Applied P/FFO Multiple		21.74x										
PLD 2025E FFO/Share		\$5.81										
Implied Price (P/FFO)		\$126.32										

*Premium applied to due the large market cap compared to other comps

Prologis, Inc. (PLD)*Dividend Discount Model (DDM) or Fundamental P/E Valuation Model*

Fiscal Years Ending Dec. 31	2026E	2027E	2028E	2029E	2030E	2031E	2032E	2033E	2034E	2035E
EPS	\$ 4.44	\$ 4.82	\$ 5.17	\$ 5.48	\$ 5.74	\$ 5.97	\$ 6.17	\$ 6.33	\$ 6.48	\$ 6.62
Key Assumptions										
CV growth of EPS	4.50%									
CV Year ROE	11.82%									
Cost of Equity	8.26%									
Future Cash Flows										
P/E Multiple (CV Year)										16.47
EPS (CV Year)										\$ 6.62
Future Stock Price										\$ 108.99
Dividends Per Share	\$ 4.38	\$ 4.74	\$ 5.14	\$ 5.57	\$ 6.04	\$ 6.54	\$ 7.09	\$ 7.68	\$ 8.33	
Discounted Cash Flows	4.04	4.05	4.05	4.06	4.06	4.06	4.07	4.07	4.08	53.35
Intrinsic Value as of Last FYE	\$ 89.90									
Implied Price as of Today	\$ 91.42									

Prologis Inc.
Revenue Forecast

Fiscal Years Ending Dec. 31	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026E	2027E	2028E	2029E	2030E	2031E	2032E	2033E	2034E	2035E	
Total Revenue	\$2,533.00	\$2,618.13	\$2,804.45	\$3,330.62	\$4,438.74	\$4,759.44	\$5,973.69	\$8,023.47	\$8,201.61	\$8,790.13	\$	9,370	\$ 9,962	\$ 10,562	\$ 11,169	\$ 11,778	\$ 12,388	\$ 12,993	\$ 13,592	\$ 14,179	\$ 14,751
Rental Income	\$2,220.41	\$2,225.14	\$2,388.79	\$2,831.82	\$3,791.13	\$4,147.99	\$4,913.17	\$6,818.54	\$7,514.71	\$8,158.90	\$	8,433	\$ 8,966	\$ 9,506	\$ 10,052	\$ 10,601	\$ 11,149	\$ 11,694	\$ 12,232	\$ 12,761	\$ 13,276
Sundry Revenue/Income	\$312.73	\$392.99	\$415.66	\$498.80	\$647.60	\$611.45	\$1,060.52	\$1,204.93	\$686.91	\$631.22	\$	937	\$ 996	\$ 1,056	\$ 1,117	\$ 1,178	\$ 1,239	\$ 1,299	\$ 1,359	\$ 1,418	\$ 1,475
Total Revenue - Prologis Inc																					
Gross Leasable Area (GLA)	\$622.00	\$684.00	\$814.00	\$814.00	\$984.00	\$1,000.00	\$1,200.00	\$1,200.00	\$1,300.00	\$1,300.00											
Occupancy Rates	\$0.97	\$0.97	\$0.97	\$0.96	\$0.97	\$0.98	\$0.98	\$0.98	\$0.95	\$0.95											
Leased Rates	\$0.97	\$0.98	\$0.97	\$0.97	\$0.99	\$0.99	\$0.98	\$0.98	\$0.96	\$0.96											
Leasable Floor Area	\$332.00	\$297.00	\$348.00	\$359.00	\$441.00	\$446.00	\$595.00	\$631.00	\$644.00	\$645.00											
Occupied SQF	\$322.04	\$288.98	\$338.26	\$345.00	\$426.01	\$437.97	\$584.89	\$615.86	\$614.38	\$615.33	\$	631	\$ 646	\$ 660	\$ 675	\$ 689	\$ 702	\$ 715	\$ 727	\$ 739	\$ 750
Total Revenue per Occupied SQF	\$7.87	\$9.06	\$8.29	\$9.65	\$10.42	\$10.87	\$10.21	\$13.03	\$13.35	\$14.29	\$	15	\$ 15	\$ 16	\$ 17	\$ 17	\$ 18	\$ 18	\$ 19	\$ 19	\$ 20

Prologis Inc.
Peer Analysis

Fiscal Years Ending Dec. 31	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027E	2028E
ROIC (compare to yours - won't match but hopefully close & correlated)												Average	Change
Prologis Inc.	4.80	6.62	5.65	4.63	3.54	5.88	5.14	3.72	4.36	3.80		4.81	1.00
Rexford Industrial Realty, Inc.	1.95	2.32	1.95	2.04	1.89	2.35	2.23	2.52	2.54	1.82		2.16	0.14
EastGroup Properties, Inc.	6.31	4.97	4.77	5.84	4.20	5.74	5.55	5.10	5.14	5.27		5.29	1.04
First Industrial Realty Trust, Inc.	4.92	8.00	5.89	7.72	6.19	8.01	8.92	5.86	6.29	5.34		6.72	-0.41
STAG Industrial, Inc.	1.46	1.33	3.36	1.44	4.85	3.82	3.12	3.25	3.05	4.15		2.98	-2.70
Americold Realty Trust, Inc.	0.24	-0.03	2.25	1.63	0.46	-0.43	-0.27	-4.61	-1.39	-1.65		-0.38	1.88
Operating Margin												Average	
Prologis Inc.	26.76	26.63	34.66	27.57	28.15	37.54	39.62	38.65	39.90	37.27		33.68	
Rexford Industrial Realty, Inc.	18.64	20.16	26.01	27.90	29.35	31.86	34.78	37.00	39.53	38.14			
EastGroup Properties, Inc.	34.40	34.60	36.00	35.13	35.06	36.89	37.47	39.88	39.86	39.87			
First Industrial Realty Trust, Inc.	32.27	35.11	35.29	37.65	37.40	37.67	39.63	39.84	40.68	42.32			
STAG Industrial, Inc.	12.55	17.00	22.51	26.50	28.38	29.17	31.23	33.57	34.92	37.60			
Americold Realty Trust, Inc.	8.51	9.36	10.66	8.03	7.70	4.68	4.58	4.11	8.56	3.79			
Invested Capital Turnover (inferred from FactSet data)													
Prologis Inc.	0.18	0.25	0.16	0.17	0.13	0.16	0.13	0.10	0.11	0.10			
Rexford Industrial Realty, Inc.	0.10	0.12	0.07	0.07	0.06	0.07	0.06	0.07	0.06	0.05			
EastGroup Properties, Inc.	0.18	0.14	0.13	0.17	0.12	0.16	0.15	0.13	0.13	0.13			
First Industrial Realty Trust, Inc.	0.15	0.23	0.17	0.21	0.17	0.21	0.23	0.15	0.15	0.13			
STAG Industrial, Inc.	0.12	0.08	0.15	0.05	0.17	0.13	0.10	0.10	0.09	0.11			
Americold Realty Trust, Inc.	0.03	(0.00)	0.21	0.20	0.06	(0.09)	(0.06)	(1.12)	(0.16)	(0.43)			
Occupancy Rates (%) - Total													
Prologis Inc.	97.00	97.30	97.20	96.10	96.60	98.20	98.30	97.60	95.40	95.40			
Rexford Industrial Realty, Inc.	91.70	95.50	95.40	96.10	95.20	96.30	94.60	94.10	91.30	90.20			
EastGroup Properties, Inc.	96.80	96.40	96.80	97.10	97.30	97.40	98.30	98.20	96.10	96.50			
First Industrial Realty Trust, Inc.	96.00	97.30	98.50	97.60	95.70	98.10	98.80	95.50	96.20	94.40			
STAG Industrial, Inc.	94.70	95.30	95.50	95.00	96.90	96.90	98.50	98.40	97.30	97.20			
Americold Realty Trust, Inc.	76.40	81.50	77.00	76.00	72.40	70.00	73.00	75.70	67.60	63.60			
Change in Leaseable Floor Area													
Prologis Inc.	(35,000,000.00)	51,000,000.00	11,000,000.00	82,000,000.00	5,000,000.00	149,000,000.00	36,000,000.00	13,000,000.00	1,000,000.00				
Rexford Industrial Realty, Inc.	3,197,767.00	2,876,870.00	5,456,111.00	4,950,027.00	5,420,910.00	5,481,714.00	3,456,633.00	4,927,857.00	372,963.00				
EastGroup Properties, Inc.	2,387,000.00	1,893,000.00	2,040,000.00	2,583,000.00	3,165,000.00	4,984,000.00	3,150,000.00	3,834,000.00	2,574,000.00				
First Industrial Realty Trust, Inc.	(2,910,000.00)	1,417,000.00	(524,000.00)	2,207,000.00	(1,668,879.00)	2,182,879.00	1,975,106.00	1,834,072.00	3,176,589.00				
STAG Industrial, Inc.	9,318,294.00	6,599,647.00	14,563,854.00	6,841,380.00	10,353,461.00	3,145,160.00	600,000.00	4,300,000.00	3,374,349.00				
Americold Realty Trust, Inc.		X	X	X	X	X	X	X	X	X			

Prologis Inc.
ROIC Analysis

Fiscal Years Ending Dec. 31	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027E	2028E
ROIC (from Drivers tab)		2.67%	4.10%	2.92%	3.83%	3.78%	5.02%	4.17%	4.11%	4.06%		Change	
NOPBT Margin (pre-tax)	#	26.7%	34.8%	28.2%	28.7%	38.0%	41.5%	39.9%	41.0%	38.1%		1.39%	
Invested Capital Turnover		0.11	0.12	0.11	0.14	0.10	0.13	0.11	0.10	0.11		-0.06%	
Operating Cash Tax Rate		6.60%	5.56%	5.15%	5.10%	5.15%	4.89%	1.00%	0.56%	0.24%			
ROIC (calculating from components)		2.67%	4.10%	2.92%	3.83%	3.78%	5.02%	4.17%	4.11%	4.06%		3.85%	
Difference		0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%			
Pre-Tax ROIC		2.9%	4.3%	3.1%	4.0%	4.0%	5.3%	4.2%	4.1%	4.1%		Change	Post-Pre Avg.
NOPBT Margin (pre-tax)		26.7%	34.8%	28.2%	28.7%	38.0%	41.5%	39.9%	41.0%	38.1%		1.21%	-0.9%
Invested Capital Turnover		0.11	0.12	0.11	0.14	0.10	0.13	0.11	0.10	0.11		-0.06%	0.5%
NOPBT Margin (pre-tax)	#	26.66%	34.76%	28.16%	28.72%	38.05%	41.50%	39.95%	40.99%	38.12%		Change	Post-Pre Avg.
Cost of Sales												11.31%	-10.62%
Selling, General & Admin. Expenses	8.77%	8.83%	8.52%	8.01%	6.19%	6.16%	5.54%	4.87%	5.11%	5.34%		-3.43%	3.1%
Depreciation & Amortization Expense	#	33.6%	33.8%	34.2%	35.2%	33.2%	30.3%	31.0%	31.5%	29.9%		-6.88%	3.4%
Cost of Goods Sold excluding D&A	#	27.7%	27.0%	27.6%	26.4%	26.2%	25.3%	25.1%	25.1%	25.4%		-2.11%	2.0%
Other Operating Expense	0.2%	3.3%	-4.0%	2.6%	4.1%	-3.1%	-0.8%	0.5%	-1.6%	2.1%		1.91%	1.1%
NOPBT Margin (pre-tax)	#	26.63%	34.66%	27.57%	28.15%	37.54%	39.62%	38.65%	39.90%	37.27%			
Difference	0.0%	0.0%	0.1%	0.6%	0.6%	0.5%	1.9%	1.3%	1.1%	0.9%			
Invested Capital Turnover		0.11	0.12	0.11	0.14	0.10	0.13	0.11	0.10	0.11		Change	
Invested Capital as % of Revenue = 1/Invested Capital Turnover		932.3%	800.6%	916.3%	711.3%	953.6%	786.4%	948.4%	991.4%	937.3%		5.00%	
Working Capital as % of next year's revenue		34.8%	19.2%	12.0%	25.9%	15.6%	14.7%	4.7%	6.8%	14.7%		-20.15%	
Fixed Capital as % of next year's revenue		897.4%	781.4%	904.3%	685.4%	938.1%	771.8%	943.7%	984.5%	922.6%		25.15%	
Intangible Capital as % of next year's revenue		10.2%	7.2%	13.5%	7.1%	15.3%	9.2%	14.7%	12.3%	8.7%		-1.53%	
Working Capital as % of next year's revenue												Change	
Cash and cash equivalents (3% of sales)		30.8%	15.9%	10.3%	24.5%	12.6%	9.3%	3.5%	6.5%	15.0%		-15.83%	
Short-Term Receivables		9.2%	7.3%	7.2%	5.5%	8.0%	9.9%	7.9%	6.8%	7.1%		-2.12%	
Current Operating Assets		40.1%	23.2%	17.5%	30.0%	20.6%	19.2%	11.4%	13.2%	22.1%		-17.95%	
Provision for Risk Charges		0.9%	0.9%	2.7%	1.4%	1.5%	1.5%	2.6%	2.2%	2.0%		Change	
Deferred Income		4.3%	3.1%	2.9%	2.7%	3.5%	3.1%	4.1%	4.2%	5.4%		1.07%	
Current Operating Liabilities		5.2%	4.0%	5.6%	4.1%	5.0%	4.6%	6.7%	6.4%	7.4%		1.13%	
WC as % of next year's rev (calculating from components)		34.8%	19.2%	12.0%	25.9%	15.6%	14.7%	4.7%	6.8%	14.7%		2.20%	
Difference		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%		-20.15%	
Fixed Capital as % of next year's revenue												Change	
Net Property, Plant & Equipment		3.9%	3.9%	3.4%	2.4%	2.5%	2.0%	1.5%	2.5%	2.4%		-1.51%	
Investment Property		892.3%	776.6%	898.6%	671.1%	921.2%	758.9%	904.7%	947.8%	892.9%		0.64%	
Capitalized Operating Asset Lease		1.2%	0.9%	2.3%	11.9%	14.4%	10.8%	37.5%	34.2%	27.2%		26.03%	
FC as % of next year's rev (calculating from components)		897.4%	781.4%	904.3%	685.4%	938.1%	771.8%	943.7%	984.5%	922.6%		25.15%	
Difference		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%			
Intangible Capital as % of next year's revenue												Change	
Intangible assets		10.2%	7.2%	13.5%	7.1%	15.3%	9.2%	14.7%	12.3%	8.7%		-1.53%	
IC as % of next year's rev (calculating from components)		10.2%	7.2%	13.5%	7.1%	15.3%	9.2%	14.7%	12.3%	8.7%		-1.53%	
Difference		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%			
Incremental Investment Rates													
Year-over-Year Changes in Invested Capital Components & Revenue													
YoY Change in Working Capital	\$	(373.30)	\$(140.69)	\$750.87	\$(408.66)	\$135.51	\$(499.46)	\$182.54	\$732.47	\$(15.98)			
YoY Change in Fixed Capital	\$	(1,581.61)	\$8,204.72	\$305.77	\$14,223.27	\$1,454.74	\$29,616.68	\$5,028.52	\$346.88	\$1,540.32			
YoY Change in Intangible Capital	\$	(65.82)	\$248.60	\$(136.51)	\$412.64	\$(174.30)	\$630.49	\$(172.39)	\$(246.07)	\$(176.55)			
YoY Change in Invested Capital	\$	(1,954.91)	\$8,064.03	\$1,056.65	\$13,814.61	\$1,590.25	\$29,117.23	\$5,211.06	\$1,079.35	\$1,524.35			
YoY Change in Revenue	\$	85.00	\$186.32	\$526.17	\$1,108.11	\$320.71	\$1,214.25	\$2,049.78	\$178.14	\$588.52			
Incremental Investment Rates												Average	2017-2025
Working Capital		-439.18%	-75.51%	142.70%	-36.88%	42.25%	-41.13%	8.91%	411.17%	-2.71%		1.07%	5.81%
Fixed Capital		-1860.74%	4403.68%	58.11%	1283.56%	453.61%	2439.09%	245.32%	194.72%	261.73%		831.01%	945.17%
Intangible Capital		-77.44%	133.43%	-25.94%	37.24%	-54.35%	51.92%	-8.41%	-138.13%	-30.00%		-12.41%	5.12%
Invested Capital		-2299.92%	4328.17%	200.82%	1246.68%	495.86%	2397.96%	254.23%	605.90%	259.02%		832.08%	950.98%

Prologis, Inc. (PLD)
Common Size Income Statement

Fiscal Years Ending Dec. 31	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Sales	100	100	100	100	100	100	100	100	100	100
Rental Income	87.65	84.99	85.18	85.02	85.41	87.15	82.25	84.98	91.62	92.82
Sundry Revenue/Income	12.35	15.01	14.82	14.98	14.59	12.85	17.75	15.02	8.38	7.18
Total Expense	73.24	73.37	65.34	72.43	71.85	62.46	60.38	61.35	60.1	61.16
Selling, General & Admin. Expenses	8.77	8.83	8.52	8.01	6.19	6.16	5.54	4.87	5.11	5.34
Depreciation & Amortization Expense	36.75	33.58	33.78	34.22	35.19	33.15	30.35	30.97	31.46	29.87
Cost of Goods Sold excluding D&A	27.53	27.68	27.02	27.59	26.36	26.23	25.26	25.06	25.08	25.42
Other Operating Expense	0.19	3.29	-3.98	2.61	4.11	-3.09	-0.77	0.46	-1.56	0.52
Operating Income	26.76	26.63	34.66	27.57	28.15	37.54	39.62	38.65	39.9	38.84
Nonoperating Income	37.75	55.61	41.31	33.45	22.54	41.81	27.67	12.48	20.79	15.48
Total Interest Expense	9.79	10.28	8.62	7.2	7.09	5.59	5.17	7.99	10.53	11.4
Miscellaneous Nonoperating Expense	29.6	46.11	30.67	27.44	15.84	33.31	22.47	8.65	16.48	10.9
Equity in Affiliates (Pretax)	8.14	9.49	10.64	6.01	6.7	8.49	5.2	3.83	4.31	4.58
Unusual Expense - Net	-5.48	0.27	0.09	0.48	4.24	3.94	0.34	-0.04	-0.01	
Investment Property	5.38	2.34								
Excp'l Chrgs - Others	-0.1	2.61	0.09	0.48	4.24	3.94	0.34	-0.04	-0.01	
Restructuring of Debt	-0.1	2.61	0.09	0.48	4.24	3.94	0.34	-0.04	-0.01	0.04
Pretax Income	53.18	69.35	67.26	53.33	39.36	69.82	61.78	43.18	50.17	42.88
Income Taxes	2.15	2.09	2.26	2.24	2.94	3.66	2.27	2.63	2.04	2.32
Income Tax - Current - Domestic	0.85	0.55	0.4	0.61	1.44	1.46	0.17	0.23	-0.09	
Income Tax - Current - Foreign	1.52	1.73	1.81	1.26	1.48	2.17	1.88	2.18	1.86	
Income Tax - Deferred - Domestic	-0.13	0.1	-0.01	-0.01	-0.06	0.06	0.06	0.16	0.22	
Income Tax - Deferred - Foreign	-0.09	-0.29	0.06	0.37	0.07	-0.03	0.16	0.06	0.04	
Consolidated Net Income	51.03	67.26	65	51.1	36.42	66.15	59.52	40.55	48.14	40.56
Minority Interest	3.26	4.15	6.19	3.87	3.04	4.39	3.19	2.42	2.64	2.7
Net Income	47.76	63.11	58.81	47.23	33.38	61.77	56.33	38.13	45.5	37.86
Preferred Dividends	0.27	0.4	0.21	0.18	0.2	0.13	0.1	0.07	0.07	0.07
Net Income available to Common	47.5	62.71	58.6	47.05	33.19	61.64	56.23	38.06	45.43	37.8
Per Share										
EPS (recurring)	0.08	0.11	0.1	0.07	0.05	0.08	0.07	0.04	0.05	0.04
EPS (basic)	0.09	0.12	0.1	0.07	0.04	0.08	0.07	0.04	0.05	0.04
Basic Shares Outstanding	21.33	20.81	20.92	19.49	16.88	15.97	13.54	11.81	11.29	10.56
Total Shares Outstanding	21.43	20.88	23.14	19.53	17.12	15.98	15.84	11.81	11.29	
EPS (diluted)	0.09	0.11	0.1	0.07	0.04	0.08	0.07	0.04	0.05	0.04
Diluted Shares Outstanding	22.14	21.65	21.74	20.22	17.46	16.51	13.98	12.15	11.63	10.89
Total Shares Outstanding	21.43	20.88	23.14	19.53	17.12	15.98	15.84	11.81	11.29	
Earnings Persistence	3.5	3.62	2.89	2.84	1.77	1.89	1.27	1.11	1.14	
Dividends per Share	0.07	0.07	0.07	0.06	0.05	0.05	0.05	0.04	0.05	0.05
Payout Ratio	3	2.25	2.46	2.66	2.67	1.38	1.28	1.35	1.17	1.29
Stock Option Comp Exp (Net of Tax)						1.73	2.31	2.64	2.23	
Foreign Currency Translation Gains/Losses	-0.08	0.19	-0.18	0.09	-0.2	0.08	0.15	0.12	-0.24	
Tax Rate	0.16	0.11	0.12	0.13	0.17	0.11	0.06	0.08	0.05	0.06
EBITDA										
EBITDA	63.52	60.21	68.44	61.79	63.34	70.7	69.97	69.62	71.37	68.72
EBIT	26.76	26.63	34.66	27.57	28.15	37.54	39.62	38.65	39.9	38.84
Depreciation & Amortization Expense	36.75	33.58	33.78	34.22	35.19	33.15	30.35	30.97	31.46	29.87

Prologis, Inc. (PLD)
Common Size Balance Sheet

Fiscal Years Ending Dec. 31	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Assets										
Cash & Short-Term Investments	2.67	1.52	0.9	2.72	1.07	0.95	0.32	0.57	1.38	1.16
Cash Only	2.67	1.52	0.9	2.72	1.07	0.95	0.32	0.57	1.38	1.16
Short-Term Receivables	0.8	0.69	0.62	0.6	0.68	1.01	0.73	0.6	0.66	
Investments	77.49	74.06	77.97	74.44	78.21	77.67	82.84	83.66	82.48	81.44
Net Loans	0.11	0.12								
Investment Property	77.23	73.88	77.91	74.41	78.2	77.52	82.58	83.57	82.33	81.44
Other Investments	0.16	0.06	0.06	0.03	0	0.16	0.26	0.09	0.14	
Investment in Unconsolidated Subs.	13.98	18.64	14.95	15.58	13.56	14.72	11.03	10.26	10.57	11.24
Net Property, Plant & Equipment	0.34	0.37	0.29	0.27	0.21	0.2	0.14	0.22	0.22	
Deferred Tax Assets	0.05	0.05	0.02	0.01	0.01	0.02	0.01	0	0	
Other Assets	4.67	4.67	5.24	5.16	5.39	4.64	4.1	2.87	3.94	6.16
Tangible Other Assets	3.79	3.98	4.07	4.37	4.09	3.69	2.76	1.78	3.14	6.16
Intangible Assets	0.89	0.69	1.17	0.78	1.3	0.94	1.35	1.09	0.8	
Total Assets	100	100	100	100	100	100	100	100	100	100
Liabilities & Shareholders' Equity										
Liabilities										
Total Debt	35.17	32.01	29.06	31.07	31.27	31.4	30.59	34.19	34.9	35.49
ST Debt & Curr. Portion LT Debt	2.06	0.57	0	1.34	0.67	1.69	0.04	0.57	0.54	
Long-Term Debt	33.12	31.44	29.06	29.73	30.6	29.71	30.55	33.62	34.36	35.49
Long-Term Debt excl Lease Obligations	33.01	31.35	28.87	28.4	29.38	28.6	27.13	30.61	31.85	35.49
Capital and Operating Lease Obligations	0.1	0.08	0.2	1.32	1.22	1.11	3.43	3.01	2.51	
Provision for Risks & Charges	0.08	0.09	0.23	0.16	0.12	0.15	0.24	0.19	0.18	
Deferred Tax Liabilities								0.13	0.15	
Other Liabilities	3.73	4.45	3.55	3.65	3.81	3.92	3.34	3.33	3.27	6.01
Other Liabilities (excl. Deferred Income)	3.36	4.16	3.29	3.35	3.51	3.6	2.97	2.95	2.78	6.01
Deferred Income	0.37	0.3	0.25	0.3	0.3	0.32	0.38	0.37	0.5	
Total Liabilities	38.98	36.55	32.84	34.87	35.21	35.47	34.17	37.84	38.51	41.5
Equity										
Preferred Stock (Carrying Value)	0.26	0.23	0.18	0.17	0.11	0.11	0.07	0.07	0.07	
Non-Redeemable Preferred Stock	0.26	0.23	0.18	0.17	0.11	0.11	0.07	0.07	0.07	
Common Equity	49.3	52.79	57.86	56.42	56.91	57.04	60.49	57.1	56.53	
Common Stock Par/Carry Value	0.02	0.02	0.02	0.02	0.01	0.01	0.01	0.01	0.01	
Additional Paid-In Capital/Capital Surplus	64.31	65.68	66.86	64.25	63.3	60.8	61.51	58.32	57.13	
Retained Earnings	-11.93	-9.85	-6.19	-5.37	-4.27	-2.27	-0.52	-0.67	-0.49	
Total Shareholders' Equity	49.56	53.02	58.04	56.59	57.03	57.15	60.57	57.17	56.59	
Accumulated Minority Interest	11.46	10.43	9.12	8.54	7.76	7.38	5.26	4.99	4.89	4.62
Total Equity	61.02	63.45	67.16	65.13	64.79	64.53	65.83	62.16	61.49	100
Total Liabilities & Shareholders' Equity	100	100	100	100	100	100	100	100	100	100
Per Share										
Book Value per Share	0.09	0.1	0.09	0.09	0.07	0.07	0.06	0.06	0.06	
Tangible Book Value per Share	0.09	0.1	0.09	0.09	0.07	0.07	0.06	0.06	0.06	
Net Debt	32.5	30.5	28.17	28.35	30.21	30.45	30.27	33.62	33.52	34.33
Total Capital	84.73	85.03	87.11	87.65	88.3	88.55	91.16	91.36	91.5	
Stock Option Comp										
Stock Option Comp Exp (Net of Tax)						0.14	0.16	0.23	0.19	
Non-Qualified Option/Warrant Awards										
Operating Lease Commitments	1.58	1.55	2.2	2.45	1.79	1.36	1.62	1.49	1.55	
Year 1	0.1	0.12	0.1	0.11	0.08	0.09	0.07	0.08	0.07	
Year 2	0.11	0.11	0.1	0.12	0.08	0.08	0.08	0.07	0.06	
Year 3	0.1	0.1	0.09	0.1	0.08	0.08	0.06	0.06	0.05	
Year 4	0.09	0.09	0.08	0.1	0.08	0.07	0.05	0.05	0.05	
Year 5	0.08	0.08	0.08	0.09	0.07	0.05	0.05	0.04	0.04	
Over 5 Years	1.1	1.06	1.74	1.94	1.4	0.99	1.3	1.19	1.28	
Long Term Debt Maturities	2.06	0.57	0	1.34	0.67	1.69	0.04	0.57	0.54	
Property, Plant & Equipment										
Net Property, Plant & Equipment	0.34	0.37	0.29	0.27	0.21	0.2	0.14	0.22	0.22	

Prologis, Inc. (PLD)
Key Management Ratios

Fiscal Years Ending Dec. 31	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026E	2027E	2028E	2029E	2030E	2031E	2032E	2033E	2034E	2035E	
Liquidity Ratios:																					
Current Ratio	1.40	1.35	1.72	1.32	1.23	0.99	0.77	0.58	0.94	0.82	0.88	0.90	0.93	0.96	0.98	1.00	1.02	1.04	1.06	1.08	
Quick Ratio	0.58	0.43	0.38	0.51	0.30	0.29	0.15	0.16	0.31	0.26	0.27	0.28	0.30	0.33	0.35	0.37	0.38	0.40	0.41	0.42	
Cash Ratio	0.45	0.29	0.23	0.42	0.18	0.14	0.04	0.08	0.21	0.15	0.13	0.14	0.15	0.16	0.17	0.18	0.19	0.20	0.20	0.21	
Asset-Management Ratios:																					
Asset Turnover	8.37%	8.88%	7.30%	8.32%	7.92%	8.14%	6.80%	8.63%	8.60%	8.90%	9.22%	10.05%	10.82%	11.48%	12.04%	12.50%	12.87%	13.17%	13.42%	14.11%	
Receivables Turnover	10.49	12.78	11.71	13.76	11.67	8.02	9.37	14.47	13.13	10.49	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	
Days Sales Outstanding (in days)	34.79	28.56	31.17	26.53	31.28	45.50	38.97	25.22	27.79	34.80	36.50	36.50	36.50	36.50	36.50	36.50	36.50	36.50	36.50	36.50	
Financial Leverage Ratios:																					
LT Debt/Total Assets	33.12%	31.44%	29.06%	29.73%	30.60%	29.71%	30.55%	33.62%	34.36%	35.49%	31.53%	31.76%	31.99%	32.22%	32.45%	32.68%	32.91%	33.14%	33.37%	33.60%	
LT Debt/Total Equity	66.82%	59.30%	50.08%	52.53%	53.67%	51.98%	50.44%	58.81%	60.72%	65.87%	58.66%	56.56%	54.81%	53.52%	52.58%	51.91%	51.43%	51.08%	50.81%	48.80%	
Total Debt/Total Assets	35.17%	32.01%	29.06%	31.07%	31.27%	31.40%	30.59%	34.19%	34.90%	35.49%	32.50%	32.78%	33.06%	33.33%	33.61%	33.89%	34.17%	34.44%	34.72%	35.00%	
Profitability Ratios:																					
Return on Equity (NI/Beg TSE)	8.07%	10.57%	7.40%	6.94%	4.63%	8.79%	6.32%	5.75%	6.92%	6.26%	8.02%	8.79%	9.49%	10.07%	10.55%	10.93%	11.23%	11.47%	11.65%	11.82%	
Return on Invested Capital	4.96%	7.36%	5.40%	4.98%	3.26%	6.26%	4.42%	3.76%	4.53%	3.97%	5.30%	6.17%	7.03%	7.79%	8.44%	9.00%	9.46%	9.83%	10.14%	10.94%	
SG&A to Sales	8.77%	8.83%	8.52%	8.01%	6.19%	6.16%	5.54%	4.87%	5.11%	5.34%	4.50%	4.36%	4.22%	4.08%	3.94%	3.81%	3.67%	3.53%	3.39%	3.25%	
Payout Policy Ratios:																					
Dividend Payout Ratio (Dividend/EPS)	75.97%	58.96%	69.13%	88.46%	118.72%	65.66%	76.44%	108.38%	95.86%	113.56%	98.52%	98.48%	99.38%	101.70%	105.15%	109.59%	114.98%	121.30%	128.60%	136.36%	
Total Payout Ratio ((Divs. + Repurchases)/NI)	77.88%	60.38%	70.96%	90.77%	121.36%	67.35%	78.40%	110.93%	98.13%	116.15%	98.52%	98.48%	99.38%	101.70%	105.15%	109.59%	114.98%	121.30%	128.60%	136.36%	
FCF Payout Ratio	148.76%	38.27%	-16.39%	-85.89%	-14.27%	1555.08%	-9.86%	-166.51%	161.76%	212.56%	78.56%	58.49%	71.28%	86.27%	102.17%	118.33%	134.24%	149.57%	164.18%	112.27%	

Prologis, Inc. (PLD)

Present Value of Operating Lease Obligations

Fiscal Years Ending Dec. 31	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Year 1	300.0	310.0	320.0	330.0	340.0	350.0	360.0	370.0	380.0	390.0	400.0
Year 2	250.0	260.0	270.0	280.0	290.0	300.0	310.0	320.0	330.0	340.0	350.0
Year 3	225.0	230.0	235.0	240.0	245.0	250.0	255.0	260.0	265.0	270.0	275.0
Year 4	175.0	180.0	185.0	190.0	195.0	200.0	205.0	210.0	215.0	220.0	225.0
Year 5	100.0	104.0	108.0	112.0	116.0	120.0	124.0	128.0	132.0	136.0	140.0
Thereafter	290.0	300.0	310.0	320.0	330.0	340.0	350.0	360.0	370.0	380.0	390.0
Total Minimum Payments	1340.0	1384.0	1428.0	1472.0	1516.0	1560.0	1604.0	1648.0	1692.0	1736.0	1780.0
Less: Cumulative Interest	196.6	203.0	209.4	215.8	222.2	228.5	234.9	241.3	247.7	254.1	260.5
PV of Minimum Payments	1143.4	1181.0	1218.6	1256.2	1293.8	1331.5	1369.1	1406.7	1444.3	1481.9	1519.5
Implied Interest in Year 1 Payment		54.8	56.6	58.4	60.2	62.0	63.8	65.6	67.4	69.2	71.0
Pre-Tax Cost of Debt	4.79%	4.79%	4.79%	4.79%	4.79%	4.79%	4.79%	4.79%	4.79%	4.79%	4.79%
Years Implied by Year 6 Payment	2.9	2.9	2.9	2.9	2.8	2.8	2.8	2.8	2.8	2.8	2.8
Expected Obligation in Year 6 & Beyond	100	104	108	112	116	120	124	128	132	136	140
Present Value of Lease Payments											
PV of Year 1	286.3	295.8	305.4	314.9	324.5	334.0	343.5	353.1	362.6	372.2	381.7
PV of Year 2	227.7	236.8	245.9	255.0	264.1	273.2	282.3	291.4	300.5	309.6	318.7
PV of Year 3	195.5	199.9	204.2	208.6	212.9	217.3	221.6	226.0	230.3	234.6	239.0
PV of Year 4	145.1	149.3	153.4	157.6	161.7	165.9	170.0	174.2	178.3	182.4	186.6
PV of Year 5	79.1	82.3	85.5	88.6	91.8	95.0	98.1	101.3	104.5	107.6	110.8
PV of 6 & beyond	209.6	216.9	224.2	231.6	238.9	246.2	253.5	260.8	268.1	275.4	282.7
Capitalized PV of Payments	1143.4	1181.0	1218.6	1256.2	1293.8	1331.5	1369.1	1406.7	1444.3	1481.9	1519.5