

Prologis Announces Expiration and Final Results of Maximum Tender Offer and Details of Related Charges

PR Newswire
SAN FRANCISCO

SAN FRANCISCO, Sept. 6, 2013 /PRNewswire/ -- Prologis, Inc. (NYSE: PLD) announced today the expiration and final results of the previously announced cash tender offer (the "Maximum Tender Offer") by its operating subsidiary, Prologis, L.P. ("Prologis"), to purchase, after giving effect to Prologis' recently completed any and all tender offer for certain other series of notes, the series of notes listed in the table below (the "Maximum Tender Notes") for up to approximately \$419.6 million, including Accrued Interest (defined below) but excluding fees and expenses (the "Maximum Tender Amount"). As of 11:59 pm, New York City (NYC) time, on September 5, 2013 (the "Maximum Tender Expiration Time"), the aggregate principal amount of Maximum Tender Notes validly tendered and not validly withdrawn was approximately \$489.4 million, as reported by the depository. The table below sets forth the aggregate principal amount of each series of Maximum Tender Notes that was validly tendered and not validly withdrawn at or prior to the Maximum Tender Expiration Time, as reported by the depository, as well as the approximate aggregate principal amount of each series of Maximum Tender Notes accepted by Prologis for purchase.

CUSIP Number	Title of Security	Acceptance Priority Level	Principal Amount Outstanding	Aggregate Principal Amount Tendered	Proration Factor	Principal Amount Accepted for Purchase	Aggregate Consideration Paid Before Accrued Interest
00163M AK0	Prologis, L.P. 6.625% Notes due December 1, 2019	1	\$250,000,000	\$127,188,000	100%	\$127,188,000	\$149,313,474.48
74340X AU5	Prologis, L.P. 6.875% Notes due March 15, 2020	2	\$540,066,000	\$332,882,000	64%	\$212,696,000	\$252,257,456.00
743410 AW2	Trust 6.875% Notes due March 15, 2020	2	\$20,972,000	\$11,415,000	64%	\$7,273,000	\$8,617,198.00
74340X AL5	Prologis, L.P. 7.625% Notes due July 1, 2017	3	\$96,182,000	\$17,207,000	0%	None	None
814138 AK9	Trust 7.625% Notes due July 1, 2017	3	\$3,818,000	\$685,000	0%	None	None
Total			\$911,038,000	\$489,377,000		\$347,157,000	\$410,188,128.48

The Maximum Tender Offer was made pursuant to the Offer to Purchase dated August 8, 2013 (the "Offer to Purchase") and the related Letter of Transmittal.

The amount of each series of Maximum Tender Notes that was accepted for purchase in the Maximum Tender Offer was based on the Maximum Tender Amount and the order of priority for such series, as set forth in the table above and in the Offer to Purchase. Because the aggregate amount of total consideration (plus Accrued Interest) and tender offer consideration (plus Accrued Interest) of the Maximum Tender Notes that have been tendered and not validly withdrawn exceeds the Maximum Tender Amount, Prologis has accepted for purchase all notes validly tendered and not validly withdrawn in Acceptance Priority Level 1 and has accepted for purchase approximately \$220 million in aggregate principal amount of notes validly tendered and not validly withdrawn in Acceptance Priority Level 2, prorated as set forth in the Offer to Purchase, resulting in a proration factor of 64%. Prologis will not accept for purchase any Maximum Tender Notes in Acceptance Priority Level 3.

The consideration to be paid for each \$1,000 principal amount of Prologis 6.625% Notes due December 1, 2019 (the "2019 Notes"), Prologis 6.875% Notes due March 15, 2020 (the "Prologis 2020 Notes") and Trust 6.875% Notes due March 15, 2020 (the "Trust 2020 Notes") validly tendered and not validly withdrawn at or before 5:00 pm NYC time on August 21, 2013 (the "Early Tender Time") and accepted for purchase will be \$1,173.96,

\$1,186.00 and \$1,186.00, respectively. The consideration to be paid for each \$1,000 principal amount of 2019 Notes, Prologis 2020 Notes and Trust 2020 Notes validly tendered after the Early Tender Time and at or before the Maximum Tender Expiration Time and accepted for purchase will be \$1,143.96, \$1,156.00 and \$1,156.00, respectively. Prologis will also pay accrued but unpaid interest ("Accrued Interest") with respect to the notes accepted for purchase from the applicable last interest payment date to, but not including, the Maximum Tender Offer settlement date, which is expected to be September 6, 2013. The aggregate consideration for the Maximum Tender Notes accepted for purchase is expected to be approximately \$419.6 million, including Accrued Interest.

The Dealer Managers for the Maximum Tender Offer were Citigroup Global Markets Inc. and Goldman, Sachs & Co.

This press release is neither an offer to purchase, nor a solicitation of an offer to sell the notes or any other securities.

Tender Related Charges

Prologis purchased \$611.4 million aggregate principal amount of notes in the Maximum Tender Offer and the recently completed any and all tender offer (collectively, the "Tender Offers"). The Tender Offers will result in a charge of approximately \$111 million to earnings and funds from operations in the third quarter of 2013 with no impact on Core FFO. The charge includes the premium paid to tender the notes and the write-off of any discounts, premiums and deferred financing costs associated with the notes. For a discussion of funds from operations and Core FFO, please see Prologis' Form 10-Q for the quarter ended June 30, 2013.

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 June 30, 2013, Prologis, Inc. owned or had investments in, on a wholly owned basis or through co-investment ventures, properties and development projects expected to total approximately 563 million square feet (52.3 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 above 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, our debt and financial position, our ability to form new co-investment ventures and the availability of capital in existing or new co-investment ventures — are forward-looking statements. These statements are not guarantees of future performance and involve certain risks, uncertainties and assumptions that are difficult to predict. Although we believe the expectations reflected in any forward-looking statements are based on reasonable assumptions, we can give no assurance that our expectations will be attained and therefore, actual outcomes and results may differ materially from what is expressed or forecasted in such forward-looking statements. Some of the factors that may affect outcomes and results include, but are not limited to: (i) national, international, regional and local economic climates, (ii) changes in financial markets, interest rates and foreign currency exchange rates, (iii) increased or unanticipated competition for our properties, (iv) risks associated with acquisitions, dispositions and development of properties, (v) maintenance of real estate investment trust ("REIT") status and tax structuring, (vi) availability of financing and capital, the levels of debt that we maintain and our credit ratings, (vii) risks related to our investments in our co-investment ventures and funds, including our ability to establish new co-investment ventures and funds, (viii) risks of doing business internationally, including currency risks, (ix) environmental uncertainties, including risks of natural disasters, and (x) those additional factors discussed in reports filed with the Securities and Exchange Commission by Prologis under the heading "Risk Factors." Prologis undertakes no duty to update any forward-looking statements appearing in this release.

<http://prologis.mediaroom.com/2013-09-06-Prologis-Announces-Expiration-and-Final-Results-of-Maximum-Tender-Offer-and-Details-of-Related-Charges>