
PROLOGIS, INC.

# The New Prologis

## Post-Merger Messaging

FAQ's

**6/6/2012**

# What's new about the new Prologis?

PROLOGIS.

## GENERAL/MEDIA

1. **Why merge?**
   We recognized the opportunity to create one of the largest platforms in logistics real estate sector and to become the market leader. We have created a company that is unmatched in expertise as both property managers and developers, with more strategic land holdings and proven development talent to meet any built-to-suit needs. This move will greatly benefit our customers, employees, stockholders and private capital investors.

2. **Why is the new company named Prologis?**
   While this is truly a merger of equals, we selected the name Prologis for the new entity because of its significant brand equity and customer base in key markets. The name may be changing for legacy AMB customers and employees, but our commitment to delivering the best service and creating a healthy workplace will not waver. We believe Prologis will become synonymous with "enduring excellence in global real estate."

3. **What's your vision for the new company?**
   Our vision is to build a company of enduring excellence in global real estate. We'll achieve this vision by providing world-class customer service, delivering strong financial performance, maintaining a solid balance sheet and attracting and developing the best talent in the industry. As a preeminent global logistics provider today, focused on all aspects of the distribution and logistics real estate sector, we are now even better equipped to support our customers, stockholders and private capital investors with a full suite of best-in-class products and services. The combination brings together two of the most complementary and customer-focused franchises in distribution and logistics real estate, and extends the geographic footprint of the company.

4. **Will operations be moved to one location?**
   The corporate headquarters for Prologis will be in San Francisco, while the operations headquarters will be in Denver. The establishment of separate headquarters will ensure that all aspects of our business are being operated as efficiently as possible.

5. **Who will lead the company in the short- and long-term?**
   Moghadam, AMB's former CEO, and Rakowich, ProLogis' former CEO, will serve as co-CEOs of the combined company through December 31, 2012, at which time Rakowich will retire and Moghadam will become the sole CEO. Until then, Moghadam will focus on shaping the company's vision, strategy, organizational structure and private capital franchise, and Rakowich will focus on operations, specifically the integration of the two platforms and the optimization of merger synergies. In addition, Moghadam will be chairman of the Board and Rakowich will serve as chairman of the Board's executive committee.

# What's new about the new Prologis?

## CUSTOMERS

6. **Are you only going to focus on bigger customers now?**
   No. We are well-equipped to serve a wide variety of customers of different sizes, with different areas-of-focus and footprints. Our customers will continue to be served by representatives that you have grown to know and trust.

7. **What new opportunities will you bring to me?**
   We now have the ability to offer our customers a broader selection of solutions and benefits, as well as more strategic land holdings and proven development talent. Our extended footprint, talent pool and skill sets allow us the flexibility to meet your changing business requirements.

## STOCKHOLDERS

8. **If I was a shareholder of ProLogis, what happens to my common shares?**
   Under the terms of the merger agreement, each ProLogis common share outstanding immediately prior to the closing was converted into the right to receive 0.4464 of a newly issued share of AMB common stock. On a pro forma basis, former ProLogis common equity holders will hold approximately 60 percent of the combined company's equity, with former AMB common equity holders holding approximately 40 percent based on the exchange ratio.

9. **What will happen to preferred shares?**
   On June 3, 2011 ProLogis' preferred shares became preferred shares of the new entity. The Prologis' Series R and Series S preferred issues remain redeemable by the combined company upon at least 30 days' notice.

10. **Will I need to change stock certificates or contact the transfer agent?**
    As of June 3, 2011, ProLogis' shareholders are required to surrender their shares in exchange for AMB stock. ProLogis shareholders will receive a letter of transmittal instructing them on the procedures for surrendering their shares.

# What's new about the new Prologis?

**11. What are the company's CUSIP numbers?**

**Prologis, Inc. Common Stock (Ticker: PLD)**
CUSIP NUMBER: 74340
W 103

**Prologis, Inc. Series L Preferred Stock (Ticker: PLD PR L)**
CUSIP NUMBER: 74340
W 509

**Prologis, Inc. Series M Preferred Stock (Ticker: PLD PR M)**
CUSIP NUMBER: 74340
W 608

**Prologis, Inc. Series O Preferred Stock (Ticker: PLD PR O)**
CUSIP NUMBER: 74340
W 707

**Prologis, Inc. Series P Preferred Stock (Ticker: PLD PR P)**
CUSIP NUMBER: 74340
W 806

**Prologis, Inc. Series Q Preferred Stock (Not listed on NYSE)**
CUSIP NUMBER: 74340
W 202

**Prologis, Inc. Series R Preferred Stock (Ticker: PLD PR R)**
CUSIP NUMBER: 74340
W 301

**Prologis, Inc. Series S Preferred Stock (Ticker: PLD PR S)**
CUSIP NUMBER: 74340
W 400

**12. Who is the company's stock transfer agent?**
Computershare Investor Services
250 Royall Street
Canton, MA 02021
+1 800 833 9474

13. **Who should I contact to transfer my stock certificates or change my address of record?**
Please contact our stock transfer agent at the address above.

14. **Does the new company have a Dividend Reinvestment Plan?**
Not at this time. Management completed a cost/benefit analysis and determined its high cost and low participation was not beneficial to stockholders.

15. **Will there be a change in dividend policy?**
The dividend level and timing of dividends for the combined company will be determined by the Board.

16. **What will be the post-closing market capitalization of the company?**
As of June 3, 2011, the total equity market capitalization was $15.1 billion and total market capitalization was $25 billion.

17. **What will the capital structure of the combined company look like?**
On a pro forma basis as of March 31, 2011:
    - Debt/2011 pro forma EBITDA, including realization of $80 million in estimated synergies, of 8.0X.
    - Debt as a percentage of gross book value of real estate of 38.8%.
    - Debt as a percentage of total market capitalization of 39.6%.

    Furthermore, we will maintain a well-staggered debt maturity schedule with significant availability global lines of credit.

18. **What will the company's credit profile look like?**
Prologis will continue to be rated by the three major ratings agencies (Moody's S&P and Fitch). We do not yet know what the new ratings will be, but both companies prior to the merger announcement enjoyed strong credit ratings. ProLogis was rated Bas2/BBB-/BB+ by Moody's, S&P and Fitch, respectively, while AMB was rated Baa1/BBB/BBB, respectively.

19. **What benefits will stockholders see as a result of this merger?**
Our focus on returning value to stockholders will only be strengthened. First and foremost, we expect that stockholders will benefit from our lowered cost of capital. Our cost of equity will reflect accelerating growth in FFO/share. In addition, our shares of stock and our limited partnership units are expected to be attractive acquisition currencies to execute on growth opportunities.

**20. What synergies do you expect to realize?**
The transaction is expected to create synergies and be immediately accretive, with the full expected annual gross savings of approximately $80 million in G&A to be realized by the end of 2012. The combined company anticipates it will have an improved cost of capital with greater financial flexibility and that its expanded geographic footprint will generate increased revenue opportunities by allowing it to better serve the needs of its customers.

**21. What measures will the company implement to maintain a high degree of corporate governance beyond the base-level requirements?**
As part of our ongoing commitment to transparency, the new Prologis will also continue to lead by example in the area of corporate governance. Part of this has already been demonstrated with the selection of the new Board of Directors and inclusion of independent board members on key committees. This culture will continue to be fostered going forward.

22. **Who should I contact if I have additional questions? How can I find more information as time goes on?**
Press releases will be posted on the company's website at www.prologis.com. You may also call Prologis' investor relations department at 415.394.9000. Additionally, the combined company files reports with the Securities and Exchange Commission. Those reports can be accessed on the SEC's website at www.sec.gov.

23. **What is the structure of the new management team and Board of Directors?**
Hamid Moghadam, AMB's former CEO, and Walt Rakowich, ProLogis' former CEO, will serve as co-CEOs through December 31, 2012, at which time Rakowich will retire and Moghadam will become sole CEO of the combined company. Until then, Moghadam will focus on shaping the company's vision, strategy and private capital franchise, and Rakowich will focus on operations, specifically the integration of the two platforms and optimizing merger synergies. In addition, Moghadam will be chairman of the Board and Rakowich will serve as chairman of the Board's executive committee.

In addition, William E. Sullivan, ProLogis' former CFO, will continue to serve as CFO and will retire from Prologis on December 31, 2012. During this period, Thomas S. Olinger, AMB's former CFO, will be responsible for day-to-day integration activities and report to the CEOs; he will become the CFO of the combined company on December 31, 2012.

The Board of Directors of the combined company will consist of six members designated by ProLogis and five board members designated by AMB. Irving F. Lyons III, former ProLogis Board member, will serve as Lead Independent Director.

**24. Does the merger provide undue reliance on revenue generation from a few key customers?**
No, as the cross-over in customers is limited given AMB's focus on global hubs/markets and a more regional focus by ProLogis. In fact, no single customer will represent more than 2.6% of ABR, and our top-10 customers will represent less than 10% of ABR.

**25. Is there a concern that some of your larger customers will move to a competitor rather than see how the new company performs?**

To date we have received support from both global and regional customers in key markets throughout the world. The majority of our customers will continue to be supported by their same account teams, with the ability to tap into additional resources stemming from the combination of two best-in-class platforms that this transaction creates. Furthermore, our significantly extended geographic footprint, talent team and skill sets provide us the flexibility to meet our customers' changing needs, both globally and in specific markets.

**26. What will your customer base look like?**

We will maintain an industry-leading mix of top-tier global customers, including such retailers, automotive manufacturers and freight forwarders as:

- FedEx
- Ford
- Kuehne+Nagel
- DHL
- The Home Depot
- Unilever
- CEVA Logistics

In addition, we strive to focus on customer service in a manner unrivaled by any of our competitors.

Some of the information included in this document contains forward-looking statements, such as future opportunities for the combined company, improved cost of capital, increased revenue opportunities, the approximate cost savings, benefits of merger to our customers, employees, stockholders and investors, commitment to service and excellence, delivering strong financial performance and maintenance of a solid balance sheet, attracting of talent, future capital structure, stock and OP units as attractive acquisition currencies, cost of equity reflecting FFO/share growth, maintenance of corporate governance standards, pending retirement of certain executives and other expected executive changes, our ability to meet customer needs, and our future customer base, which are made pursuant to the safe-harbor provisions of Section 21E of the Securities Exchange Act of 1934, as amended, and Section 27A of the Securities Act of 1933, as amended. Because these forward-looking statements involve risks and uncertainties, there are important factors that could cause our actual results to differ materially from those in the forward-looking statements, and you should not rely on the forward-looking statements as predictions of future events. The events or circumstances reflected in forward-looking statements might not occur. You can identify forward-looking statements by the use of forward-looking terminology such as "believes," "expects," "may," "will," "should," "seeks," "approximately," "intends," "plans," "pro forma," "estimates" or "anticipates" or the negative of these words and phrases or similar words or phrases. You can also identify forward-looking statements by discussions of strategy, plans or intentions. Forward-looking statements are necessarily dependent on assumptions, data or methods that may be incorrect or imprecise and we may not be able to realize them. We caution you not to place undue reliance on forward-looking statements, which reflect our analysis only and speak only as of the date of this report or the dates indicated in the statements. We assume no obligation to update or supplement forward-looking statements. The following factors, among others, could cause actual results and future events to differ materially from those set forth or contemplated in the forward-looking statements: changes in general economic conditions in California, the U.S. or globally (including financial market fluctuations), global trade or in the real estate sector (including risks relating to decreasing real estate valuations and impairment charges); risks associated with using debt to fund the company's business activities, including refinancing and interest rate risks; the company's failure to obtain, renew, or extend necessary financing or access the debt or equity markets; the company's failure to maintain its current credit agency ratings or comply with its debt covenants; risks related to the merger with ProLogis, including the risk that the merger may not achieve its intended results, the risk the expected synergies will not be realized, or will not be realized during the expected time period; the risks that the businesses will not be integrated successfully; disruption from the merger making it more difficult to maintain business and operational relationships; risks related to the company's obligations in the event of certain defaults under co-investment venture and other debt;  defaults on or non-renewal of leases by customers, lease renewals at lower than expected rent or failure to lease properties at all or on favorable rents and terms; difficulties in identifying properties, portfolios of properties, or interests in real-estate related entities or platforms to acquire and in effecting acquisitions on advantageous terms and the failure of acquisitions to perform as the company expects; unknown liabilities acquired in connection with the acquired properties, portfolios of properties, or interests in real-estate related entities; the company's failure to successfully integrate acquired properties and operations; risks and uncertainties affecting property development, redevelopment and value-added conversion (including construction delays, cost overruns, the company's inability to obtain necessary permits and financing, the company's inability to lease properties at all or at favorable rents and terms, and public opposition to these activities); the company's failure to set up additional funds, attract additional investment in existing funds or to contribute properties to its co-investment ventures due to such factors as its inability to acquire, develop, or lease properties that meet the investment criteria of such ventures, or the co-investment ventures' inability to access debt and equity capital to pay for property contributions or their allocation of available capital to cover other capital requirements; risks and uncertainties relating to the disposition of properties to third parties and the company's ability to effect such transactions on advantageous terms and to timely reinvest proceeds from any such dispositions; risks of doing business internationally and global expansion, including unfamiliarity with the new markets and currency risks; risks of changing personnel and roles; losses in excess of the company's insurance coverage; changes in local, state and federal regulatory requirements, including changes in real estate and zoning laws; increases in real property tax rates; risks associated with the company's tax structuring; increases in interest rates and operating costs or greater than expected capital expenditures; environmental uncertainties and risks related to natural disasters; and our failure to qualify and maintain our status as a real estate investment trust. Our success also depends upon economic trends generally, various market conditions and fluctuations and those other risk factors discussed under the heading "Risk Factors" and elsewhere in our most recent annual report on Form 10-K for the year ended December 31, 2010 and our other public reports.