INDEX TO THE CONSOLIDATED FINANCIAL STATEMENTS AND SCHEDULE III

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Stockholders and Board of Directors
Prologis, Inc.:

Opinion on the Consolidated Financial Statements

We have audited the accompanying consolidated balance sheets of Prologis, Inc. and subsidiaries (the Company) as of December 31, 2025 and 2024, the related consolidated statements of income, comprehensive income, equity, and cash flows for each of the years in the three-year period ended December 31, 2025, and the related notes and financial statement schedule III (collectively, the consolidated financial statements). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2025 and 2024, and the results of its operations and its cash flows for each of the years in the three-year period ended December 31, 2025, in conformity with U.S. generally accepted accounting principles.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the Company's internal control over financial reporting as of December 31, 2025, based on criteria established in *Internal Control – Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission, and our report dated February 13, 2026 expressed an unqualified opinion on the effectiveness of the Company's internal control over financial reporting.

Basis for Opinion

These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matter

The critical audit matter communicated below is a matter arising from the current period audit of the consolidated financial statements that was communicated or required to be communicated to the audit committee and that: (1) relates to accounts or disclosures that are material to the consolidated financial statements and (2) involved our especially challenging, subjective, or complex judgments. The communication of a critical audit matter does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

Assessment of the Company's evaluation of the expected holding period for operating properties

As discussed in Notes 2 and 3 to the consolidated financial statements, the Company had $80,561 million of operating properties as of December 31, 2025. The Company tests the recoverability of operating properties whenever events or changes in circumstances, including shortening the expected holding period of such assets, indicate that the carrying amount of these assets may not be recoverable.

We identified the assessment of the Company's evaluation of the expected holding period for certain operating properties as a critical audit matter. Subjective auditor judgment was required to assess the relevant events or changes in circumstances that the Company used to evaluate its expected holding period. A shortening of the expected holding period could indicate a potential impairment.

The following are the primary procedures we performed to address this critical audit matter. We evaluated the design and tested the operating effectiveness of certain internal controls related to determining the expected holding period of operating properties and any related changes. We evaluated the Company's expected holding period by inquiring of the Company regarding changes to the expected holding period, considering certain factors related to the current economic environment, reading minutes of the meetings of the Company's Board of Directors, reading external communications with investors and analysts, and analyzing documents prepared by the Company regarding proposed real estate transactions and potential changes to the expected holding period.

/s/ KPMG LLP

We have served as the Company's auditor since 2002.

Denver, Colorado
February 13, 2026

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Partners of Prologis, L.P. and the Board of Directors of Prologis, Inc.:
Prologis, L.P.:

Opinion on the Consolidated Financial Statements

We have audited the accompanying consolidated balance sheets of Prologis, L.P. and subsidiaries (the Operating Partnership) as of December 31, 2025 and 2024, the related consolidated statements of income, comprehensive income, capital, and cash flows for each of the years in the three-year period ended December 31, 2025, and the related notes and financial statement schedule III (collectively, the consolidated financial statements). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Operating Partnership as of December 31, 2025 and 2024, and the results of its operations and its cash flows for each of the years in the three-year period ended December 31, 2025, in conformity with U.S. generally accepted accounting principles.

Basis for Opinion

These consolidated financial statements are the responsibility of the Operating Partnership's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Operating Partnership in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud. The Operating Partnership is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits, we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Operating Partnership's internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matter

The critical audit matter communicated below is a matter arising from the current period audit of the consolidated financial statements that was communicated or required to be communicated to the audit committee and that: (1) relates to accounts or disclosures that are material to the consolidated financial statements and (2) involved our especially challenging, subjective, or complex judgments. The communication of a critical audit matter does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

Assessment of the Operating Partnership's evaluation of the expected holding period for operating properties

As discussed in Notes 2 and 3 to the consolidated financial statements, the Operating Partnership had $80,561 million of operating properties as of December 31, 2025. The Operating Partnership tests the recoverability of operating properties whenever events or changes in circumstances, including shortening the expected holding period of such assets, indicate that the carrying amount of these assets may not be recoverable.

We identified the assessment of the Operating Partnership's evaluation of the expected holding period for certain operating properties as a critical audit matter. Subjective auditor judgment was required to assess the relevant events or changes in circumstances that the Operating Partnership used to evaluate its expected holding period. A shortening of the expected holding period could indicate a potential impairment.

The following are the primary procedures we performed to address this critical audit matter. We evaluated the design and tested the operating effectiveness of certain internal controls related to determining the expected holding period of operating properties and any related changes. We evaluated the Operating Partnership's expected holding period by inquiring of the Operating Partnership regarding changes to the expected holding period, considering certain factors related to the current economic environment, reading minutes of the meetings of the Board of Directors of Prologis, Inc., reading external communications with investors and analysts, and analyzing documents prepared by the Operating Partnership regarding proposed real estate transactions and potential changes to the expected holding period.

/s/ KPMG LLP

We have served as the Operating Partnership's auditor since 2002.

Denver, Colorado
February 13, 2026

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Stockholders and Board of Directors
Prologis, Inc.:

Opinion on Internal Control Over Financial Reporting

We have audited Prologis, Inc. and subsidiaries' (the Company) internal control over financial reporting as of December 31, 2025, based on criteria established in *Internal Control – Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission. In our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of December 31, 2025, based on criteria established in *Internal Control – Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the consolidated balance sheets of the Company as of December 31, 2025 and 2024, the related consolidated statements of income, comprehensive income, equity, and cash flows for each of the years in the three-year period ended December 31, 2025, and the related notes and financial statement schedule III (collectively, the consolidated financial statements), and our report dated February 13, 2026 expressed an unqualified opinion on those consolidated financial statements.

Basis for Opinion

The Company's management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Management's Annual Report on Internal Control over Financial Reporting. Our responsibility is to express an opinion on the Company's internal control over financial reporting based on our audit. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit of internal control over financial reporting included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audit also included performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

Definition and Limitations of Internal Control Over Financial Reporting

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

/s/ KPMG LLP

Denver, Colorado
February 13, 2026

PROLOGIS, INC.

CONSOLIDATED BALANCE SHEETS
(In thousands, except per share amounts)

	December 31, 2025	December 31, 2024
ASSETS		
Investments in real estate properties	$ 95,129,356	$ 91,246,176
Less accumulated depreciation	14,729,149	12,758,159
Net investments in real estate properties	80,400,207	78,488,017
Investments in and advances to unconsolidated entities	11,093,936	10,079,448
Assets held for sale or contribution	203,344	248,511
Net investments in real estate	91,697,487	88,815,976
Cash and cash equivalents	1,145,647	1,318,591
Other assets	5,881,122	5,194,342
Total assets	**$ 98,724,256**	**$ 95,328,909**
LIABILITIES AND EQUITY		
Liabilities:		
Debt	$ 35,037,073	$ 30,879,263
Accounts payable and accrued expenses	1,963,645	1,769,327
Other liabilities	3,969,530	4,063,549
Total liabilities	40,970,248	36,712,139
Equity:		
Prologis, Inc. stockholders' equity:		
Series Q preferred stock at stated liquidation preference of $50 per share; $0.01 par value; 1,279 shares issued and outstanding and 100,000 preferred shares authorized at December 31, 2025 and 2024	63,948	63,948
Common stock; $0.01 par value; 929,153 and 926,283 shares issued and outstanding at December 31, 2025 and 2024, respectively	9,292	9,263
Additional paid-in capital	54,698,641	54,464,055
Accumulated other comprehensive loss	(676,276)	(120,215)
Distributions in excess of net earnings	(902,427)	(465,913)
Total Prologis, Inc. stockholders' equity	53,193,178	53,951,138
Noncontrolling interests	4,560,830	4,665,632
Total equity	57,754,008	58,616,770
Total liabilities and equity	**$ 98,724,256**	**$ 95,328,909**

The accompanying notes are an integral part of these Consolidated Financial Statements.

PROLOGIS, INC.

CONSOLIDATED STATEMENTS OF INCOME
(In thousands, except per share amounts)

	Years Ended December 31,		
	2025	2024	2023
Revenues:			
Rental	$ 8,158,904	$ 7,514,705	$ 6,818,542
Strategic capital	592,353	671,907	1,200,232
Development management and other	38,870	14,998	4,695
Total revenues	8,790,127	8,201,610	8,023,469
Expenses:			
Rental	1,964,137	1,765,385	1,624,793
Strategic capital	270,517	291,856	385,542
General and administrative	469,114	418,765	390,406
Depreciation and amortization	2,626,028	2,580,519	2,484,891
Other	46,029	47,044	53,354
Total expenses	5,375,825	5,103,569	4,938,986
Operating income before gains on real estate transactions, net	3,414,302	3,098,041	3,084,483
Gains on dispositions of development properties and land, net	257,731	413,743	462,270
Gains on other dispositions of investments in real estate, net	685,831	904,136	161,039
Operating income	4,357,864	4,415,920	3,707,792
Other income (expense):			
Earnings from unconsolidated entities, net	402,531	353,623	307,227
Interest expense	(1,002,344)	(863,932)	(641,332)
Foreign currency, derivative and other gains (losses) and other income (expense), net	14,763	208,731	87,221
Gains (losses) on early extinguishment of debt, net	(3,498)	536	3,275
Total other income (expense)	(588,548)	(301,042)	(243,609)
Earnings before income taxes	3,769,316	4,114,878	3,464,183
Income tax expense	(204,017)	(166,943)	(211,038)
Consolidated net earnings	3,565,299	3,947,935	3,253,145
Less net earnings attributable to noncontrolling interests	237,068	216,300	193,931
Net earnings attributable to controlling interests	3,328,231	3,731,635	3,059,214
Less preferred stock dividends	5,882	5,881	5,841
Net earnings attributable to common stockholders	**$ 3,322,349**	**$ 3,725,754**	**$ 3,053,373**
Weighted average common shares outstanding – Basic	928,473	926,172	924,351
Weighted average common shares outstanding – Diluted	956,832	953,590	951,791
Net earnings per share attributable to common stockholders – Basic	**$ 3.58**	**$ 4.02**	**$ 3.30**
Net earnings per share attributable to common stockholders – Diluted	**$ 3.56**	**$ 4.01**	**$ 3.29**

The accompanying notes are an integral part of these Consolidated Financial Statements.

PROLOGIS, INC.

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(In thousands)

	Years Ended December 31,		
	2025	**2024**	**2023**
Consolidated net earnings	$ 3,565,299	$ 3,947,935	$ 3,253,145
Other comprehensive income:			
Foreign currency translation gains (losses), net	(575,862)	360,874	20,763
Unrealized gains (losses) on derivative contracts, net	8,400	39,279	(92,703)
Comprehensive income	2,997,837	4,348,088	3,181,205
Net earnings attributable to noncontrolling interests	(237,068)	(216,300)	(193,931)
Other comprehensive loss (income) attributable to noncontrolling interests	11,401	(6,167)	1,348
Comprehensive income attributable to common stockholders	**$ 2,772,170**	**$ 4,125,621**	**$ 2,988,622**

The accompanying notes are an integral part of these Consolidated Financial Statements.

PROLOGIS, INC.

CONSOLIDATED STATEMENTS OF EQUITY
(In thousands, except per share amounts)

	Preferred Stock	Common Stock Number of Shares	Common Stock Par Value	Additional Paid-in Capital	Accumulated Other Comprehensive Income (Loss)	Distributions in Excess of Net Earnings	Non-controlling Interests	Total Equity
Balance at January 1, 2023	**$ 63,948**	**923,142**	**$ 9,231**	**$ 54,065,407**	**$ (443,609)**	**$ (457,695)**	**$ 4,625,811**	**$ 57,863,093**
Consolidated net earnings	-	-	-	-	-	3,059,214	193,931	3,253,145
Effect of equity compensation plans	-	410	5	84,719	-	-	195,987	280,711
Capital contributions	-	-	-	-	-	-	32,157	32,157
Redemption of noncontrolling interests	-	839	8	48,349	-	-	(118,164)	(69,807)
Foreign currency translation gains (losses), net	-	-	-	-	19,867	-	896	20,763
Unrealized gains (losses) on derivative contracts, net	-	-	-	-	(90,459)	-	(2,244)	(92,703)
Reallocation of equity	-	-	-	51,328	-	-	(51,328)	-
Dividends ($3.48 per common share) and other distributions	-	-	-	(2)	-	(3,228,587)	(235,050)	(3,463,639)
Balance at December 31, 2023	**$ 63,948**	**924,391**	**$ 9,244**	**$ 54,249,801**	**$ (514,201)**	**$ (627,068)**	**$ 4,641,996**	**$ 57,823,720**
Consolidated net earnings	-	-	-	-	-	3,731,635	216,300	3,947,935
Effect of equity compensation plans	-	487	5	69,239	-	-	170,187	239,431
Capital contributions	-	-	-	-	-	-	73,094	73,094
Redemption of noncontrolling interests	-	1,405	14	80,677	-	-	(82,341)	(1,650)
Foreign currency translation gains (losses), net	-	-	-	-	355,663	-	5,211	360,874
Unrealized gains (losses) on derivative contracts, net	-	-	-	-	38,323	-	956	39,279
Reallocation of equity	-	-	-	64,070	-	-	(64,070)	-
Dividends ($3.84 per common share) and other distributions	-	-	-	268	-	(3,570,480)	(295,701)	(3,865,913)
Balance at December 31, 2024	**$ 63,948**	**926,283**	**$ 9,263**	**$ 54,464,055**	**$ (120,215)**	**$ (465,913)**	**$ 4,665,632**	**$ 58,616,770**
Consolidated net earnings	-	-	-	-	-	3,328,231	237,068	3,565,299
Effect of equity compensation plans	-	486	5	79,284	-	-	116,771	196,060
Capital contributions	-	-	-	-	-	-	70,612	70,612
Purchase of noncontrolling interests	-	-	-	(1,677)	-	-	(11,984)	(13,661)
Redemption of noncontrolling interests	-	2,384	24	137,236	-	-	(157,207)	(19,947)
Foreign currency translation gains (losses), net	-	-	-	-	(564,268)	-	(11,594)	(575,862)
Unrealized gains (losses) on derivative contracts, net	-	-	-	-	8,207	-	193	8,400
Reallocation of equity	-	-	-	19,772	-	-	(19,772)	-
Dividends ($4.04 per common share) and other distributions	-	-	-	(29)	-	(3,764,745)	(328,889)	(4,093,663)
Balance at December 31, 2025	**$ 63,948**	**929,153**	**$ 9,292**	**$ 54,698,641**	**$ (676,276)**	**$ (902,427)**	**$ 4,560,830**	**$ 57,754,008**

The accompanying notes are an integral part of these Consolidated Financial Statements.

PROLOGIS, INC.

CONSOLIDATED STATEMENTS OF CASH FLOWS
(In thousands)

	Years Ended December 31,		
	2025	2024	2023
Operating activities:			
Consolidated net earnings	$ 3,565,299	$ 3,947,935	$ 3,253,145
Adjustments to reconcile net earnings to net cash provided by (used in) operating activities:			
Straight-lined rents and amortization of above and below market leases	(691,090)	(644,606)	(613,005)
Equity-based compensation awards	185,466	231,747	267,648
Depreciation and amortization	2,626,028	2,580,519	2,484,891
Earnings from unconsolidated entities, net	(402,531)	(353,623)	(307,227)
Operating distributions from unconsolidated entities	644,936	562,475	680,192
Decrease (increase) in operating receivables from unconsolidated entities	1,272	20,532	(82,375)
Amortization of debt discounts and debt issuance costs, net	85,647	78,885	74,589
Gains on dispositions of development properties and land, net	(257,731)	(413,743)	(462,270)
Gains on other dispositions of investments in real estate, net	(685,831)	(904,136)	(161,039)
Unrealized foreign currency and derivative losses (gains), net	125,656	(67,335)	71,627
Losses (gains) on early extinguishment of debt, net	3,498	(536)	(3,275)
Deferred income tax expense (benefit)	4,309	21,161	17,708
Decrease (increase) in other assets	(422,101)	(341,614)	(102,610)
Increase (decrease) in accounts payable and accrued expenses and other liabilities	225,607	194,548	255,059
Net cash provided by (used in) operating activities	5,008,434	4,912,209	5,373,058
Investing activities:			
Real estate development	(2,781,260)	(3,206,231)	(3,399,114)
Real estate acquisitions	(1,800,527)	(2,327,605)	(4,195,714)
Duke Transaction, net of cash acquired	-	-	(33,009)
Tenant improvements and lease commissions on previously leased space	(562,197)	(499,927)	(388,814)
Property improvements	(327,355)	(386,481)	(303,042)
Proceeds from dispositions and contributions of real estate	2,246,186	3,790,388	1,764,322
Investments in and advances to unconsolidated entities	(312,214)	(540,559)	(284,185)
Return of investment from unconsolidated entities	104,431	58,339	348,276
Proceeds from the settlement of net investment hedges	4,852	16,021	37,113
Payments on the settlement of net investment hedges	(25,648)	(3,002)	(2,230)
Proceeds from repayment of notes receivable backed by real estate	-	-	37,000
Purchase of short-term investments	(176,715)	-	-
Net cash provided by (used in) investing activities	(3,630,447)	(3,099,057)	(6,419,397)
Financing activities:			
Dividends paid on common and preferred stock	(3,764,745)	(3,570,480)	(3,228,589)
Noncontrolling interests contributions	70,612	73,094	21,107
Noncontrolling interests distributions	(327,014)	(295,701)	(235,050)
Settlement of noncontrolling interests	(33,608)	(1,650)	(69,807)
Tax paid with shares withheld	(23,947)	(30,526)	(24,536)
Debt and equity issuance costs paid	(40,043)	(30,966)	(58,660)
Net proceeds from (payments on) credit facilities and commercial paper	(203,917)	(730,077)	(567,076)
Repurchase of and payments on debt	(701,861)	(919,481)	(272,203)
Proceeds from the issuance of debt	3,460,904	4,505,830	5,755,096
Net cash provided by (used in) financing activities	(1,563,619)	(999,957)	1,320,282
Effect of foreign currency exchange rate changes on cash	12,688	(24,992)	(22,038)
Net increase (decrease) in cash and cash equivalents	(172,944)	788,203	251,905
Cash and cash equivalents, beginning of year	1,318,591	530,388	278,483
Cash and cash equivalents, end of year	**$ 1,145,647**	**$ 1,318,591**	**$ 530,388**

See Note 17 for information on noncash investing and financing activities and other information.

The accompanying notes are an integral part of these Consolidated Financial Statements.

PROLOGIS, L.P.

CONSOLIDATED BALANCE SHEETS
(In thousands)

	December 31, 2025	December 31, 2024
ASSETS		
Investments in real estate properties	$ 95,129,356	$ 91,246,176
Less accumulated depreciation	14,729,149	12,758,159
Net investments in real estate properties	80,400,207	78,488,017
Investments in and advances to unconsolidated entities	11,093,936	10,079,448
Assets held for sale or contribution	203,344	248,511
Net investments in real estate	91,697,487	88,815,976
Cash and cash equivalents	1,145,647	1,318,591
Other assets	5,881,122	5,194,342
Total assets	**$ 98,724,256**	**$ 95,328,909**
LIABILITIES AND CAPITAL		
Liabilities:		
Debt	$ 35,037,073	$ 30,879,263
Accounts payable and accrued expenses	1,963,645	1,769,327
Other liabilities	3,969,530	4,063,549
Total liabilities	40,970,248	36,712,139
Capital:		
Partners’ capital:		
General partner – preferred	63,948	63,948
General partner – common	53,129,230	53,887,190
Limited partners – common	1,244,117	913,227
Limited partners – Class A common	-	429,358
Total partners’ capital	54,437,295	55,293,723
Noncontrolling interests	3,316,713	3,323,047
Total capital	57,754,008	58,616,770
Total liabilities and capital	**$ 98,724,256**	**$ 95,328,909**

The accompanying notes are an integral part of these Consolidated Financial Statements.

PROLOGIS, L.P.

CONSOLIDATED STATEMENTS OF INCOME
(In thousands, except per unit amounts)

	Years Ended December 31, 2025	2024	2023
Revenues:			
Rental	$ 8,158,904	$ 7,514,705	$ 6,818,542
Strategic capital	592,353	671,907	1,200,232
Development management and other	38,870	14,998	4,695
Total revenues	8,790,127	8,201,610	8,023,469
Expenses:			
Rental	1,964,137	1,765,385	1,624,793
Strategic capital	270,517	291,856	385,542
General and administrative	469,114	418,765	390,406
Depreciation and amortization	2,626,028	2,580,519	2,484,891
Other	46,029	47,044	53,354
Total expenses	5,375,825	5,103,569	4,938,986
Operating income before gains on real estate transactions, net	3,414,302	3,098,041	3,084,483
Gains on dispositions of development properties and land, net	257,731	413,743	462,270
Gains on other dispositions of investments in real estate, net	685,831	904,136	161,039
Operating income	4,357,864	4,415,920	3,707,792
Other income (expense):			
Earnings from unconsolidated entities, net	402,531	353,623	307,227
Interest expense	(1,002,344)	(863,932)	(641,332)
Foreign currency, derivative and other gains (losses) and other income (expense), net	14,763	208,731	87,221
Gains (losses) on early extinguishment of debt, net	(3,498)	536	3,275
Total other income (expense)	(588,548)	(301,042)	(243,609)
Earnings before income taxes	3,769,316	4,114,878	3,464,183
Income tax expense	(204,017)	(166,943)	(211,038)
Consolidated net earnings	3,565,299	3,947,935	3,253,145
Less net earnings attributable to noncontrolling interests	156,064	123,192	116,657
Net earnings attributable to controlling interests	3,409,235	3,824,743	3,136,488
Less preferred unit distributions	5,882	5,881	5,841
Net earnings attributable to common unitholders	**$ 3,403,353**	**$ 3,818,862**	**$ 3,130,647**
Weighted average common units outstanding – Basic	947,938	941,782	939,635
Weighted average common units outstanding – Diluted	956,832	953,590	951,791
Net earnings per unit attributable to common unitholders – Basic	**$ 3.58**	**$ 4.02**	**$ 3.30**
Net earnings per unit attributable to common unitholders – Diluted	**$ 3.56**	**$ 4.01**	**$ 3.29**

The accompanying notes are an integral part of these Consolidated Financial Statements.

PROLOGIS, L.P.

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(In thousands)

	Years Ended December 31,		
	2025	**2024**	**2023**
Consolidated net earnings	$ 3,565,299	$ 3,947,935	$ 3,253,145
Other comprehensive income:			
Foreign currency translation gains (losses), net	(575,862)	360,874	20,763
Unrealized gains (losses) on derivative contracts, net	8,400	39,279	(92,703)
Comprehensive income	2,997,837	4,348,088	3,181,205
Net earnings attributable to noncontrolling interests	(156,064)	(123,192)	(116,657)
Other comprehensive loss (income) attributable to noncontrolling interests	(1,826)	3,651	(404)
Comprehensive income attributable to common unitholders	**$ 2,839,947**	**$ 4,228,547**	**$ 3,064,144**

The accompanying notes are an integral part of these Consolidated Financial Statements.

PROLOGIS, L.P.

CONSOLIDATED STATEMENTS OF CAPITAL
(In thousands, except per unit amounts)

	General Partner				Limited Partners					
	Preferred		Common		Common		Class A Common		Non-controlling	
	Units	Amount	Units	Amount	Units	Amount	Units	Amount	Interests	Total
Balance at January 1, 2023	**1,279**	**$ 63,948**	**923,142**	**$ 53,173,334**	**14,640**	**$ 843,263**	**8,595**	**$ 464,781**	**$ 3,317,767**	**$ 57,863,093**
Consolidated net earnings	-	-	-	3,059,214	-	50,490	-	26,784	116,657	3,253,145
Effect of equity compensation plans	-	-	410	84,724	1,536	195,987	-	-	-	280,711
Capital contributions	-	-	-	-	-	-	-	-	32,157	32,157
Redemption of limited partnership units	-	-	839	48,357	(1,416)	(118,164)	-	-	-	(69,807)
Foreign currency translation gains (losses), net	-	-	-	19,867	-	316	-	176	404	20,763
Unrealized gains (losses) on derivative contracts, net	-	-	-	(90,459)	-	(1,444)	-	(800)	-	(92,703)
Reallocation of capital	-	-	-	51,328	-	(52,180)	-	852	-	-
Distributions ($3.48 per common unit) and other	-	-	-	(3,228,589)	-	(70,108)	-	(22,232)	(142,710)	(3,463,639)
Balance at December 31, 2023	**1,279**	**$ 63,948**	**924,391**	**$ 53,117,776**	**14,760**	**$ 848,160**	**8,595**	**$ 469,561**	**$ 3,324,275**	**$ 57,823,720**
Consolidated net earnings	-	-	-	3,731,635	-	62,800	-	30,308	123,192	3,947,935
Effect of equity compensation plans	-	-	487	69,244	1,465	170,187	-	-	-	239,431
Capital contributions	-	-	-	-	-	-	-	-	73,094	73,094
Redemption of limited partnership units	-	-	1,405	80,691	(526)	(30,503)	(945)	(51,838)	-	(1,650)
Foreign currency translation gains (losses), net	-	-	-	355,663	-	6,028	-	2,834	(3,651)	360,874
Unrealized gains (losses) on derivative contracts, net	-	-	-	38,323	-	650	-	306	-	39,279
Reallocation of capital	-	-	-	64,070	-	(62,654)	-	(1,416)	-	-
Distributions ($3.84 per common unit) and other	-	-	-	(3,570,212)	-	(81,441)	-	(20,397)	(193,863)	(3,865,913)
Balance at December 31, 2024	**1,279**	**$ 63,948**	**926,283**	**$ 53,887,190**	**15,699**	**$ 913,227**	**7,650**	**$ 429,358**	**$ 3,323,047**	**$ 58,616,770**
Consolidated net earnings	-	-	-	3,328,231	-	71,846	-	9,158	156,064	3,565,299
Effect of equity compensation plans	-	-	486	79,289	1,115	116,771	-	-	-	196,060
Capital contributions	-	-	-	-	-	-	-	-	70,612	70,612
Purchase of noncontrolling interests	-	-	-	(1,677)	-	-	-	-	(11,984)	(13,661)
Redemption of noncontrolling interests	-	-	-	757	-	-	-	-	(757)	-
Redemption of limited partnership units	-	-	2,384	136,503	4,944	266,900	(7,650)	(423,350)	-	(19,947)
Foreign currency translation gains (losses), net	-	-	-	(564,268)	-	(13,408)	-	(12)	1,826	(575,862)
Unrealized gains (losses) on derivative contracts, net	-	-	-	8,207	-	193	-	-	-	8,400
Reallocation of capital	-	-	-	19,772	-	(13,417)	-	(6,355)	-	-
Distributions ($4.04 per common unit) and other	-	-	-	(3,764,774)	-	(97,995)	-	(8,799)	(222,095)	(4,093,663)
Balance at December 31, 2025	**1,279**	**$ 63,948**	**929,153**	**$ 53,129,230**	**21,758**	**$ 1,244,117**	**-**	**$ -**	**$ 3,316,713**	**$ 57,754,008**

The accompanying notes are an integral part of these Consolidated Financial Statements.

PROLOGIS, L.P

CONSOLIDATED STATEMENTS OF CASH FLOWS
(In thousands)

	Years Ended December 31,		
	2025	2024	2023
Operating activities:			
Consolidated net earnings	$ 3,565,299	$ 3,947,935	$ 3,253,145
Adjustments to reconcile net earnings to net cash provided by (used in) operating activities:			
Straight-lined rents and amortization of above and below market leases	(691,090)	(644,606)	(613,005)
Equity-based compensation awards	185,466	231,747	267,648
Depreciation and amortization	2,626,028	2,580,519	2,484,891
Earnings from unconsolidated entities, net	(402,531)	(353,623)	(307,227)
Operating distributions from unconsolidated entities	644,936	562,475	680,192
Decrease (increase) in operating receivables from unconsolidated entities	1,272	20,532	(82,375)
Amortization of debt discounts and debt issuance costs, net	85,647	78,885	74,589
Gains on dispositions of development properties and land, net	(257,731)	(413,743)	(462,270)
Gains on other dispositions of investments in real estate, net	(685,831)	(904,136)	(161,039)
Unrealized foreign currency and derivative losses (gains), net	125,656	(67,335)	71,627
Losses (gains) on early extinguishment of debt, net	3,498	(536)	(3,275)
Deferred income tax expense (benefit)	4,309	21,161	17,708
Decrease (increase) in other assets	(422,101)	(341,614)	(102,610)
Increase (decrease) in accounts payable and accrued expenses and other liabilities	225,607	194,548	255,059
Net cash provided by (used in) operating activities	5,008,434	4,912,209	5,373,058
Investing activities:			
Real estate development	(2,781,260)	(3,206,231)	(3,399,114)
Real estate acquisitions	(1,800,527)	(2,327,605)	(4,195,714)
Duke Transaction, net of cash acquired	-	-	(33,009)
Tenant improvements and lease commissions on previously leased space	(562,197)	(499,927)	(388,814)
Property improvements	(327,355)	(386,481)	(303,042)
Proceeds from dispositions and contributions of real estate	2,246,186	3,790,388	1,764,322
Investments in and advances to unconsolidated entities	(312,214)	(540,559)	(284,185)
Return of investment from unconsolidated entities	104,431	58,339	348,276
Proceeds from the settlement of net investment hedges	4,852	16,021	37,113
Payments on the settlement of net investment hedges	(25,648)	(3,002)	(2,230)
Proceeds from repayment of notes receivable backed by real estate	-	-	37,000
Purchase of short-term investments	(176,715)	-	-
Net cash provided by (used in) investing activities	(3,630,447)	(3,099,057)	(6,419,397)
Financing activities:			
Distributions paid on common and preferred units	(3,871,539)	(3,672,318)	(3,320,929)
Noncontrolling interests contributions	70,612	73,094	21,107
Noncontrolling interests distributions	(220,220)	(193,863)	(142,710)
Settlement of noncontrolling interests	(13,661)	-	-
Redemption of common limited partnership units	(19,947)	(1,650)	(69,807)
Tax paid with shares of the Parent withheld	(23,947)	(30,526)	(24,536)
Debt and equity issuance costs paid	(40,043)	(30,966)	(58,660)
Net proceeds from (payments on) credit facilities and commercial paper	(203,917)	(730,077)	(567,076)
Repurchase of and payments on debt	(701,861)	(919,481)	(272,203)
Proceeds from the issuance of debt	3,460,904	4,505,830	5,755,096
Net cash provided by (used in) financing activities	(1,563,619)	(999,957)	1,320,282
Effect of foreign currency exchange rate changes on cash	12,688	(24,992)	(22,038)
Net increase (decrease) in cash and cash equivalents	(172,944)	788,203	251,905
Cash and cash equivalents, beginning of year	1,318,591	530,388	278,483
Cash and cash equivalents, end of year	**$ 1,145,647**	**$ 1,318,591**	**$ 530,388**

See Note 17 for information on noncash investing and financing activities and other information.

The accompanying notes are an integral part of these Consolidated Financial Statements.

PROLOGIS, INC. AND PROLOGIS, L.P.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE 1. DESCRIPTION OF THE BUSINESS

Prologis, Inc. (or the “Parent”) commenced operations as a fully integrated real estate company in 1997, elected to be taxed as a real estate investment trust (“REIT”) under the Internal Revenue Code of 1986, as amended (the “Internal Revenue Code” or “IRC”), and believes the current organization and method of operation will enable it to maintain its status as a REIT. The Parent is the general partner of Prologis, L.P. (or the “Operating Partnership” or “OP”). Through the OP, we are engaged in the ownership, acquisition, development and management of logistics facilities with a focus on key markets in 20 countries on four continents. We invest in real estate through wholly owned subsidiaries and other entities through which we co-invest with partners and investors. We maintain a significant level of ownership in these co-investment ventures, which may be consolidated or unconsolidated based on our level of control of the entity. Our current business strategy consists of two reportable segments: Real Estate (Rental Operations and Development) and Strategic Capital. Our Real Estate Segment represents the ownership, leasing and development of logistics properties. Our Strategic Capital Segment represents the management of properties owned by our unconsolidated co-investment ventures and other ventures. See Note 16 for further discussion of our reportable segments. Unless otherwise indicated, the Notes to the Consolidated Financial Statements apply to both the Parent and the OP. The terms “the Company,” “Prologis,” “we,” “our” or “us” means the Parent and OP collectively.

For each share of preferred or common stock the Parent issues, the OP issues a corresponding preferred or common partnership unit, as applicable, to the Parent in exchange for the contribution of the proceeds from the stock issuance. At December 31, 2025, the Parent owned a 97.71% common general partnership interest in the OP and substantially all of the preferred units in the OP. The remaining 2.29% common limited partnership interests are owned by unaffiliated investors and certain current and former directors and officers of the Parent. Each partner’s percentage interest in the OP is determined based on the number of OP units held compared to total OP units outstanding at each period end and is used as the basis for the allocation of net income or loss to each partner. At the end of each reporting period, a capital adjustment is made in the OP to reflect the appropriate ownership interest for each of the common unitholders. These adjustments are reflected in the line items *Reallocation of Equity* in the Consolidated Statements of Equity of the Parent and *Reallocation of Capital* in the Consolidated Statements of Capital of the OP.

As the sole general partner of the OP, the Parent has complete responsibility and discretion in the day-to-day management and control of the OP, and we operate the Parent and the OP as one enterprise. The management of the Parent consists of the same members as the management of the OP. These members are officers of the Parent and employees of the OP or one of its subsidiaries. As general partner with control of the OP, the Parent is the primary beneficiary and therefore consolidates the OP. Because the Parent’s only significant asset is its investment in the OP, the assets and liabilities of the Parent and the OP are the same on their respective financial statements.

Information with respect to the square footage, number of buildings and acres of land is unaudited.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation. The accompanying Consolidated Financial Statements are prepared in accordance with United States (“U.S.”) generally accepted accounting principles (“GAAP”) and are presented in our reporting currency, the U.S. dollar. Intercompany transactions with consolidated entities have been eliminated.

Consolidation. We consolidate all entities that are wholly owned and those in which we own less than 100% of the equity but control the entity, as well as any variable interest entities (“VIEs”) in which we are the primary beneficiary. We evaluate our ability to control an entity and whether the entity is a VIE and we are the primary beneficiary through consideration of substantive terms of the arrangement to identify which enterprise has the power to direct the activities of the entity that most significantly impact the entity’s economic performance and the obligation to absorb losses and the right to receive benefits from the entity.

For entities that are not defined as VIEs, we first consider whether we are the general partner or the limited partner (or the equivalent in such investments that are not structured as partnerships). We consolidate entities in which we are the general partner and the limited partners in such entities do not have rights that would preclude control. For entities in which we are the general partner but do not control the entity as the other partners hold substantive participating or kick-out rights, we apply the equity method of accounting since, as the general partner, we have the ability to exercise significant influence over the operating and financial policies of the venture. For ventures for which we are a limited partner, or our investment is in an entity that is not structured similar to a partnership, we consider factors such as ownership interest, voting control, authority to make decisions and contractual and substantive participating rights of the partners. In instances where the factors indicate that we have a controlling financial interest in the venture, we consolidate the entity. In instances where we do not have a controlling interest in the venture, we apply the equity method of accounting when the factors indicate we have the ability to exercise significant influence over the venture.

Use of Estimates. GAAP requires us to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements, and revenues and expenses during the reporting period. Although we believe the assumptions and estimates we made are reasonable and appropriate, as discussed in the applicable

sections throughout the Consolidated Financial Statements, different assumptions and estimates could materially impact our reported results.

Foreign Operations. The U.S. dollar is the functional currency for our consolidated subsidiaries and unconsolidated entities operating in the U.S. and Mexico. The functional currency for our consolidated subsidiaries and unconsolidated entities operating in other countries is the principal currency in which the entity's assets, liabilities, income and expenses are denominated, which may be different from the local currency of the country of incorporation or where the entity conducts its operations. The functional currencies of entities outside of the U.S. and Mexico generally include the Brazilian real, British pound sterling, Canadian dollar, Chinese renminbi, euro, Indian rupee, Japanese yen, Singapore dollar and Swedish krona. We take part in business transactions denominated in these and other local currencies where we operate.

For our consolidated subsidiaries whose functional currency is not the U.S. dollar, we translate their financial statements into U.S. dollars at the time we consolidate those subsidiaries' financial statements. Generally, assets and liabilities are translated at the exchange rate in effect at the balance sheet date. The resulting translation adjustments are included in *Accumulated Other Comprehensive Income (Loss)* ("*AOCI/L*") in the Consolidated Balance Sheets. Certain balance sheet items, principally equity and capital-related accounts, are reflected at the historical exchange rate. Income statement accounts are translated using the average exchange rate for the period; income statement accounts that represent significant nonrecurring transactions are translated at the rate in effect at the date of the transaction. We translate our share of the net income or loss of our unconsolidated entities at the average exchange rate for the period other than significant nonrecurring transactions of the unconsolidated entities which are translated at the rate in effect at the date of the transaction.

We and certain of our consolidated subsidiaries have intercompany and third-party debt that is not denominated in the entity's functional currency. When the debt is remeasured against the functional currency of the entity, a gain or loss can result. The resulting adjustment is reflected in *Foreign Currency, Derivative and Other Gains (Losses) and Other Income (Expense), Net* in the Consolidated Statements of Income, unless it is intercompany debt that is deemed to be long-term in nature or third-party debt that has been designated as a nonderivative net investment hedge and then the adjustment is recorded as a cumulative translation adjustment in *AOCI/L*.

Acquisitions. We apply a screen test to evaluate if substantially all the fair value of the acquired property or properties is concentrated in a single identifiable asset or group of similar identifiable assets to determine whether a transaction is accounted for as an asset acquisition or business combination. As the fair value of most of our real estate acquisitions is concentrated in either a single identifiable asset or a group of similar identifiable assets, our real estate transactions are generally accounted for as asset acquisitions, which permits the capitalization of transaction costs to the basis of the acquired property. We measure the real estate assets acquired through an asset acquisition based on their cost or total consideration exchanged. The difference between the cost and the estimated fair value (excess or bargain consideration) is allocated to the real estate properties and certain related lease intangibles on a relative fair value basis. All other assets and liabilities assumed, including debt, and real estate assets that we intend to sell in the next twelve months are recorded at fair value. At a property level, we allocate the fair value to the components which include building, land, improvements and intangible assets or liabilities related to acquired leases. Purchase price allocations for a business combination are recorded at fair value.

When we obtain control of an unconsolidated entity and the acquisition qualifies as a business combination, we account for the acquisition in accordance with the guidance for a business combination achieved in stages. We remeasure our previously held interest in the unconsolidated entity at its acquisition-date fair value and recognize any resulting gain or loss in earnings.

We allocate the purchase price using principally Level 2 and Level 3 inputs (further defined in Fair Value Measurements below) as follows:

Investments in Real Estate Properties. We value operating properties as if vacant. We estimate fair value by applying an income approach methodology using either a discounted cash flow analysis or applying a capitalization rate to the estimated net operating income, defined as rental revenues less rental expenses, of a property. Key assumptions include market rents and rent growth, and discount and capitalization rates. Estimates of future cash flows are based on a number of factors including historical operating results, known trends and market and economic conditions. We determine the discount or capitalization rate by market, based on recent transactions and other market data, and adjust if necessary based on the property characteristics. The fair value of land is generally based on relevant market data, such as a comparison of the subject site to similar parcels that have recently been sold or are currently being offered on the market for sale. At a property level, we allocate the fair value to building, land and improvements.

Lease Intangibles. We determine the portion of the purchase price related to acquired in-place leases as intangible assets and liabilities as follows:

- *Above and Below Market Leases*. We recognize an asset or liability for acquired leases with in-place rents that are higher or lower than our estimate of current market rents in each of the applicable markets. The above or below market lease intangibles are valued using a discounted cash flow approach through which we recognize the present value of the difference in cash flows between in-place and market rents. The value is recorded in either *Other Assets* or *Other Liabilities*, as appropriate, and is amortized over the remaining term of the respective leases, including any bargain renewal options, to rental revenues.

- *Foregone Rent*. We calculate the value of the revenue and recovery of costs which would be foregone during a reasonable lease-up period, if the space was vacant, in each of the applicable markets. The values are recorded in *Other Assets* and amortized over the remaining life of the respective leases to amortization expense.

- *Leasing Commissions.* We recognize an asset for leasing commissions based on our estimate of the cost to lease space in the applicable markets. The value is recorded in *Other Assets* and amortized over the remaining life of the respective leases to amortization expense.

Investments in Unconsolidated Entities. We estimate the fair value of the entity by using similar valuation methods as those used for the consolidated real estate properties and debt. We apply our ownership percentage to the estimated net asset value of the entity to determine the fair value of our investment.

Debt. We estimate the fair value of debt based on contractual future cash flows discounted using borrowing spreads and market interest rates that would be available to us for the issuance of debt with similar terms and remaining maturities. In the case of publicly traded debt, we estimate the fair value based on available market data. Any discount or premium to the principal amount is included in the carrying value and amortized to interest expense over the remaining term of the related debt using the effective interest method.

Noncontrolling Interests. We estimate the portion of the fair value of the net assets owned by third parties based on the fair value of the consolidated net assets, principally real estate properties and debt.

Working Capital. We estimate the fair value of other acquired assets and assumed liabilities using the best information available.

Fair Value Measurements. The objective of fair value is to determine the price that would be received on the sale of an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (the exit price). We estimate fair value using available market information and valuation methodologies we believe to be appropriate for these purposes. Considerable judgment and a high degree of subjectivity are involved in developing these estimates and, accordingly, they are not necessarily indicative of amounts that we would realize on disposition. The fair value hierarchy consists of three broad levels:

- Level 1 — Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.

- Level 2 — Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

- Level 3 — Unobservable inputs for the asset or liability.

Fair Value Measurements on a Recurring Basis. We estimate the fair value of our financial instruments using available market information and valuation methodologies we believe to be appropriate for these purposes. We determine the fair value of our derivative financial instruments using widely accepted valuation techniques. The technique utilized depends on the type of derivative financial instrument being valued, principally foreign currency contracts and interest rate contracts, and involves the contractual term of the derivative, observable market-based inputs and implied volatilities.

We determine the fair values of our interest rate contracts using a market standard methodology of netting the discounted future fixed cash receipts and the discounted expected variable cash payments through a discounted cash flow analysis. We base the variable cash payments on an expectation of future interest rates, or forward curves, derived from observable market interest rate curves through the contractual term of the debt. We determine the fair values of our foreign currency contracts by comparing the contracted forward exchange rate to the current market exchange rate. We build a foreign exchange forward curve to determine the foreign exchange forward rate that pertains to the specific maturity date. Using this foreign exchange forward rate, spot rates and the interest rate curve of the domestic currency as inputs, we calculate the mark-to-market value of the foreign currency contract.

We incorporate credit valuation adjustments to appropriately reflect nonperformance risk for us and the respective counterparty in the fair value measurements. In adjusting the fair value of our derivative contracts for the effect of nonperformance risk, we consider the impact of netting and any applicable credit enhancements, such as collateral postings, thresholds, mutual puts and guarantees.

We have determined that the majority of the inputs used to value our derivatives fall within Level 2 of the fair value hierarchy. Although the credit valuation adjustments associated with our derivatives utilize Level 3 inputs, such as estimates of current credit spreads to evaluate the likelihood of default by us and our counterparties, we assess the significance of the impact of the credit valuation adjustments on the overall valuation of our derivative positions and have determined that the credit valuation adjustments are not significant to the overall valuation of our derivatives.

Fair Value Measurements on a Nonrecurring Basis. Assets measured at fair value on a nonrecurring basis generally consist of real estate assets and investments in unconsolidated entities that were subject to impairment charges due to our evaluation of recoverability whenever events or changes in circumstances indicate the carrying amount may not be recoverable. As discussed below, our analysis of recoverability is primarily triggered based on the shortening of the expected hold period due to our change in intent to sell a property in the near term. We estimate the fair value of our investments based on expected sales prices in the market (Level 2) or by applying an income approach methodology using a discounted cash flow analysis (Level 3).

Fair Value of Financial Instruments. We estimate the fair value of our senior notes for disclosure purposes based on quoted market prices for the same (Level 1) or similar (Level 2) issuances when current quoted market prices are available. We estimate the fair value of our credit facilities, term loans, secured mortgage debt and other debt by discounting the future cash flows using rates and borrowing spreads currently available to us (Level 3).

Real Estate Assets. Real estate assets are carried at depreciated cost. We capitalize costs incurred in developing, redeveloping and improving real estate assets as part of the investment basis. We expense costs for repairs and maintenance as incurred.

Depreciation and Amortization. We charge the depreciable portions of real estate assets to depreciation expense on a straight-line basis over the respective estimated useful lives. Depreciation on development buildings commences when the asset is ready for its intended use, which we define as the earlier of when a property that was developed has been completed for one year, or is 90% occupied. We generally use the following useful lives: 5 to 7 years for capital improvements, 10 years for standard tenant improvements, 15 to 25 years for depreciable land improvements, 25 to 40 years for operating properties acquired based on the age of the building and 40 years for operating properties we develop. We depreciate building improvements on land parcels subject to land leases over the shorter of the estimated life of the building improvement or the contractual term of the underlying land lease. Capitalized leasing costs are amortized over the estimated remaining lease term. The weighted average lease term for leases that commenced during 2025, including new leases and renewals, was 70 months based on square feet.

Capitalization of Costs. During the land development and construction periods of qualifying projects, we capitalize interest costs, insurance, real estate taxes and general and administrative costs of the personnel performing the development; if such costs are incremental and identifiable to a specific activity to ready the asset for its intended use. We capitalize transaction costs related to the acquisition of land for future development and operating properties that qualify as asset acquisitions. We capitalize incremental, third-party costs incurred to successfully originate a lease that result directly from obtaining a lease and would not have been incurred if the lease had not been obtained. Leasing costs that meet the requirements for capitalization are presented as a component of *Other Assets* and all other capitalized costs are included in the investment basis of the real estate assets.

Recoverability of Real Estate Assets. We assess the carrying values of our respective long-lived assets whenever events or changes in circumstances indicate that the carrying amounts of these assets may not be fully recoverable. This assessment is primarily triggered based on the shortening of the expected hold period due to a change in our intent to sell a property in the near term. We have processes to monitor our intent with regard to our investments and the estimated disposition value in comparison to the current carrying value. If our assessment of potential triggering events indicates that the carrying value of a property that we expect to sell in the near term is not recoverable, we recognize an impairment charge for the amount by which the carrying value exceeds the current estimated fair value of the property. We determine the fair value of the property based on the estimated proceeds from disposition that are based on quoted market values, third-party appraisals or discounted cash flow models that utilize the future net operating income from the property and expected market capitalization rates. Changes in economic and operating conditions could impact our intent and the assumptions used in determining the fair value that could result in future impairment.

At least annually or more frequently given the presence of a triggering event, we assess the recoverability of our assets based on our intent as follows:

- for real estate properties that we intend to hold long-term; including land held for development, properties currently under development and operating properties; recoverability is assessed based on the estimated undiscounted future net operating income from the property, the terminal value and anticipated costs to develop;
- for real estate properties we intend to sell, including properties currently under development and operating properties; recoverability is assessed based on estimated proceeds from disposition that are based on the future net operating income from the property, expected market capitalization rates and anticipated costs to develop;
- for land parcels we intend to sell, recoverability is assessed based on the estimated proceeds from disposition; and
- for costs incurred related to the potential acquisition of land and operating properties and future development projects, recoverability is assessed based on the probability that the acquisition or development is likely to occur at the measurement date.

Assets Held for Sale or Contribution. We classify a property as held for sale or contribution when certain criteria are met in accordance with GAAP. Assets classified as held for sale are expected to be sold to a third party and assets classified as held for contribution are generally newly developed assets we intend to contribute to an unconsolidated co-investment venture within twelve months. When the criteria are met, the respective assets and liabilities are presented separately in the Consolidated Balance Sheets and depreciation is not recognized. Assets held for sale or contribution are reported at the lower of carrying amount or estimated fair value less costs to sell.

Investments in Unconsolidated Entities. We present our investments in certain entities generally under the equity method. We use the equity method when we have the ability to exercise significant influence over operating and financial policies of the venture but do not have control of the entity. Under the equity method, we initially recognize these investments (including advances) in the balance sheet at our cost. We subsequently adjust the accounts to reflect our proportionate share of net earnings or losses recognized and accumulated other comprehensive income or loss, distributions received, contributions made, sales and redemptions of our

investments and certain other adjustments, as appropriate. When circumstances indicate there may have been a reduction in the value of an equity investment, we evaluate whether the loss in value is other than temporary. If we conclude it is other than temporary, we recognize an impairment charge to reflect the equity investment at fair value.

With regard to distributions from unconsolidated entities, we have elected the nature of distribution approach as the information is available to us to determine the nature of the underlying activity that generated the distributions. In accordance with the nature of distribution approach, cash flows generated from the operations of an unconsolidated entity are classified as a return on investment (cash inflow from operating activities) and cash flows that are generated from property sales, debt refinancing or sales and redemptions of our investments are classified as a return of investment (cash inflow from investing activities).

Cash and Cash Equivalents. We consider all cash on hand, demand deposits with financial institutions and short-term highly liquid investments with original maturities of three months or less to be cash equivalents. Our cash and cash equivalents are financial instruments that are exposed to concentrations of credit risk. We invest our cash with high-credit quality institutions both domestically and internationally. Cash balances may be invested in money market accounts that are not insured. We have not realized any losses of such cash investments or accounts and believe that we are not exposed to any significant credit risk.

Derivative Financial Instruments. We primarily hedge our foreign currency risk by borrowing in the currencies in which we invest. We may use derivative financial instruments, primarily foreign currency contracts to manage foreign currency exchange rate risk related to both our foreign investments and the related earnings. In addition, we occasionally use interest rate contracts to manage interest rate risk and limit the impact of future interest rate changes on earnings and cash flows, principally related to variable-rate debt and in anticipation of fixed-rate debt issuances.

We do not use derivative financial instruments for trading or speculative purposes. Each derivative transaction is customized and not exchange-traded. We recognize all derivatives at fair value within the line items *Other Assets* or *Other Liabilities*. We do not net our derivative position by counterparty for purposes of balance sheet presentation and disclosure. Management reviews our derivative positions, overall risk management strategy and hedging program, on a regular basis. We only enter into transactions that we believe will be highly effective at offsetting the underlying risk. Our use of derivatives involves the risk that counterparties may default on a derivative contract; therefore we: (i) establish exposure limits for each counterparty to minimize this risk and provide counterparty diversification; (ii) contract with counterparties that have long-term credit ratings of single-A or better; (iii) enter into master agreements that generally allow for netting of certain exposures; thereby significantly reducing the actual loss that would be incurred should a counterparty fail to perform its contractual obligations; and (iv) set minimum credit standards that become more stringent as the duration of the derivative financial instrument increases. Based on these factors, we consider the risk of counterparty default to be minimal.

Designated Derivatives. We may choose to designate our derivative financial instruments, generally foreign currency contracts to hedge our net investment in foreign operations or generally interest rate contracts to hedge future interest payments on variable debt and anticipated fixed-rate debt issuances. At inception of the transaction, we formally designate and document the derivative financial instrument as a hedge of a specific underlying exposure, the risk management objective and the strategy for undertaking the hedge transaction. We formally assess both at inception and at least quarterly thereafter, the effectiveness of our hedging transactions. Due to the high degree of effectiveness between the hedging instruments and the underlying exposures hedged, fluctuations in the value of the derivative financial instruments will generally be offset by changes in the cash flows or fair values of the underlying exposures being hedged.

Changes in the fair value of derivatives that are designated and qualify as net investment hedges of our foreign operations or cash flow hedges are recorded in *AOCI/L*. For net investment hedges, these amounts offset the translation adjustments on the underlying net assets of our foreign investments and are recorded in *AOCI/L*. This includes debt issued in a currency that is not the same functional currency of the borrowing entity that we may designate as a nonderivative net investment hedge. We compare the net equity available from our foreign investments first to the derivative financial instruments designated as net investment hedges followed by any nonderivative net investment hedges. If the total notional amount of the derivative and nonderivative financial instruments exceeds the net equity available, that excess portion is considered unhedged and the translation of that excess portion is recognized in *Foreign Currency, Derivative and Other Gains (Losses) and Other Income (Expense), Net*.

For cash flow hedges, we hedge exposure to the variability of existing cash flows and future cash flows related to variable-rate debt and anticipated fixed-rate debt issuances, respectively, typically over a period of 10 years, with a range of 5 to 30 years. We report the effective portion of the gain or loss as a component of *AOCI/L* and reclassify it to the applicable line item in the Consolidated Statements of Income, generally *Interest Expense*, over the corresponding period of the underlying hedged item. The ineffective portion of the change in fair value of a derivative financial instrument is recognized in earnings, generally *Interest Expense*, at the time the ineffectiveness occurred. To the extent the hedged forecasted interest payments on debt related to our interest rate contracts are paid off, the remaining balance in *AOCI/L* is recognized in *Interest Expense* in the Consolidated Statements of Income.

Undesignated Derivatives. We also use derivatives, such as foreign currency forwards and option contracts, that are not designated as hedges to manage foreign currency exchange rate risk related to the translation of our results of operations. The changes in fair values of these derivatives that were not designated as hedging instruments are immediately recognized in earnings within *Foreign Currency, Derivative and Other Gains (Losses) and Other Income (Expense), Net*. These gains or losses are generally offset by lower or higher earnings due to the translation at exchange rates that were different than our expectations. In addition, we may choose to not designate

our interest rate contracts. If an interest rate contract is not designated as a hedge, the change in fair value of this contract is immediately recognized in earnings within *Interest Expense* in the Consolidated Statements of Income.

Noncontrolling Interests. Noncontrolling interests represent the share of consolidated entities owned by third parties. We recognize each noncontrolling holder's respective share of the estimated fair value of the net assets at the date of formation or acquisition. Noncontrolling interests are subsequently adjusted for the noncontrolling holder's share of additional contributions, distributions and their share of the net earnings or losses of each respective consolidated entity. We allocate net income to noncontrolling interests based on the weighted average ownership interest during the period. The net income that is not attributable to us is reflected in *Net Earnings Attributable to Noncontrolling Interests*. We do not recognize a gain or loss on ownership transactions with a consolidated entity that do not result in a change in control and recognize the difference between the carrying amount of the noncontrolling interest and the consideration paid or received as additional paid-in-capital.

Certain limited partnership interests, including OP units, are exchangeable into our common stock. Common stock issued upon exchange of a holder's noncontrolling interest is accounted for at the carrying value of the surrendered limited partnership interest and the difference between the carrying value and the fair value of the common stock issued is recorded to additional paid-in-capital.

Revenue Recognition.
Rental Revenues and Recoveries. We lease our operating properties to customers under agreements that are generally classified as operating leases. We recognize the total minimum lease payments provided for under the leases on a straight-line basis over the lease term. Generally, under the terms of our leases, the majority of our rental expenses are recovered from our customers, including common area maintenance, real estate taxes and insurance. Rental expenses recovered through reimbursements received from customers are recognized in *Rental Revenues* in the Consolidated Statements of Income. We generally record amounts reimbursed by our customers ("rental recoveries") as revenues in the period that the applicable expenses are incurred. We account for and present rental revenue and rental recoveries as a single component under *Rental Revenues* as the timing of recognition is the same, the pattern with which we transfer the right of use of the property and related services to the lessee are both on a straight-line basis and our leases qualify as operating leases. We perform credit analyses of our customers prior to the execution of our leases and continue these analyses for each individual lease on an ongoing basis in order to ensure the collectability of rental revenue. We recognize revenue to the extent that amounts are determined to be collectible.

Strategic Capital Revenues. Strategic capital revenues include revenues or fees we earn from the management services we provide to unconsolidated entities. These fees are determined in accordance with the terms specific to each arrangement and may include recurring fees such as asset management and property management fees and transactional fees for leasing, acquisition, development, construction, financing and tax services provided. We recognize these fees as we provide the services or on a cost basis for development fees.

We may also earn incentive returns ("promotes" or "promote revenues") directly from third-party investors in the co-investment ventures based on the cumulative returns of the venture over a three-year period or the stabilization of individual development projects owned by the venture. The returns are determined by both the operating performance and real estate valuation of the venture, including highly variable inputs such as capitalization rates, market rents, interest rates and foreign currency exchange rates. As these key inputs are highly volatile and out of our control, and such volatility can materially impact our promotes period over period, we recognize promote revenues at the end of the performance period. We include the third-party investors' share of promotes in *Strategic Capital Revenues.*

We also earn fees from ventures that we consolidate. Upon consolidation, these fees are eliminated from our earnings and the third-party investors' share of these fees are recognized as a reduction of *Net Earnings Attributable to Noncontrolling Interests.*

Development Management and Other Revenues. Development management and other revenues principally include development and construction management fees from third parties and are recognized as we provide the services or on a cost basis.

Gains on Real Estate Transactions, Net. Throughout the Notes to the Consolidated Financial Statements, *Gains on Real Estate Transactions, Net* collectively refers to *Gains on Dispositions of Development Properties and Land, Net* and *Gains on Other Dispositions of Investments in Real Estate, Net*.

We recognize gains on the disposition of real estate when control transfers to the buyer, generally when consideration and title are exchanged and the risks and rewards of ownership transfer. We recognize losses from the disposition of real estate when known.

We recognize the entire gain attributed to contributions of real estate properties to unconsolidated entities. Prior to January 1, 2018, we recognized a gain only to the extent of third-party ownership and deferred the portion related to our ownership. Deferred gains recorded prior to adoption continue to be recognized: (i) over the useful lives of the contributed properties, aligning with the entities' recorded depreciation expense as if based on our lower carrying value; (ii) upon disposition to a third party; or (iii) if our ownership interest in an unconsolidated entity permanently decreases.

Gains on Dispositions of Development Properties and Land, Net. We present gains separately based on the type of real estate sold or contributed. We present gains on sales to third parties or contributions to our unconsolidated co-investment ventures as *Gains on Dispositions of Development Properties and Land, Net* when the property was included in our land portfolio or when we developed the property with the intent to sell or contribute.

Gains on Other Dispositions of Investments in Real Estate, Net. We present all other gains on sales to third parties or contributions to our unconsolidated entities of primarily operating properties and other real estate transactions as *Gains on Other Dispositions of Investments in Real Estate, Net*. We also include gains or losses on the remeasurement of equity investments to fair value upon acquisition of a controlling interest if the transaction is considered the acquisition of a business and gains or losses upon the partial redemption or sale of our investment in an unconsolidated entity.

Rental Expenses. Rental expenses principally include the cost of our property management and leasing personnel, utilities, repairs and maintenance, property insurance, real estate taxes and the other costs of managing our properties. We are also a lessee of land under leases which generally meet the criteria to be accounted for as operating leases.

Strategic Capital Expenses. Strategic capital expenses generally include the direct expenses associated with the asset management of the co-investment ventures provided by our employees who are assigned to our Strategic Capital Segment and the costs of our Prologis Promote Plan (“PPP”) based on earned promotes. For further discussion on the PPP, see Note 11. In addition, in order to achieve efficiencies and economies of scale, all of our property management and leasing functions are provided by property management and leasing personnel who are assigned to our Real Estate Segment. These individuals perform the property-level management and leasing of the properties in our owned and managed portfolio, which includes properties we consolidate and those we manage that are owned by the unconsolidated co-investment ventures. We allocate the costs of our property management and leasing teams to the properties we consolidate (included in *Rental Expenses*) and the properties owned by the unconsolidated co-investment ventures (included in *Strategic Capital Expenses*) by using the square feet owned by the respective portfolios.

Equity-Based Compensation. We account for equity-based compensation by measuring the cost of employee services received in exchange for an award of an equity instrument based on the fair value of the award on the grant date. We recognize the cost of the award on a straight-line basis over the period during which an employee is required to provide service in exchange for the award, generally the vesting period.

Income Taxes. Under the IRC, to qualify as a REIT, we are required to distribute at least 90% of our taxable income, and meet certain income, asset and stockholder tests. REITs which meet these certain income, asset and stockholder tests are generally not required to pay federal income taxes if they distribute 100% of their taxable income. If we fail to qualify as a REIT in any taxable year, we will be subject to federal income taxes at regular corporate rates and may not be able to qualify as a REIT for the four subsequent taxable years. Even as a REIT, we may be subject to certain foreign, state and local taxes on our own income and property, and to federal income and excise taxes on our undistributed taxable income.

We have elected taxable REIT subsidiary (“TRS”) status for some of our consolidated subsidiaries. This allows us to provide services that would otherwise be considered impermissible for REITs. Many of the foreign countries in which we have operations do not recognize REITs or do not accord REIT status under their respective tax laws to our entities that operate in their jurisdiction. In the U.S., the REIT and TRS entities are subject to taxes in certain states in which we operate. Accordingly, we recognize income tax expense for the: (i) federal and state income taxes incurred by our TRSs; (ii) taxes incurred by the REIT in certain states; (iii) taxes incurred in foreign jurisdictions; and (iv) unrecognized tax benefit liabilities, including related interest and penalties.

We evaluate tax positions taken in the Consolidated Financial Statements under the interpretation for accounting for uncertainty in income taxes. As a result of this evaluation, we may recognize a tax benefit from an uncertain tax position only if it is more likely than not that the tax position will be sustained on examination by taxing authorities.

We recognize deferred income taxes in certain taxable entities. For federal income tax purposes, certain acquisitions have been treated as tax-free transactions resulting in a carry-over tax basis in assets and liabilities. For financial reporting purposes and in accordance with purchase accounting, we record all of the acquired assets and assumed liabilities based on their relative fair value at date of acquisition, as discussed above. For our taxable subsidiaries, including certain international jurisdictions, we recognize the deferred income tax liabilities that represent the tax effect of the difference between the tax basis carried over and the relative fair value of the tangible and intangible assets at date of acquisition. Any subsequent increases or decreases to the deferred income tax liability recorded in connection with these acquisitions, are reflected in earnings.

If taxable income is generated in these subsidiaries, we recognize a benefit in earnings as a result of the reversal of the deferred income tax liability previously recorded at the acquisition date and we record current income tax expense representing the entire current income tax liability. If the reversal of the deferred income tax liability results from a sale or contribution of assets, the classification of the reversal to the Consolidated Statements of Income is based on the taxability of the transaction. If the sale or contribution is of the real estate asset and results in a taxable transaction, the reversal is recorded to deferred income tax benefit. If the sale or contribution is the disposition of the entity that owns the asset, the reversal is recorded through gains.

Deferred income tax expense is generally a function of the period’s temporary differences (items that are treated differently for tax purposes than for financial reporting purposes) and the utilization of tax net operating losses (“NOL”) generated in prior years that had been previously recognized as deferred income tax assets. We provide for a valuation allowance for deferred income tax assets if we believe all or some portion of the deferred income tax asset may not be realized. Any increase or decrease in the valuation allowance that results from a change in circumstances that causes a change in the estimated ability to realize the related deferred income tax asset is included in deferred tax expense.

Environmental Costs. We incur certain environmental remediation costs, including cleanup costs, consulting fees for environmental studies and investigations, monitoring costs, and legal costs relating to cleanup, litigation defense, and the pursuit of responsible third parties. We expense costs incurred in connection with operating properties and properties previously sold. We capitalize costs related to undeveloped land as development costs and record any expected future environmental liabilities at the time of acquisition. We maintain a liability for the estimated costs of environmental remediation expected to be incurred in connection with undeveloped land, acquired operating properties and properties previously sold that we adjust as appropriate as information becomes available.

Accounting Pronouncements.

New Accounting Standards Adopted

Income Taxes. In December 2023, the Financial Accounting Standards Board ("FASB") issued an Accounting Standard Update ("ASU") to enhance the transparency and decision usefulness of income tax disclosures on an annual basis. The ASU requires additional disclosures around income tax categories and further disaggregation of federal, state and foreign tax information and eliminates certain existing requirements. We adopted the standard as of the fiscal year ended December 31, 2025 and it did not have a material impact on our Consolidated Financial Statements.

New Accounting Standards Issued but not yet Adopted

Disaggregation of Income Statement Expenses. In November 2024, the FASB issued an ASU to enhance disclosures about certain expense types in commonly presented expense captions on the Consolidated Statements of Income. The ASU requires additional disclosures that disaggregate expense captions into specific components with qualitative descriptions. This standard is effective for the fiscal year ended December 31, 2027, and interim periods thereafter, on a prospective or retrospective basis. We do not expect the standard to have a material impact on our Consolidated Financial Statements as we anticipate the primary change will be additional disclosure.

Hedge Accounting Improvements. In December 2025, the FASB issued an ASU to clarify certain aspects of hedge accounting and address incremental hedge accounting issues arising from global reference rate reform. The ASU targets more closely aligning hedge accounting with the economics of an entity’s risk management activities and clarifies strategies in financial reporting that can be utilized to enable entities to achieve and maintain hedge accounting for highly effective economic hedges of forecasted transactions. This standard is effective for the interim period ended March 31, 2027, and interim and annual periods thereafter, on a prospective basis. We do not expect the standard to have a material impact on our Consolidated Financial Statements.

NOTE 3. REAL ESTATE

Investments in real estate properties consisted of the following at December 31 (dollars and square feet in thousands):

	Square Feet		Number of Buildings			
	2025	2024	2025	2024	2025	2024
Operating properties:						
Buildings and improvements	647,904	643,929	2,979	2,987	$ 56,365,572	$ 54,840,666
Improved land					24,195,448	23,438,687
Development portfolio, including land costs:						
Prestabilized	6,749	5,387	27	19	1,026,688	813,029
Properties under development	17,297	18,306	50	66	1,992,321	2,016,584
Land (1)					4,888,153	4,453,522
Other real estate investments (2)					6,661,174	5,683,688
Total investments in real estate properties					95,129,356	91,246,176
Less accumulated depreciation					14,729,149	12,758,159
Net investments in real estate properties					**$ 80,400,207**	**$ 78,488,017**

(1) At December 31, 2025, and 2024, our land was comprised of 8,815 and 8,708 acres, respectively.

(2) Included in other real estate investments were principally: (i) land parcels we own and lease to third parties; (ii) renewable energy assets, including solar, electric vehicle charging and energy storage; (iii) non-strategic real estate assets that we do not intend to operate long term; (iv) newly developed and stabilized data centers; and (v) non-industrial real estate assets that we intend to redevelop as industrial properties or data centers.

At December 31, 2025, we had investments in real estate assets in the U.S. and other Americas (Brazil, Canada and Mexico), Europe (Belgium, the Czech Republic, France, Germany, Hungary, Italy, the Netherlands, Poland, Slovakia, Spain, Sweden and the United Kingdom (“U.K.”)) and Asia (China, India, Japan and Singapore).

Acquisitions

The following table summarizes our real estate acquisition activity for the years ended December 31 (dollars and square feet in thousands):

	2025	2024 [(1)]	2023 [(2)]
Number of operating properties	23	54	85
Square feet	5,416	11,047	17,503
Acres of land	909	889	1,620
Acquisition cost of net investments in real estate, excluding other real estate investments	$ 1,471,575	$ 2,144,303	$ 4,194,468
Acquisition cost of other real estate investments	$ 376,441	$ 596,607	$ 101,382

(1) In 2024, we acquired our partners' interest in an unconsolidated venture and began consolidating the properties, including 30 operating properties aggregating 6.0 million square feet. In addition, we entered a new market in India and acquired 225 acres of land.

(2) In 2023, we acquired a real estate portfolio comprised of 70 operating properties in the U.S., aggregating 13.8 million square feet, for cash consideration of $3.1 billion.

Dispositions

The following table summarizes our dispositions of net investments in real estate which include contributions to unconsolidated co-investment ventures and dispositions to third parties for the years ended December 31 (dollars and square feet in thousands):

	2025	2024	2023
Dispositions of development properties and land, net [(1)]			
Number of properties	19	29	22
Square feet	4,295	8,243	8,437
Net proceeds	$ 1,147,205	$ 1,479,217	$ 1,449,644
Gains on dispositions of development properties and land, net	$ 257,731	$ 413,743	$ 462,270
Other dispositions of investments in real estate, net [(2)]			
Number of properties	56	104	25
Square feet	8,606	22,799	2,794
Net proceeds	$ 1,538,560	$ 3,326,124	$ 641,214
Gains on other dispositions of investments in real estate, net	$ 685,831	$ 904,136	$ 161,039

(1) The gains we recognize in *Gains on Dispositions of Development Properties and Land, Net* in the Consolidated Statements of Income are principally driven by the contribution of newly developed properties to our unconsolidated co-investment ventures and occasionally sales to a third party.

(2) In 2024, we had a significant contribution of operating properties to our unconsolidated co-investment venture in the U.S.

Leases

As a Lessor

We lease our real estate properties to customers under agreements that are classified primarily as operating leases. We recognize the total minimum lease payments provided for under the leases on a straight-line basis over the lease term. Our weighted average lease term remaining was 50 months based on square feet for all leases in effect at December 31, 2025.

The following table summarizes the minimum lease payments due from our customers on leases for space in our operating properties, prestabilized and under development properties, other real estate investments and assets held for sale or contribution at December 31, 2025 (in thousands):

2026	$ 5,771,407
2027	5,360,891
2028	4,590,099
2029	3,769,097
2030	3,005,533
Thereafter	11,498,060
Total	**$ 33,995,087**

These amounts do not reflect future rental revenue from the renewal or replacement of existing leases and exclude reimbursements of rental expenses. These amounts also exclude rental increases that are not fixed.

As a Lessee

We had approximately 190 leases, principally land and office space leases, in which we were the lessee at both December 31, 2025 and 2024, which primarily qualify as operating leases with remaining lease terms of 1 to 78 years at December 31, 2025. Our lease liabilities were $643.5 million and $615.3 million at December 31, 2025, and 2024, respectively.

The following table summarizes the fixed, future minimum rental payments, excluding variable costs, for leases that had commenced at December 31, 2025, with amounts discounted at lease commencement by our incremental borrowing rates to calculate the lease liabilities of our leases (in thousands):

2026	$	68,479
2027		63,857
2028		61,360
2029		56,550
2030		43,698
Thereafter		1,231,533
Total undiscounted rental payments		1,525,477
Less imputed interest		882,016
Total lease liabilities	**$**	**643,461**

The weighted average remaining lease term for these leases was 31 years and 32 years at December 31, 2025, and 2024, respectively. We do not include renewal options in the lease term for calculating the lease liability unless we are reasonably certain we will exercise the option or the lessor has the sole ability to exercise the option. We assigned a collateralized interest rate to each lease based on the term of the lease and the currency in which the lease was denominated. The weighted average discount rate was 3.9% at both December 31, 2025 and 2024.

NOTE 4. UNCONSOLIDATED ENTITIES

Summary of Investments

We have investments in entities through a variety of ventures. We co-invest in entities that own multiple properties with partners and investors and we provide asset management and property management services to these entities, which we refer to as co-investment ventures. These entities may be consolidated or unconsolidated depending on the structure, our partner's participation and other rights and our level of control of the entity. This note details our investments in unconsolidated co-investment ventures, which are related parties and accounted for using the equity method of accounting. See Note 10 for more detail regarding our consolidated investments that are not wholly owned.

We also have investments in other ventures, generally with one partner, which we primarily account for using the equity method. We refer to our investments in both unconsolidated co-investment ventures and other ventures, collectively, as unconsolidated entities.

The following table summarizes our investments in and advances to unconsolidated entities at December 31 (in thousands):

		2025		**2024**
Unconsolidated co-investment ventures	$	10,263,233	$	9,274,762
Other ventures		830,703		804,686
Total	**$**	**11,093,936**	**$**	**10,079,448**

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Unconsolidated Co-Investment Ventures

The following table summarizes our investments in the individual co-investment ventures at December 31 (dollars in thousands):

Co-Investment Venture	Ownership Percentage		Investment in and Advances to	
	2025	2024	2025	2024
Prologis Targeted U.S. Logistics Fund, L.P. ("USLF")	31.9%	30.5%	$ 3,282,742	$ 3,022,568
FIBRA Prologis [1]	34.6%	34.6%	982,538	1,009,357
Prologis Brazil Logistics Venture ("PBLV") and other joint ventures [2]	20.0%	20.0%	198,516	158,676
Prologis European Logistics Fund ("PELF")	26.4%	26.3%	2,484,995	2,196,180
Prologis European Logistics Partners ("PELP") [2]	50.0%	50.0%	2,525,562	2,174,590
Nippon Prologis REIT, Inc. ("NPR") [3] [4]	15.3%	15.1%	540,408	523,204
Prologis Japan Core Logistics Fund ("PJLF") [4]	16.3%	16.3%	50,262	45,976
Prologis China Core Logistics Fund, LP ("PCCLF")	15.5%	15.5%	56,978	89,551
China AMC Prologis Logistics REIT ("Prologis C-REIT") [5]	20.7%	-	72,314	-
Prologis China Logistics Venture I, LP, II, LP and III, LP ("Prologis China Logistics Venture") [2]	15.0%	15.0%	68,918	54,660
Total			**$ 10,263,233**	**$ 9,274,762**

(1) At December 31, 2025, we owned 567.4 million units of FIBRA Prologis that had a closing price of Ps 75.44 ($4.20) per unit on the Mexican Stock Exchange. We have granted FIBRA Prologis a right of first refusal with respect to stabilized properties that we plan to sell in Mexico.

(2) We have one partner in each of these co-investment ventures.

(3) At December 31, 2025, we owned 1.3 million units of NPR that had a closing price of ¥92,900.00 ($592.96) per share on the Tokyo Stock Exchange. For any properties we develop and plan to sell in Japan, we have committed to offer those properties to NPR if we determine the properties meet NPR's investment objectives.

(4) At December 31, 2025, and 2024, we had receivables from NPR and PJLF of $152.7 million and $146.1 million, respectively, related to customer security deposits that originated through a leasing company owned by us that pertain to properties we owned previously and contributed to NPR and PJLF. We have a corresponding payable to NPR's and PJLF's customers in *Other Liabilities*. These amounts are repaid to us as the leases turn over.

(5) In December 2025, we listed China AMC Logistics REIT ("Prologis C-REIT") on the Shenzhen Stock Exchange. The Prologis C-REIT purchased properties from our open-ended venture in China. At December 31, 2025, we owned 83.0 million units of Prologis C-REIT that had a closing price of CN¥5.78 ($0.82) per share on the Shenzhen Stock Exchange.

The amounts recognized in *Strategic Capital Revenues* and *Earnings from Unconsolidated Entities, Net* depend on the size, real estate valuations, operations and transactions of the unconsolidated co-investment ventures, the timing of revenues earned through promotes and transactional fees, as well as fluctuations in foreign currency exchange rates and our ownership interest. We recognized *Strategic Capital Expenses* for direct costs associated with the asset management of these ventures, allocated property-level management and leasing costs for the properties owned by the ventures and compensation expenses under the PPP. For additional discussion on the PPP, see Note 11.

The following table summarizes the *Strategic Capital Revenues* we recognized in the Consolidated Statements of Income related to our unconsolidated co-investment ventures for the years ended December 31 (in thousands):

	2025	2024	2023
Recurring fees	$ 515,595	$ 464,292	$ 450,682
Transactional fees	66,360	58,511	60,467
Promote revenue (1)	2,105	139,329	674,629
Total strategic capital revenues from unconsolidated co-investment ventures (2)	**$ 584,060**	**$ 662,132**	**$ 1,185,778**

(1) Includes promote revenue earned from unconsolidated co-investment ventures in the U.S. in 2024 and 2023.

(2) These amounts exclude strategic capital revenues from other ventures.

The following table summarizes the key property information, financial position and operating information of our unconsolidated co-investment ventures on a U.S. GAAP basis (not our proportionate share) and the amounts we recognized in the Consolidated Financial Statements related to these ventures at and for the years ended December 31 (dollars and square feet in millions):

	U.S.		Other Americas (1)		Europe		Asia		Total	
At:	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
Key property information:										
Ventures	1	1	2	2	2	2	5	4	**10**	**9**
Operating properties	784	767	393	391	1,058	1,037	245	241	**2,480**	**2,436**
Square feet	139	134	86	85	238	232	101	100	**564**	**551**
Financial position:										
Total assets ($)	14,711	13,903	7,308	7,112	26,764	23,873	9,470	9,404	**58,253**	**54,292**
Third-party debt ($)	6,386	5,399	2,429	2,242	7,101	6,343	3,758	3,942	**19,674**	**17,926**
Total liabilities ($)	7,383	6,466	2,753	2,422	9,310	8,375	4,192	4,362	**23,638**	**21,625**
Our investment balance ($) (2)	3,283	3,023	1,181	1,168	5,010	4,371	789	713	**10,263**	**9,275**
Our weighted average ownership (4)	31.9%	30.5%	32.3%	30.9%	33.1%	33.0%	15.6%	15.2%	**29.9%**	**29.0%**

	U.S.			Other Americas (1)			Europe			Asia			Total		
Operating Information: *For the years ended:*	2025	2024	2023	2025	2024	2023	2025	2024	2023	2025	2024	2023	2025	2024	2023
Total revenues ($)	1,646	1,452	1,315	831	525	427	2,051	1,817	1,695	650	638	654	**5,178**	**4,432**	**4,091**
Net earnings ($) (3)	435	665	344	240	217	191	427	352	341	146	(355)	74	**1,248**	**879**	**950**
Our earnings from unconsolidated co-investment ventures, net ($) (3)	138	201	95	73	68	67	147	125	112	25	(57)	13	**383**	**337**	**287**

(1) PBLV and our other Brazilian joint ventures are combined as one venture for the purpose of this table.

(2) Prologis' investment balance is presented at our adjusted basis. The difference between our ownership interest of a venture's equity and our investment balance at December 31, 2025, and 2024, results principally from four types of transactions: (i) deferred gains from the contribution of property to a venture prior to January 1, 2018 ($505.5 million and $520.0 million, respectively); (ii) recording additional costs associated with our investment in the venture ($88.2 million and $80.2 million, respectively); (iii) receivables, principally for fees and promotes ($188.4 million and $186.2 million, respectively); and (iv) customer security deposits retained subsequent to property contributions to NPR and PJLF, as discussed above.

(3) In 2024, we recognized an impairment charge against our investment balance in Prologis China Logistics Venture.

(4) Represents our weighted average ownership interest in all unconsolidated co-investment ventures based on each entity's contribution of total assets before depreciation, net of other liabilities.

Equity Commitments Related to Certain Unconsolidated Co-Investment Ventures

Certain unconsolidated co-investment ventures have equity commitments from us and our venture partners. Our venture partners fulfill their equity commitment with cash. We may fulfill our equity commitment through contributions of properties or cash. The commitments are generally used for the acquisition or development of properties but may be used for the repayment of debt or other general uses. The venture may obtain financing for the acquisition of properties and therefore the acquisition price of additional investments that the venture could make may be more than the equity commitment. Depending on market conditions, the investment objectives of the ventures, our liquidity needs and other factors, we may make additional contributions of properties or additional cash investments in these ventures.

At December 31, 2025, our outstanding equity commitments were $160.2 million, principally for Prologis Japan Core Logistics Fund and Prologis China Logistics Venture. The equity commitments expire from 2027 to 2033 if they have not been previously called.

NOTE 5. ASSETS HELD FOR SALE OR CONTRIBUTION

We had investments in certain real estate properties that met the criteria to be classified as held for sale or contribution at December 31, 2025, and 2024. At the time of classification, these properties were expected to be sold to third parties or were recently stabilized and expected to be contributed to unconsolidated co-investment ventures within twelve months. The amounts included in *Assets Held for Sale or Contribution* in the Consolidated Balance Sheets represented real estate investment balances and the related assets and liabilities.

Assets held for sale or contribution consisted of the following at December 31 (dollars and square feet in thousands):

	2025	2024
Number of operating properties	10	8
Square feet	1,914	2,229
Total assets held for sale or contribution	$ 203,344	$ 248,511
Total liabilities associated with assets held for sale or contribution – included in *Other Liabilities*	$ 689	$ 1,951

NOTE 6. OTHER ASSETS AND OTHER LIABILITIES

The following table summarizes our other assets and liabilities, net of amortization and depreciation, if applicable, at December 31 (in thousands):

	2025	2024
Rent leveling	$ 1,620,362	$ 1,218,483
Leasing commissions, net of $1.3 billion and $1.1 billion of accumulated amortization	957,029	860,556
Lease right-of-use assets (1)	671,663	707,814
Accounts receivable	601,344	407,464
Acquired lease intangibles, net of $1.8 billion and $1.6 billion of accumulated amortization	588,427	764,546
Prepaid assets	248,411	231,299
Fixed assets	221,704	212,318
Value added taxes receivable	179,911	142,420
Derivative assets	80,769	137,429
Other notes receivable	57,244	74,594
Deferred income taxes	7,686	3,257
Management contracts	7,200	10,666
Other	639,372	423,496
Total other assets	**$ 5,881,122**	**$ 5,194,342**
Acquired lease intangibles, net of $1.5 billion and $1.1 billion of accumulated amortization	$ 1,437,612	$ 1,778,832
Lease liabilities (1)	643,461	615,305
Tenant security deposits	429,939	403,707
Unearned rents	417,796	400,538
Environmental liabilities	207,972	176,154
Deferred income taxes	156,024	141,126
Deferred revenue and fees	82,325	74,754
Derivative liabilities	40,488	638
Value added taxes payable	15,897	29,636
Liabilities associated with assets held for sale or contribution	689	1,951
Other	537,327	440,908
Total other liabilities	**$ 3,969,530**	**$ 4,063,549**

(1) For the amortization of the future minimum rental payments into rental expense and G&A expense on our land and office leases, respectively, refer to Note 3.

The following table summarizes the expected future amortization of leasing commissions and forgone rent (included in acquired lease intangibles above) into amortization expense and above and below market leases (included in acquired lease intangibles above) and rent leveling net assets into rental revenues, all based on the balances at December 31, 2025 (in thousands):

	Amortization Expense	Net Increase (Decrease) to Rental Revenues
2026	$ 348,791	$ 398,221
2027	286,021	133,410
2028	225,976	6,889
2029	174,031	(56,950)
2030	130,095	(75,080)
Thereafter	330,596	(639,186)
Total	**$ 1,495,510**	**$ (232,696)**

NOTE 7. DEBT

All debt is incurred by the OP or its consolidated subsidiaries. The following table summarizes our debt at December 31 (dollars in thousands):

	2025			2024		
	Weighted Average		Amount	Weighted Average		Amount
	Interest Rate (1)	Term (Years) (2)	Outstanding (3)	Interest Rate (1)	Term (Years) (2)	Outstanding (3)
Credit facilities and commercial paper	0.9%	1.6	$ 44,679	4.1%	1.8	$ 224,966
Senior notes (4)	3.2%	8.8	32,887,971	3.2%	9.8	28,322,163
Term loans and unsecured other	1.9%	3.9	1,908,723	2.0%	4.4	2,013,317
Secured mortgage (5)	4.5%	3.7	195,700	4.3%	3.2	318,817
Total	**3.2%**	**8.5**	**$ 35,037,073**	**3.1%**	**9.4**	**$ 30,879,263**

(1) The weighted average interest rates presented represent the effective interest rates (including amortization of debt issuance costs and noncash premiums or discounts) at the end of the period for the debt outstanding and include the impact of designated interest rate contracts, which effectively fix the interest rate on certain variable rate debt.

(2) The weighted average term represents the remaining maturity in years, based on debt agreements in place, at period end.

(3) We borrow in the functional currencies of the countries where we invest. Included in the outstanding balances at December 31 were borrowings denominated in the following currencies:

	2025			2024		
	Weighted Average Interest Rate	Amount Outstanding	% of Total	Weighted Average Interest Rate	Amount Outstanding	% of Total
British pound sterling	3.0%	$ 1,843,931	5.3%	3.1%	$ 1,714,653	5.6%
Canadian dollar	4.4%	2,004,638	5.7%	4.7%	1,262,508	4.1%
Euro	2.2%	12,302,104	35.1%	2.1%	9,900,602	32.1%
Japanese yen	1.2%	2,930,594	8.4%	1.1%	2,910,755	9.4%
U.S. dollar	4.1%	15,385,826	43.9%	4.1%	14,457,872	46.8%
Other	3.8%	569,980	1.6%	3.6%	632,873	2.0%
Total	**3.2%**	**$ 35,037,073**	**100.0%**	**3.1%**	**$ 30,879,263**	**100.0%**

(4) Senior notes are due from June 2026 to June 2061 with effective interest rates ranging from 0.3% to 5.7% at December 31, 2025.

(5) Secured mortgage debt is due from February 2026 to September 2033 with effective interest rates ranging from 3.3% to 6.7% at December 31, 2025. The debt was principally secured by 14 operating properties and 1 land parcel with an aggregate undepreciated cost of $477.1 million at December 31, 2025.

Credit Facilities

In May 2025, we amended and restated one of our global senior credit facilities (the "2022 Global Facility") as the 2025 Global Facility. Each of the global senior credit facilities, the 2023 Global Facility and the 2025 Global Facility, have a borrowing capacity of $3.0 billion (subject to currency fluctuations). We may draw on both facilities in British pounds sterling, Canadian dollars, euro, Japanese yen, Mexican pesos and U.S. dollars on a revolving basis. The 2023 Global Facility is scheduled to mature in June 2027 and the 2025

Global Facility in June 2029; however, we can extend the maturity date for each facility by six months on two occasions, subject to the payment of extension fees. We also have the ability to increase each credit facility to $4.0 billion, subject to currency fluctuations and obtaining additional lender commitments.

We also have a Japanese yen revolver (the "Yen Credit Facility") with a borrowing capacity of ¥58.5 billion ($373.4 million at December 31, 2025). We have the ability to increase the borrowing capacity of the Yen Credit Facility to ¥75.0 billion ($478.7 million at December 31, 2025), subject to obtaining additional lender commitments. The Yen Credit Facility is scheduled to mature in August 2027; however, we may extend the maturity date for one year, subject to the payment of extension fees.

We refer to the 2023 Global Facility, the 2025 Global Facility and the Yen Credit Facility, collectively, as our “Credit Facilities.” Pricing for the Credit Facilities, including the spread over the applicable benchmark and the rates applicable to facility fees and letter of credit fees, varies based on the public debt ratings of the OP.

Our Credit Facilities are utilized to support our cash needs for general corporate purposes on a short-term basis. The maturities of the borrowings under the Credit Facilities generally range from overnight to three months.

The following table summarizes information about our Credit Facility activity and available liquidity (dollars in millions):

	2025	2024	2023
Credit Facility activity for the years ended December 31:			
Weighted average daily interest rate	6.8%	4.4%	4.3%
Weighted average daily borrowings	$ 263	$ 519	$ 411
Maximum borrowings outstanding at any month-end	$ 532	$ 1,031	$ 1,587
Available liquidity at December 31:			
Aggregate lender commitments			
Credit Facilities	$ 6,503	$ 6,313	$ 6,477
Less:			
Credit facility borrowings outstanding	45	225	979
Commercial paper borrowings outstanding (1)	-	-	-
Outstanding letters of credit	27	25	24
Current availability	**$ 6,431**	**$ 6,063**	**$ 5,474**
Cash and cash equivalents	1,146	1,319	530
Total liquidity	**$ 7,577**	**$ 7,382**	**$ 6,004**

(1) We are required to maintain available commitments under our Credit Facilities in an amount at least equal to the commercial paper borrowings outstanding.

Commercial Paper

We have commercial paper programs under which we may issue, repay and re-issue short-term unsecured commercial paper notes. Under our existing U.S. dollar-denominated program, the aggregate principal amount of notes outstanding at any time cannot exceed $1.0 billion. In June 2025, we established an additional multicurrency program under which we may issue notes denominated in British pound sterling, euros or U.S. dollars. The aggregate principal amount of notes outstanding under this program cannot exceed €1.0 billion (or its equivalent in other currencies) ($1.2 billion at December 31, 2025). The net proceeds from both programs are expected to be used for general corporate purposes. The maturities of the notes generally range from overnight to three months. Under customary terms in the commercial paper market, the notes are issued either at a discount to par or at par with fixed or floating interest rates. At any point in time, we are required to maintain available commitments under our Credit Facilities in an amount at least equal to the amount of notes outstanding under both programs.

Senior Notes

The senior notes are unsecured and our obligations are effectively subordinated in certain respects to any of our debt that is secured by a lien on real property, to the extent of the value of such real property. The senior notes require interest payments be made quarterly, semi-annually or annually. The majority of the senior notes are redeemable at any time at our option, subject to certain prepayment penalties. Such repurchase and other terms are governed by the provisions of indenture agreements, various note purchase agreements or trust deeds. The following table summarizes the issuances of senior notes during 2025 (principal in thousands):

	Aggregate Principal		Issuance Date Weighted Average		
Issuance Date	**Borrowing Currency**	**USD (1)**	**Interest Rate**	**Term (Years)**	**Maturity Dates**
February	C$ 750,000	$ 520,428	4.2%	8.0	February 2033
May	$ 1,250,000	$ 1,250,000	5.1%	8.3	January 2031 – May 2035
September	€ 1,000,000	$ 1,178,100	3.6%	9.5	September 2032 – 2037
October	C$ 700,000	$ 500,614	3.6%	6.3	February 2032
Total		**$ 3,449,142**	**4.2%**	**8.4**	

(1) The exchange rate used to calculate into U.S. dollars was the spot rate at the settlement date.

Term Loans

The following table summarizes our outstanding term loans at December 31 (dollars and borrowing currency in thousands):

Term Loan	**Borrowing Currency**	**Issuance Date**	**Lender Commitment at 2025**		**Amount Outstanding at 2025**	**Amount Outstanding at 2024**	**Interest Rate**	**Maturity Date**
			Borrowing Currency	**USD**	**USD**	**USD**		
March 2017 Yen Term Loan (1)	JPY	March 2017	¥ 12,000,000	$ 76,593	$ 76,593	$ 76,455	0.9% and 1.0%	March 2027 – 2028
October 2017 Yen Term Loan	JPY	October 2017	¥ 10,000,000	$ 63,827	63,827	63,713	0.9%	October 2032
December 2018 Yen Term Loan (1)	JPY	December 2018	¥ 20,000,000	$ 127,654	127,654	127,426	1.2% and TIBOR + 0.7%	December 2031 – June 2033
January 2019 Yen Term Loan (1)	JPY	January 2019	¥ 15,000,000	$ 95,741	95,741	95,569	TIBOR + 0.5% to 0.6%	January 2028 – 2030
March 2019 Yen Term Loan	JPY	March 2019	¥ 85,000,000	$ 542,534	542,534	541,558	TIBOR + 0.4%	March 2026
June 2022 Yen Term Loan (1)	JPY	June 2022	¥ 25,000,000	$ 159,569	159,569	159,281	1.1% and 1.2%	June 2032 – 2034
2022 Canadian Term Loan (2)	CAD	August 2022	C$ 200,000	$ 146,072	146,072	208,503	CORRA	August 2026
December 2022 Yen Term Loan	JPY	December 2022	¥ 15,000,000	$ 95,741	95,741	95,569	1.4%	December 2033
2023 Yen Term Loan	JPY	April 2023	¥ 10,000,000	$ 63,827	63,827	63,713	1.5%	April 2031
2023 Chinese Term Loan (1)	CNH	September 2023	CN¥ 1,000,000	$ 142,272	142,272	239,274	3.6%	September 2026
2024 Yen Term Loan	JPY	April 2024	¥ 20,000,000	$ 127,655	127,655	127,425	1.5%	April 2034
2024 Euro Term Loan (1)	EUR	November 2024	€ 202,500	$ 237,938	237,938	210,377	3.0% and Euribor + 0.7%	November 2034
Subtotal					1,879,423	2,008,863		
Debt issuance costs, net					(1,797)	(3,117)		
Total term loans					**$ 1,877,626**	**$ 2,005,746**		

(1) This term loan includes more than one lender commitment each bearing a different interest rate and maturity date.

(2) In July 2025, we extended the maturity of a Canadian dollar term loan ("2022 Canadian Term Loan") by one year until August 2026. We may extend the maturity for one additional year, subject to the payment of an extension fee.

Long-Term Debt Maturities

Scheduled principal payments due on our debt for each year through the period ended December 31, 2030, and thereafter were as follows at December 31, 2025 (in thousands):

	Unsecured				
Maturity	Credit Facilities and Commercial Paper	Senior Notes	Term Loans and Other	Secured Mortgage	Total
2026 (1) (2)	$ -	$ 987,380	$ 830,891	$ 96,259	$ 1,914,530
2027 (3)	44,679	1,984,652	53,740	4,156	2,087,227
2028	-	2,594,128	110,919	3,041	2,708,088
2029	-	3,427,001	-	3,191	3,430,192
2030	-	2,847,961	31,914	3,345	2,883,220
Thereafter	-	21,592,195	883,056	79,538	22,554,789
Subtotal	44,679	33,433,317	1,910,520	189,530	35,578,046
Unamortized premiums (discounts), net	-	(410,322)	-	6,368	(403,954)
Unamortized debt issuance costs, net	-	(135,024)	(1,797)	(198)	(137,019)
Total	**$ 44,679**	**$ 32,887,971**	**$ 1,908,723**	**$ 195,700**	**$ 35,037,073**

(1) We expect to repay the amounts maturing in the next twelve months with cash generated from operations, proceeds from dispositions of real estate properties, or as necessary, with additional borrowings, including drawing on our available Credit Facilities.

(2) Included in the 2026 maturities was the 2022 Canadian Term Loan ($146.1 million at December 31, 2025), which can be extended until 2027, subject to the payment of extension fees.

(3) Included in the 2027 maturities were the amounts borrowed on the Yen Credit Facility ($44.7 million at December 31, 2025), which can be extended until 2028.

Interest Expense

The following table summarizes the components of interest expense for the years ended December 31 (in thousands):

	2025	2024	2023
Gross interest expense	$ 1,023,805	$ 892,612	$ 683,363
Amortization of debt discounts (premiums), net	55,562	52,249	51,980
Amortization of debt issuance costs, net	30,085	26,636	22,609
Interest expense before capitalization	$ 1,109,452	$ 971,497	$ 757,952
Capitalized amounts	(107,108)	(107,565)	(116,620)
Net interest expense	**$ 1,002,344**	**$ 863,932**	**$ 641,332**
Total cash paid for interest, net of amounts capitalized	**$ 842,257**	**$ 710,754**	**$ 457,021**

Financial Debt Covenants

Our Credit Facilities, senior notes and term loans outstanding at December 31, 2025 were subject to certain financial covenants under their related documents. At December 31, 2025, we were in compliance with all of our financial debt covenants.

Guarantee of Finance Subsidiary Debt

We have finance subsidiaries as part of our operations in Europe (Prologis Euro Finance LLC), Japan (Prologis Yen Finance LLC) and the U.K. (Prologis Sterling Finance LLC) in order to mitigate our foreign currency risk by borrowing in the currencies in which we invest. These entities are 100% indirectly owned by the OP and all unsecured debt issued or to be issued by each entity is or will be fully and unconditionally guaranteed by the OP. There are no restrictions or limits on the OP’s ability to obtain funds from its subsidiaries by dividend or loan. In reliance on Rule 13-01 of Regulation S-X, the separate financial statements of Prologis Euro Finance LLC, Prologis Yen Finance LLC and Prologis Sterling Finance LLC are not provided.

NOTE 8. STOCKHOLDERS' EQUITY OF PROLOGIS, INC.

Shares Authorized

At December 31, 2025, 2.1 billion shares were authorized to be issued by the Parent, of which 2.0 billion shares represent common stock and 0.1 billion shares represent preferred stock. Our board of directors (the "Board") may, without stockholder approval, classify or reclassify any unissued shares of our stock from time to time by setting or changing the preferences, conversion or other rights, voting powers, restrictions, limitations as to distributions, qualifications and terms or conditions of redemption of such shares.

Common Stock

Our at-the-market program allows us to sell up to $1.5 billion in aggregate gross sales proceeds of shares of common stock through twenty designated agents. These agents earn a fee of up to 2% of the gross sales price per share of common stock as agreed to on a transaction-by-transaction basis. We have not issued any shares of common stock under this program.

Under the 2020 Long-Term Incentive Plan, certain of our employees and outside directors are able to participate in equity-based compensation plans. See Note 11 for additional information on equity-based compensation plans.

We may also issue common stock upon redemption of common limited partnership units in the OP.

Share Purchase Program

We have a share purchase program for the repurchase of outstanding shares of our common stock on the open market or in privately negotiated transactions for an aggregate purchase price of up to $1.0 billion. During 2023, 2024 and 2025, we did not purchase any common stock of Prologis, Inc. in connection with our share purchase program.

Preferred Stock

At December 31, 2025 and 2024 our Series Q preferred stock outstanding had a dividend rate of 8.54% and will be redeemable at our option on or after November 13, 2026. Holders have, subject to certain conditions, limited voting rights and all holders are entitled to receive cumulative preferential dividends based on liquidation preference. The dividends are payable quarterly when, and if, they have been declared by the Board, out of funds legally available for the payment of dividends.

Ownership Restrictions

For us to qualify as a REIT, five or fewer individuals may not own more than 50% of the value of our outstanding stock at any time during the last half of our taxable year. Therefore, our charter restricts beneficial ownership (or ownership generally attributed to a person under the REIT rules), by a person, or persons acting as a group, of issued and outstanding common and preferred stock that would cause that person to own or be deemed to own more than 9.8% (by value or number of shares, whichever is more restrictive) of our issued and outstanding common stock. Furthermore, subject to certain exceptions, no person shall at any time directly or indirectly acquire ownership of more than 25% of any of the preferred stock. These provisions assist us in protecting and preserving our REIT status and protect the interests of stockholders in takeover transactions by preventing the acquisition of a substantial block of outstanding shares of stock.

Shares of stock owned by a person or group of people in excess of these limits are subject to redemption by us. The provision does not apply where a majority of the Board, in its sole and absolute discretion, waives such limit after determining that our status as a REIT for federal income tax purposes will not be jeopardized.

Dividends

To comply with the REIT requirements of the IRC, we are generally required to make common and preferred stock dividends (other than capital gain distributions) to our stockholders in amounts that together at least equal: (i) the sum of (a) 90% of our "REIT taxable income" computed without regard to the dividends paid deduction and net capital gains and (b) 90% of the net income (after tax), if any, from foreclosure property; minus (ii) certain excess noncash income. Our common stock distribution policy is to distribute a percentage of our cash flow that ensures that we will meet the distribution requirements of the IRC and that allows us to also retain cash to meet other needs, such as capital improvements and other investment activities.

The taxability of our dividends for the years ended December 31, 2025, 2024 and 2023 are presented below. The taxability of dividends paid in 2025 was based on management's estimates as our tax return for the year ended December 31, 2025 has not been filed. As the statute of limitations is generally three years, our tax returns for certain years remain subject to examination and consequently the taxability of the dividends is subject to change.

In 2025, 2024 and 2023, we paid all of our dividends in cash.

The following summarizes the taxability of our common and preferred stock dividends for the years ended December 31:

	2025	2024	2023
Common Stock:			
Ordinary income	$ 3.61	$ 3.50	$ 3.29
Qualified dividend	0.03	0.01	0.00
Capital gains	0.40	0.33	0.19
Total dividend	**$ 4.04**	**$ 3.84**	**$ 3.48**
Preferred Stock – Series Q:			
Ordinary income	$ 3.85	$ 3.90	$ 4.05
Qualified dividend	0.02	0.02	0.00
Capital gains	0.40	0.35	0.22
Total dividend	**$ 4.27**	**$ 4.27**	**$ 4.27**

Common stock dividends are characterized for federal income tax purposes as ordinary income, qualified dividend, capital gains, non-taxable return of capital or a combination of the four. Common stock dividends that exceed our current and accumulated earnings and profits (calculated for tax purposes) constitute a return of capital rather than a dividend and generally reduce the stockholder's basis in the common stock. To the extent that a dividend exceeds both current and accumulated earnings and profits and the stockholder's basis in the common stock, it will generally be treated as a gain from the sale or exchange of that stockholder's common stock. At the beginning of each year, we notify our stockholders of the taxability of the common stock dividends paid during the preceding year.

Pursuant to the terms of our preferred stock, we are restricted from declaring or paying any dividend with respect to our common stock unless and until all cumulative dividends with respect to the preferred stock have been paid and sufficient funds have been set aside for dividends that have been declared for the relevant dividend period with respect to the preferred stock.

NOTE 9. PARTNERS' CAPITAL OF PROLOGIS, L.P.

Distributions paid on the common limited partnership units, and the taxability of those distributions, are similar to dividends paid on the Parent's common stock disclosed above.

We issued Class A Units in the OP through an acquisition of a portfolio of properties in 2015. The Class A Units generally had the same rights as the existing common limited partnership units of the OP, except that the Class A Units were entitled to a quarterly distribution equal to $0.64665 per unit so long as the common limited partnership units received a quarterly distribution of at least $0.40 per unit (in the event the common limited partnership units received a quarterly distribution of less than $0.40 per unit, the Class A Unit distribution would be reduced by a proportionate amount). Class A Units were convertible into common limited partnership units at an initial conversion rate of one-for-one. The conversion rate was increased or decreased to the extent that, at the time of conversion, the net present value of the distributions paid with respect to the Class A Units were less or more than the distributions paid on common limited partnership units from the time of issuance of the Class A Units until the time of conversion.

At December 31, 2024, Class A Units were convertible into 7.4 million common limited partnership units and during the year ended December 31, 2025, all Class A Units were converted into common limited partnership units, leaving none outstanding to be converted at December 31, 2025. Distributions paid to the Class A Units totaled $1.93995 per unit during the year ended December 31, 2025, and $2.58660 per unit annually during the years ended December 31, 2024 and 2023.

NOTE 10. NONCONTROLLING INTERESTS

Prologis, L.P.

We report noncontrolling interests related to several entities we consolidate but of which we do not own 100% of the equity. These entities include two real estate partnerships that have issued limited partnership units to third parties. Depending on the specific partnership agreements, these limited partnership units are redeemable for cash or, at our option, shares of the Parent's common stock, generally at a rate of one share of common stock to one limited partnership unit. We also consolidate certain entities in which we do not own 100% of the equity but the equity of these entities is not exchangeable into our common stock.

As discussed in Note 1, the Parent has complete responsibility, power and discretion in the day-to-day management of the OP. The Parent, through its majority interest, has the right to receive benefits from and incur losses of the OP. In addition, the OP does not have either substantive liquidation rights or substantive kick-out rights without cause or substantive participating rights that could be exercised by a simple majority of noncontrolling interests. The absence of such rights renders the OP as a VIE. Accordingly, the Parent is the primary beneficiary and therefore consolidates the OP.

Prologis, Inc.

The noncontrolling interests of the Parent include the noncontrolling interests described above for the OP, as well as the limited partnership units in the OP that are not owned by the Parent. The outstanding limited partnership units receive quarterly cash distributions equal to the quarterly dividends paid on our common stock pursuant to the terms of the applicable partnership agreements.

The following table summarizes these entities at December 31 (dollars in thousands):

	Our Ownership Percentage		Noncontrolling Interests		Total Assets		Total Liabilities	
	2025	2024	2025	2024	2025	2024	2025	2024
Prologis U.S. Logistics Venture	55.0%	55.0%	$ 3,071,053	$ 3,091,941	$ 6,885,453	$ 7,014,774	$ 156,368	$ 149,823
Other consolidated entities [1]	various	various	245,660	231,106	3,521,831	3,031,608	541,602	399,277
Prologis, L.P.			**3,316,713**	**3,323,047**	**10,407,284**	**10,046,382**	**697,970**	**549,100**
Limited partners in Prologis, L.P. [2][3]			1,244,117	1,342,585	-	-	-	-
Prologis, Inc.			**$ 4,560,830**	**$ 4,665,632**	**$ 10,407,284**	**$ 10,046,382**	**$ 697,970**	**$ 549,100**

(1) Includes two partnerships that have issued limited partnership units to third parties, as discussed above, along with various other consolidated entities. The limited partnership units outstanding at December 31, 2025 and 2024 were exchangeable into cash or, at our option, 0.3 million shares of the Parent’s common stock.

(2) At December 31, 2025, there were no Class A Units outstanding. At December 31, 2024, we had 7.7 million Class A Units that were convertible into 7.4 million limited partnership units of the OP. See Note 9 for further discussion of our Class A Units.

(3) There were limited partnership units in the OP, excluding the Class A Units, that were exchangeable into cash or, at our option, 14.9 million and 9.0 million shares of the Parent’s common stock, at December 31, 2025 and 2024, respectively. Also included are the vested OP Long-Term Incentive Plan Units (“LTIP Units”) associated with our long-term compensation plans of 6.9 million and 6.7 million shares of the Parent’s common stock at December 31, 2025 and 2024, respectively. See further discussion of LTIP Units in Note 11.

NOTE 11. LONG-TERM COMPENSATION

2020 Long-Term Incentive Plan

The 2020 Long-Term Incentive Plan ("2020 LTIP") provides for grants of awards to officers, directors, employees and consultants of the Parent or its subsidiaries. Awards can be in the form of: full value awards, stock appreciation rights and stock options (non-qualified options and incentive stock options). Full value awards generally consist of: (i) common stock; (ii) restricted stock units (“RSUs”); (iii) OP LTIP units (“LTIP Units”) and (iv) performance stock units ("PSUs”). Awards may be made under the 2020 LTIP until it is terminated by the Board or until the ten-year anniversary of the effective date of the plan.

The awards have been issued under the following components of our equity-based compensation programs at December 31, 2025: (i) Performance Stock Unit Program; (ii) Prologis Outperformance Plan ("POP"); (iii) Prologis Promote Plan (“PPP”); (iv) annual long-term incentive (“LTI”) equity award program (“Annual LTI Award”); and (v) annual bonus exchange program.

At December 31, 2025, we had 15.1 million shares of common stock remaining available for future issuance under equity compensation plans.

Equity-Based Compensation Programs

Performance Stock Unit ("PSU") Program

PSUs are granted under the Company's 2020 Long-Term Incentive Plan and are settled in equity at the end of a three-year performance period if applicable market-based performance hurdles are met. Such hurdles are based on a performance scale of Prologis’ percentile ranking in the Morgan Stanley Capital International US REIT Index (the “Index”) for a three-year performance period. Prologis must perform at the 55th percentile to earn a target award of 100.0%. The award is capped at 200.0% of the target for performance at or above the 85th percentile, and there is no payout in the event Prologis’ performance is below the 35th percentile. There is a proportional scaling between the 35th and the 85th percentiles, starting with 50.0% of the target being earned at the 35th percentile. If an award meets applicable market-based performance hurdles and is earned at the end of the initial three-year performance period, one-third of the award vests at the end of the performance period and the remaining award vests equally one and two years after the award is earned. The award is subject to an additional three-year holding requirement. Awards are in the form of common stock, restricted stock units ("RSUs") and LTIP Units.

The fair value of the awards is measured at the grant date using a Monte Carlo valuation model and amortized over the period from the grant date to the date at which the awards vest, regardless of whether the market condition has been satisfied, which ranges from three to five years. We granted PSUs for the 2025 – 2027 performance period in January 2025.

The following table details the assumptions used for each PSU grant based on the year it was granted (dollars in thousands):

	2025	2024
Risk-free interest rate	4.4%	4.2%
Prologis expected volatility	29.0%	27.0%
Index expected volatility	30.2%	30.5%
Grant date fair value	$ 83,900	$ 31,500

Prologis Outperformance Plan ("POP")

In prior years, we allocated participation points or a percentage of the compensation pool to participants under our POP, corresponding to three-year performance periods beginning each January 1. POP awards were measured at the grant-date fair value and amortized over vesting periods ranging from three to ten years, with awards earned only if our three-year compound annualized total stockholder return ("TSR") exceeded the applicable index by 100 basis points and the absolute TSR was positive. If earned, 20% of the award was payable after the initial three-year performance period (subject to a holding requirement), with the remaining 80% subject to additional long-term vesting. Awards were paid in the form of common stock, RSUs, POP LTIP Units or LTIP Units. Commencing in 2024 for named executive officers ("NEOs") and in 2025 for other employees who previously received participation points, those individuals received the PSUs discussed above. No new awards will be granted under the POP.

The performance criteria was met for the performance period ended 2023. The absolute maximum cap was earned and awarded in January of the following year. The performance criteria was not met for the performance periods ended 2024 and 2025. The RSUs and LTIP Units tables below include POP awards that were earned but are unvested, while any vested awards are reflected within the Consolidated Statements of Equity and Capital.

The following table details the assumptions used for each POP grant based on the year it was granted, using a Monte Carlo model (dollars in thousands):

	2024	2023
Risk-free interest rate	4.2%	4.2%
Prologis expected volatility	27.0%	35.0%
Index expected volatility	20.0%	31.0%
Grant date fair value	$ 19,000	$ 28,300

Total remaining compensation cost at December 31, 2025, was $39.9 million, prior to adjustments for capitalized amounts due to our development activities. The remaining compensation cost will be recognized through 2033, with a weighted average period of 2.6 years.

Prologis Promote Plan ("PPP")

Under the PPP, for promotes earned after January 2024, we award up to 25% of the third-party portion of promotes earned by Prologis from co-investment ventures to employees through a compensation pool. The awards may be settled in some combination of cash and full value awards, at our election. For promotes earned prior to January 2024, up to 40% of the third-party portion of promotes was awarded to certain employees.

Annual LTI Equity Award Program ("Annual LTI Award")

The Annual LTI Award provides for grants to certain employees related to the most recent performance period.

Annual Bonus Exchange Program

Under our bonus exchange program, generally all our employees may elect to receive all or a portion of their annual cash bonus in equity. Equity awards granted through the bonus exchange are valued at a premium to the cash bonus exchanged and vest over three years, excluding certain executive officers. As certain executive officers do not receive a bonus exchange premium for participating in the bonus exchange program, the equity they receive upon exchange for their cash bonuses does not have a vesting period.

Under the PPP, Annual LTI Award and Annual Bonus Exchange Program, awards may be issued in the form of RSUs or LTIP Units at the participants' elections. RSUs and LTIP Units are valued based on the market price of the Parent's common stock at the grant date, and the grant date fair value is recognized as compensation expense over the service period. The service period is generally four years, except for awards under the annual bonus exchange program. Dividends and distributions are paid with respect to both RSUs and LTIP Units during the vesting period, and therefore they are considered participating securities. We do not allocate undistributed earnings to participating securities as our net earnings per share or unit would not be materially different. The value of the dividend is

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charged to retained earnings for RSUs and the distribution is charged to *Net Earnings Attributable to Noncontrolling Interests* in the OP for LTIP Units in the Consolidated Financial Statements of the Parent.

Summary of Award Activity

PSUs

The following table summarizes the activity for PSUs for the year ended December 31, 2025 (units in thousands):

	Unearned	Weighted Average Grant Date Fair Value
Balance at January 1, 2025	244	$ 129.10
Granted	878	95.53
Earned	-	-
Forfeited	(17)	95.53
Balance at December 31, 2025	**1,105**	**$ 102.95**

See the discussion of the fair value of PSUs above. Total remaining compensation cost related to the PSUs at December 31, 2025, was $65.5 million, prior to adjustments for capitalized amounts due to our development activities. The remaining compensation cost will be recognized through 2030, with a weighted average period of 1.4 years.

RSUs

Each RSU represents the right to receive one share of common stock of the Parent.

The following table summarizes the activity for RSUs for the year ended December 31, 2025 (units in thousands):

	Unvested	Weighted Average Grant Date Fair Value
Balance at January 1, 2025	2,063	$ 99.39
Granted	481	109.70
Conversion of earned PSUs	-	-
Vested	(698)	120.44
Forfeited	(90)	120.15
Balance at December 31, 2025	**1,756**	**$ 92.80**

The fair value of stock awards granted and vested was $52.8 million and $84.0 million for 2025, $91.0 million and $81.7 million for 2024 and $122.1 million and $65.0 million for 2023, respectively, based on the weighted average grant date fair value per unit.

Total remaining compensation cost related to RSUs outstanding, excluding POP awards, at December 31, 2025, was $76.9 million, prior to adjustments for capitalized amounts due to our development activities. The remaining compensation cost will be recognized through 2029, with a weighted average period of 1.0 years.

LTIP Units

An LTIP Unit represents a partnership interest in the OP. After vesting and the satisfaction of certain conditions, an LTIP Unit may be exchangeable for a common limited partnership unit in the OP and then redeemable for a share of common stock or cash at our option. Once LTIP Units are vested and converted into common stock, they reduce the total share reserve under the equity compensation plan but do not count as available shares for future awards. At December 31, 2025, 6.9 million LTIP Units were vested but not yet converted, and therefore, they remain excluded from the available share pool but included in fully diluted share calculations.

The following table summarizes the activity for LTIP Units for the year ended December 31, 2025 (units in thousands):

	Unvested	Weighted Average Grant Date Fair Value
Balance at January 1, 2025	5,250	$ 72.15
Granted	586	109.46
Conversion of earned PSUs	-	-
Vested	(1,115)	120.83
Forfeited	(15)	120.54
Balance at December 31, 2025	**4,706**	**$ 65.11**

The fair value of unit awards granted and vested was $64.2 million and $134.7 million for 2025, $125.1 million and $153.6 million for 2024 and $259.0 million and $151.1 million for 2023, respectively, based on the weighted average grant date fair value per unit.

Total remaining compensation cost related to LTIP Units, excluding POP awards, at December 31, 2025, was $119.0 million, prior to adjustments for capitalized amounts due to our development activities. The remaining compensation cost will be recognized through 2030, with a weighted average period of 1.0 years.

Other Plans

The Prologis 401(k) Plan (the “401(k) Plan”) includes a matching employer contribution of $0.50 for every dollar contributed by an employee, up to 12% of the employee’s annual compensation (within the statutory compensation limit). In the 401(k) Plan, vesting in the matching employer contributions is based on the employee's years of service, with 100% vesting at the completion of one year of service. Our contributions under the matching provisions were $11.1 million, $10.2 million and $8.9 million for the years ended December 31, 2025, 2024 and 2023, respectively.

We have a non-qualified savings plan that allows highly compensated employees the opportunity to defer the receipt and income taxation of a certain portion of their compensation in excess of the amount permitted under the 401(k) Plan. There has been no employer matching within this plan in the three-year period ended December 31, 2025.

NOTE 12. INCOME TAXES

Components of Earnings Before Income Taxes

The following table summarizes the components of earnings before income taxes for the years ended December 31 (in thousands):

	2025	2024	2023
Domestic	$ 3,539,450	$ 3,595,449	$ 2,891,644
International	229,866	519,429	572,539
Earnings before income taxes	**$ 3,769,316**	**$ 4,114,878**	**$ 3,464,183**

Summary of Current and Deferred Income Taxes

The following table summarizes the components of the provision for income taxes for the years ended December 31 (in thousands):

	2025	2024	2023
Current income tax expense (benefit):			
U.S. federal	$ 36,003	$ (17,082)	$ (953)
International	148,169	152,891	175,121
State and local	15,536	9,973	19,162
Total current income tax expense	199,708	145,782	193,330
Deferred income tax expense (benefit):			
U.S. federal	(4,571)	18,222	12,936
International	8,880	2,939	4,772
Total deferred income tax expense	4,309	21,161	17,708
Total income tax expense	**$ 204,017**	**$ 166,943**	**$ 211,038**

Current Income Taxes

We recognize current income tax expense for the federal and state income taxes incurred by our TRSs and taxes incurred in certain states and foreign jurisdictions. Current income tax expense fluctuates from period to period based primarily on the timing of our taxable income. Taxable income incurred over the last three years was principally due to the following: (i) the contribution of real estate properties to our unconsolidated co-investment ventures and sales to third parties; (ii) recurring and transactional strategic capital fees earned; (iii) taxable earnings from unconsolidated co-investment ventures; and (iv) adjustments to acquired tax liabilities.

During the years ended December 31, 2025, 2024 and 2023, cash paid for income taxes, net of refunds, was $142.7 million, $129.9 million and $149.1 million, respectively. The composition of these payments is generally consistent with the components of current income tax expense (benefit) as presented above.

Deferred Income Taxes

The deferred income tax expense recognized in 2025, 2024 and 2023 was principally due to changes in temporary differences and utilization of NOLs.

The following table summarizes the deferred income tax assets and liabilities at December 31 (in thousands):

	2025	2024
Gross deferred income tax assets:		
NOL carryforwards	$ 281,664	$ 263,597
Basis difference – real estate properties	53,824	43,226
Basis difference – equity investments	20,594	18,434
Section 163(j) interest limitation	2,250	2,105
Capital loss carryforward	2,033	6,096
Other – temporary differences	61,021	29,908
Total gross deferred income tax assets	421,386	363,366
Valuation allowance	(366,990)	(312,348)
Gross deferred income tax assets, net of valuation allowance	54,396	51,018
Gross deferred income tax liabilities:		
Basis difference – real estate properties	133,095	128,803
Basis difference – equity investments	63,066	57,763
Other – temporary differences	6,573	2,321
Total gross deferred income tax liabilities	202,734	188,887
Net deferred income tax liabilities	**$ 148,338**	**$ 137,869**

At December 31, 2025, we had NOL carryforwards as follows (in thousands):

	U.S.	Europe	Mexico	Japan	Other
Gross NOL carryforward	$ 78,175	$ 683,143	$ 216,909	$ 67,119	$ 33,789
Tax-effected NOL carryforward	20,255	179,267	68,531	7,953	5,658
Valuation allowance	(20,255)	(164,021)	(68,531)	(7,953)	(5,658)
Net deferred tax asset – NOL carryforward	$ -	$ 15,246	$ -	$ -	$ -
Expiration periods	2026 – 2045	2026 – indefinite	2026 – 2035	2026 – 2035	2026 – indefinite

The deferred tax asset valuation allowance at December 31, 2025, was adequate to reduce the total deferred tax asset to an amount that we estimate will more likely than not be realized.

Liability for Uncertain Tax Positions

During the years ended December 31, 2025, 2024 and 2023, we believe that we complied with the REIT requirements of the IRC. The statute of limitations for our global tax returns is generally three to five years. As such, our tax returns that remain subject to examination would be primarily from 2020 and thereafter. During the year ended December 31, 2024, we recognized a $20.7 million liability for uncertain tax positions related to proposed settlements. Liabilities or any related settlements for uncertain tax positions for the years ended December 31, 2025 and 2023 were not material to our Consolidated Financial Statements.

NOTE 13. EARNINGS PER COMMON SHARE OR UNIT

We determine basic earnings per share or unit based on the weighted average number of shares of common stock or units outstanding during the period. We compute diluted earnings per share or unit based on the weighted average number of shares or units outstanding combined with the incremental weighted average effect from all outstanding potentially dilutive instruments. During the year ended December 31, 2025 all Class A Units in the OP were converted to limited partnership units in the OP.

The computation of our basic and diluted earnings per share and unit for the years ended December 31 was as follows (in thousands, except per share and unit amounts):

Prologis, Inc.	2025	2024	2023
Net earnings attributable to common stockholders – Basic	$ 3,322,349	$ 3,725,754	$ 3,053,373
Net earnings attributable to exchangeable limited partnership units [(1)]	81,773	94,052	77,806
Adjusted net earnings attributable to common stockholders – Diluted	**$ 3,404,122**	**$ 3,819,806**	**$ 3,131,179**
Weighted average common shares outstanding – Basic	928,473	926,172	924,351
Incremental weighted average effect on exchange of limited partnership units [(1)]	23,034	23,445	23,693
Incremental weighted average effect of equity awards	5,325	3,973	3,747
Weighted average common shares outstanding – Diluted [(2)]	**956,832**	**953,590**	**951,791**
Net earnings per share attributable to common stockholders:			
Basic	**$ 3.58**	**$ 4.02**	**$ 3.30**
Diluted	**$ 3.56**	**$ 4.01**	**$ 3.29**

Prologis, L.P.	2025	2024	2023
Net earnings attributable to common unitholders	$ 3,403,353	$ 3,818,862	$ 3,130,647
Net earnings attributable to Class A Units	(9,158)	(30,308)	(26,784)
Net earnings attributable to common unitholders – Basic	3,394,195	3,788,554	3,103,863
Net earnings attributable to Class A Units	9,158	30,308	26,784
Net earnings attributable to exchangeable other limited partnership units	769	944	532
Adjusted net earnings attributable to common unitholders – Diluted	**$ 3,404,122**	**$ 3,819,806**	**$ 3,131,179**
Weighted average common partnership units outstanding – Basic	947,938	941,782	939,635
Incremental weighted average effect on exchange of Class A Units	3,305	7,536	8,110
Incremental weighted average effect on exchange of other limited partnership units	264	299	299
Incremental weighted average effect of equity awards of Prologis, Inc.	5,325	3,973	3,747
Weighted average common units outstanding – Diluted (2)	**956,832**	**953,590**	**951,791**
Net earnings per unit attributable to common unitholders:			
Basic	**$ 3.58**	**$ 4.02**	**$ 3.30**
Diluted	**$ 3.56**	**$ 4.01**	**$ 3.29**

(1) Earnings allocated to the exchangeable OP units not held by the Parent have been included in the numerator and exchangeable common units have been included in the denominator for the purpose of computing diluted earnings per share for all periods as the per share and unit amount is the same.

(2) Our total weighted average potentially dilutive shares and units outstanding for the years ended December 31 consisted of the following:

	2025	2024	2023
Class A Units	3,305	7,536	8,110
Other limited partnership units	264	299	299
Equity awards	7,839	7,688	7,455
Prologis, L.P.	**11,408**	**15,523**	**15,864**
Common limited partnership units	19,465	15,610	15,284
Prologis, Inc.	**30,873**	**31,133**	**31,148**

NOTE 14. FINANCIAL INSTRUMENTS AND FAIR VALUE MEASUREMENTS

Derivative Financial Instruments

In the normal course of business, our operations are exposed to market risks, including the effect of changes in foreign currency exchange rates and interest rates. We may enter into derivative financial instruments to offset these underlying market risks. See Note 2 for our derivative financial instruments policy.

The following table presents the fair value of our derivative financial instruments recognized within *Other Assets* and *Other Liabilities* in the Consolidated Balance Sheets at December 31 (in thousands):

	2025		2024	
	Asset	**Liability**	**Asset**	**Liability**
Undesignated derivatives				
Foreign currency contracts				
Forwards				
Brazilian real	$ -	$ 394	$ -	$ -
British pound sterling	164	11,688	8,785	422
Canadian dollar	5,680	214	15,503	-
Euro	1,660	17,571	32,989	-
Japanese yen	54,147	22	55,818	-
Swedish krona	198	5,352	4,642	108
Options				
Mexican peso	14,733	-	1,814	-
Designated derivatives				
Foreign currency contracts				
Net investment hedges				
British pound sterling	841	4,279	2,837	108
Canadian dollar	1,866	968	5,454	-
Interest rate contracts				
Cash flow hedges				
U.S. dollar	1,480	-	9,587	-
Total fair value of derivatives	**$ 80,769**	**$ 40,488**	**$ 137,429**	**$ 638**

Undesignated Derivative Financial Instruments

Foreign Currency Contracts

The following table summarizes the activity of our undesignated foreign currency contracts for the years ended December 31 (in millions, except for weighted average forward rates and number of active contracts):

	2025						2024						2023					
	CAD	**EUR**	**GBP**	**JPY**	**Other**	**Total**	**CAD**	**EUR**	**GBP**	**JPY**	**Other**	**Total**	**CAD**	**EUR**	**GBP**	**JPY**	**Other**	**Total**
Notional amounts at January 1 ($)	254	526	386	312	(27)	**1,451**	213	524	442	384	56	**1,619**	283	601	349	331	81	**1,645**
New contracts ($)	111	309	184	104	(145)	**563**	102	165	334	107	(74)	**634**	15	173	192	140	(10)	**510**
Matured, expired or settled contracts ($)	(69)	(248)	(185)	(81)	(30)	**(613)**	(61)	(163)	(390)	(179)	(9)	**(802)**	(85)	(250)	(99)	(87)	(15)	**(536)**
Notional amounts at December 31 ($)	**296**	**587**	**385**	**335**	**(202)**	**1,401**	**254**	**526**	**386**	**312**	**(27)**	**1,451**	**213**	**524**	**442**	**384**	**56**	**1,619**
Weighted average forward rate at December 31	**1.33**	**1.17**	**1.30**	**125.82**			**1.31**	**1.15**	**1.28**	**120.37**			**1.30**	**1.16**	**1.27**	**115.40**		
Active contracts at December 31	**112**	**128**	**100**	**99**			**101**	**86**	**82**	**77**			**74**	**72**	**96**	**96**		

The following table summarizes the undesignated derivative financial instruments exercised and associated realized and unrealized gains (losses), respectively, in *Foreign Currency, Derivative and Other Gains (Losses) and Other Income (Expense), Net* in the Consolidated Statements of Income for the years ended December 31 (in millions, except for number of exercised contracts):

	2025	**2024**	**2023**
Exercised contracts	160	254	218
Realized gains (losses) on the matured, expired or settled contracts	$ 11	$ 53	$ 60
Unrealized gains (losses) on the change in fair value of outstanding contracts	$ (72)	$ 53	$ (58)

Designated Derivative Financial Instruments

Changes in the fair value of derivatives that are designated as net investment hedges ("NIHs") of our foreign operations and cash flow hedges ("CFHs") are recorded in *Accumulated Other Comprehensive Income (Loss)* ("*AOCI/L")* in the Consolidated Balance Sheets and reflected within the *AOCI/L* table below.

Foreign Currency Contracts

The following table summarizes the activity of our foreign currency contracts designated as NIHs for the years ended December 31 (in millions, except for weighted average forward rates and number of active contracts):

	2025			2024			2023			
	CAD	GBP	Total	CAD	GBP	Total	CAD	CNH	GBP	Total
Notional amounts at January 1 ($)	163	432	**595**	516	432	**948**	534	-	440	**974**
New contracts ($)	200	683	**883**	163	523	**686**	467	100	343	**910**
Matured, expired or settled contracts ($)	(163)	(432)	**(595)**	(516)	(523)	**(1,039)**	(485)	(100)	(351)	**(936)**
Notional amounts at December 31 ($)	**200**	**683**	**883**	**163**	**432**	**595**	**516**		**432**	**948**
Weighted average forward rate at December 31	**1.36**	**1.34**		**1.37**	**1.26**		**1.33**	**-**	**1.26**	
Active contracts at December 31	**2**	**6**		**2**	**4**		**6**	**-**	**4**	

Interest Rate Contracts

The following table summarizes the activity of our interest rate contracts designated as CFHs for the years ended December 31 (in millions):

	2025				2024				2023		
	EUR	USD	CAD	Total	EUR	USD	GBP	Total	EUR	USD	Total
Notional amounts at January 1 ($)	-	280	-	**280**	700	550	-	**1,250**	447	150	**597**
New contracts ($)	543	1,725	352	**2,620**	-	780	246	**1,026**	1,113	2,300	**3,413**
Matured, expired or settled contracts ($)	(543)	(1,580)	(352)	**(2,475)**	(700)	(1,050)	(246)	**(1,996)**	(860)	(1,900)	**(2,760)**
Notional amounts at December 31 ($)	**-**	**425**	**-**	**425**	**-**	**280**	**-**	**280**	**700**	**550**	**1,250**

Designated Nonderivative Financial Instruments

The following table summarizes our debt and accrued interest, designated as a hedge of our net investment in international subsidiaries at December 31 (in millions):

	2025	2024	2023
British pound sterling	$ 1,837	$ 1,763	$ 1,305
Canadian dollar	$ 1,793	$ 758	$ 373

The following table summarizes the unrealized gains (losses) in *Foreign Currency, Derivative and Other Gains (Losses) and Other Income (Expense), Net* in the Consolidated Statements of Income on the remeasurement of the unhedged portion of our euro-denominated and Chinese renminbi-denominated debt and accrued interest, for the years ended December 31 (in millions):

	2025	2024	2023
Unrealized gains (losses) on the unhedged portion	$ (66)	$ 34	$ (23)

Accumulated Other Comprehensive Income (Loss) ("AOCI/L")

The change in *AOCI/L* in the Consolidated Statements of Equity during the periods presented was due to the following: (i) the currency translation adjustments ("CTA") that we recognize due to the translation of the financial statements of our consolidated subsidiaries, whose functional currency is not the U.S. dollar, into U.S. dollars; and (ii) the change in the fair value of the effective portion of our derivative financial instruments that have been designated as NIHs and CFHs and the translation of the hedged portion of our debt.

The following table presents these changes in *AOCI/L* for the years ended December 31 (in thousands):

	Unrealized gains (losses) on CFHs [1]	Our share of derivatives from unconsolidated entities	Derivative NIHs	Debt designated as nonderivative NIHs [2]	CTA	Total AOCI/L
Balance at January 1, 2023	$ 30,545	$ 22,584	$ 332,973	$ 329,983	$ (1,159,694)	$ (443,609)
Other comprehensive income (loss), net	(76,289)	(14,170)	(22,447)	(75,881)	118,195	(70,592)
Balance at December 31, 2023	**$ (45,744)**	**$ 8,414**	**$ 310,526**	**$ 254,102**	**$ (1,041,499)**	**$ (514,201)**
Other comprehensive income (loss), net	34,085	4,238	31,326	73,795	250,542	393,986
Balance at December 31, 2024	**$ (11,659)**	**$ 12,652**	**$ 341,852**	**$ 327,897**	**$ (790,957)**	**$ (120,215)**
Other comprehensive income (loss), net	2,327	5,880	(31,532)	(221,063)	(311,673)	(556,061)
Balance at December 31, 2025	**$ (9,332)**	**$ 18,532**	**$ 310,320**	**$ 106,834**	**$ (1,102,630)**	**$ (676,276)**

(1) We estimate an additional expense of $1.9 million will be reclassified to *Interest Expense* in the Consolidated Statements of Income over the next 12 months from December 31, 2025, due to the amortization of settled derivatives designated as cash flow hedges.

(2) Reclassification of amounts out of *AOCI/L* due to the remeasurement of the unhedged portion of our euro denominated and Chinese renminbi-denominated debt and accrued interest is included within other comprehensive income (loss), net.

Fair Value Measurements

We have estimated the fair value of our financial instruments using available market information and valuation methodologies we believe to be appropriate for these purposes. Considerable judgment and a high degree of subjectivity are involved in developing these estimates and, accordingly, they are not necessarily indicative of amounts that we would realize on disposition. See Note 2 for more information on our fair value measurements policy.

Fair Value Measurements on a Recurring Basis

At December 31, 2025 and 2024, other than the derivatives discussed previously, we had no significant financial assets or financial liabilities that were measured at fair value on a recurring basis in the Consolidated Financial Statements. All of our derivatives held at December 31, 2025 and 2024 were classified as Level 2 of the fair value hierarchy.

Fair Value Measurements on Nonrecurring Basis

Acquired properties, assets we expect to sell or contribute and assets subject to impairment charges are significant nonfinancial assets that met the criteria to be measured at fair value on a nonrecurring basis, as detailed in our accounting policy in Note 2. At December 31, 2025 and 2024, we estimated the fair value of our properties using Level 2 or Level 3 inputs from the fair value hierarchy. See more information on our acquired properties in Note 3 and assets held for sale or contribution in Note 5.

Fair Value of Financial Instruments

At December 31, 2025 and 2024, the carrying amounts of certain financial instruments, including cash and cash equivalents, accounts and notes receivable, accounts payable and accrued expenses were representative of their fair values.

The differences in the fair value of our debt from the carrying value in the table below were the result of differences in interest rates or borrowing spreads that were available to us at December 31, 2025 and 2024, as compared with those in effect when the debt was issued or assumed, including lower borrowing spreads due to our credit ratings. See Note 7 for more information on our debt activity.

The following table reflects the carrying amounts and estimated fair values of our debt at December 31 (in thousands):

	2025		2024	
	Carrying Value	Fair Value	Carrying Value	Fair Value
Credit facilities and commercial paper	$ 44,679	$ 44,679	$ 224,966	$ 224,966
Senior notes	32,887,971	30,950,062	28,322,163	26,095,901
Term loans and unsecured other	1,908,723	1,862,065	2,013,317	1,991,934
Secured mortgage	195,700	185,965	318,817	298,452
Total	**$ 35,037,073**	**$ 33,042,771**	**$ 30,879,263**	**$ 28,611,253**

NOTE 15. COMMITMENTS AND CONTINGENCIES

Environmental Matters

A majority of the properties we acquire, including land, are subjected to environmental reviews either by us or the previous owners. In addition, we may incur environmental remediation costs associated with certain land parcels we acquire in connection with the development of the land. We have acquired certain properties that may have been leased to or previously owned by companies that discharged hazardous materials. We establish a liability at the time of acquisition to cover such costs and adjust the liabilities as appropriate when additional information becomes available. We record our environmental liabilities in *Other Liabilities* in the Consolidated Balance Sheets. We purchase various environmental insurance policies to mitigate our exposure to environmental liabilities. We are not aware of any environmental liabilities that would have a material adverse effect on our business, financial condition or results of operations.

Off-Balance Sheet Liabilities

We have entered into agreements, principally performance and surety bonds and standby letters of credit in connection with certain development and renewable energy projects. These agreements are commonly required by public agencies, including utilities, from real estate and renewable energy asset developers. They are renewable and expire on the completion of the improvements and infrastructure. We typically enter into performance and surety bonds that have terms of four years and standby letters of credit that have terms of a year to an indefinite period of time. At December 31, 2025 and 2024, we had $739.5 million and $684.1 million, respectively, outstanding under such arrangements.

We may be required under capital commitments or may choose to make additional capital contributions to certain of our unconsolidated entities, representing our proportionate ownership interest, if needed to fund development or acquisition costs, repayment of debt or operational shortfalls. At December 31, 2025, we did not guarantee any third-party debt of the unconsolidated co-investment ventures. See Note 4 for further discussion related to equity commitments to our unconsolidated co-investment ventures.

Litigation

From time to time, we are party to a variety of legal proceedings arising in the ordinary course of business. We believe that, with respect to any such matters that we are currently a party to, the ultimate disposition of any such matter will not have material adverse effect on our business, financial position or results of operations.

NOTE 16. REPORTABLE SEGMENTS

Our current business strategy includes two reportable segments: Real Estate (Rental Operations and Development) and Strategic Capital. We generate revenues, earnings, net operating income and cash flows through our segments, as follows:

- **Real Estate Segment.** This reportable segment represents the ownership and development of operating properties and is the largest component of our revenue and earnings. We collect rent from our customers through operating leases, including reimbursements for the majority of our property operating costs. The Real Estate Segment also includes development activities that lead to rental operations, including land held for development and properties currently under development, and other real estate investments, including renewable energy assets.

- **Strategic Capital Segment.** This reportable segment represents the management of unconsolidated co-investment ventures. We generate strategic capital revenues primarily from our unconsolidated co-investment ventures through asset management and property management services and we earn additional revenues by providing leasing, acquisition, construction, development, financing and disposition services. Depending on the structure of the venture and the returns provided to our partners, we also earn revenues through promotes periodically during the life of a venture or upon liquidation.

Our management Executive Committee (“EC”) is our Chief Operating Decision Maker (“CODM”) and regularly reviews operating results and makes strategic and operating decisions with regards to assessing performance and allocating resources based on our two reportable segments. At December 31, 2025, the EC consisted of the Chief Executive Officer; Chief Operating Officer; Chief Financial Officer; President; Chief Human Resources Officer; Chief Legal Officer; Chief Energy and Sustainability Officer and Managing Director, Global Strategic Capital. The operating results reviewed by the EC include net operating income (“NOI”), the measure most consistent with U.S. GAAP.

NOI from the Real Estate Segment is calculated directly from the Consolidated Statements of Income as *Rental Revenues* and *Development Management and Other Revenues* less *Rental Expenses* and *Other Expenses.*

NOI from the Strategic Capital Segment is calculated directly from the Consolidated Statements of Income as *Strategic Capital Revenues* less *Strategic Capital Expenses.*

Our EC analyzes the NOI of each reportable segment on a quarterly basis comparing actuals to prior period actuals, along with forecasted future amounts and utilizes operating metrics to understand and evaluate the performance of our operations and to allocate resources.

Below we present: (i) each reportable segment’s revenues from external customers to *Total Revenues*; (ii) each reportable segment’s expenses to *Total Expenses*; (iii) each reportable segment’s net operating income from external customers, calculated as each reportable segment's revenues less segment expenses, to *Operating Income and Earnings Before Income Taxes*; and (iv) each reportable segment’s assets to *Total Assets*.

The applicable components of *Total Revenues, Total Expenses, Operating Income, Earnings Before Income Taxes* and *Total Assets* in the Consolidated Financial Statements are allocated to each reportable segment’s revenues, expenses, net operating income and assets.

Items that are not directly assignable to a reportable segment, are not allocated but reflected as non-segment items (general and administrative expenses and real estate adjustments for depreciation and gains and losses on contributions and sales) due to how our CODM utilizes segment information for planning and execution of our business strategy.

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The following reportable segment net operating income and assets are presented in thousands:

	Years Ended December 31,		
	2025	2024	2023
Revenues:			
Real estate segment:			
U.S.	$ 7,802,692	$ 7,216,817	$ 6,558,051
Other Americas	192,653	137,893	110,305
Europe	136,930	115,103	95,915
Asia	65,499	59,890	58,966
Total real estate segment	8,197,774	7,529,703	6,823,237
Strategic capital segment:			
U.S.	198,986	296,995	833,402
Other Americas	89,961	92,307	89,783
Europe	218,818	194,530	181,651
Asia	84,588	88,075	95,396
Total strategic capital segment	592,353	671,907	1,200,232
Total revenues	**8,790,127**	**8,201,610**	**8,023,469**
Expenses:			
Real estate segment:			
U.S. (1)	(1,873,652)	(1,714,071)	(1,603,486)
Other Americas	(38,556)	(28,953)	(25,383)
Europe	(75,224)	(46,759)	(27,715)
Asia	(22,734)	(22,646)	(21,563)
Total real estate segment	(2,010,166)	(1,812,429)	(1,678,147)
Strategic capital segment:			
U.S. (1)	(131,960)	(154,654)	(204,066)
Other Americas	(21,575)	(21,833)	(27,018)
Europe	(72,689)	(75,500)	(103,025)
Asia	(44,293)	(39,869)	(51,433)
Total strategic capital segment	(270,517)	(291,856)	(385,542)
Total expenses	**(2,280,683)**	**(2,104,285)**	**(2,063,689)**
Segment net operating income:			
Real estate segment:			
U.S. (1)	5,929,040	5,502,746	4,954,565
Other Americas	154,097	108,940	84,922
Europe	61,706	68,344	68,200
Asia	42,765	37,244	37,403
Total real estate segment	6,187,608	5,717,274	5,145,090
Strategic capital segment:			
U.S. (1)	67,026	142,341	629,336
Other Americas	68,386	70,474	62,765
Europe	146,129	119,030	78,626
Asia	40,295	48,206	43,963
Total strategic capital segment	321,836	380,051	814,690
Total segment net operating income	**6,509,444**	**6,097,325**	**5,959,780**
Non-segment items:			
General and administrative expenses	(469,114)	(418,765)	(390,406)
Depreciation and amortization expenses	(2,626,028)	(2,580,519)	(2,484,891)
Gains on dispositions of development properties and land, net	257,731	413,743	462,270
Gains on other dispositions of investments in real estate, net	685,831	904,136	161,039
Operating income	**4,357,864**	**4,415,920**	**3,707,792**
Earnings from unconsolidated entities, net	402,531	353,623	307,227
Interest expense	(1,002,344)	(863,932)	(641,332)
Foreign currency, derivative and other gains (losses) and other income (expense), net	14,763	208,731	87,221
Gains (losses) on early extinguishment of debt, net	(3,498)	536	3,275
Earnings before income taxes	**$ 3,769,316**	**$ 4,114,878**	**$ 3,464,183**

	December 31,	
	2025	2024
Segment assets:		
Real estate segment:		
U.S.	$ 77,986,597	$ 76,857,293
Other Americas	3,215,779	2,814,141
Europe	3,218,384	2,554,514
Asia	1,100,273	719,810
Total real estate segment	85,521,033	82,945,758
Strategic capital segment: (2)		
U.S.	6,893	10,499
Europe	25,280	25,280
Asia	307	167
Total strategic capital segment	32,480	35,946
Total segment assets	85,553,513	82,981,704
Non-segment items:		
Investments in and advances to unconsolidated entities	11,093,936	10,079,448
Assets held for sale or contribution	203,344	248,511
Cash and cash equivalents	1,145,647	1,318,591
Other assets	727,816	700,655
Total non-segment items	13,170,743	12,347,205
Total assets	**$ 98,724,256**	**$ 95,328,909**

(1) This includes compensation and personnel costs for employees who were located in the U.S. but also support other geographies.

(2) Represents management contracts and goodwill recorded in connection with business combinations associated with the Strategic Capital Segment. Goodwill was $25.3 million at December 31, 2025, and 2024.

NOTE 17. SUPPLEMENTAL CASH FLOW INFORMATION

Our significant noncash investing and financing activities for the years ended December 31, 2025, 2024 and 2023 included the following:

- We recognized lease right-of-use assets and lease liabilities related to leases in which we are the lessee within *Other Assets* and *Other Liabilities* on the Consolidated Balance Sheets, including any new leases, renewals and modifications of $80.4 million in 2025, $67.7 million in 2024 and $43.0 million in 2023 for both assets and liabilities.

- We capitalized $34.0 million, $42.9 million and $38.6 million in 2025, 2024 and 2023, respectively, of equity-based compensation expense.

- We received $453.7 million, $1.0 billion and $379.1 million of ownership interests in certain unconsolidated co-investment ventures, primarily as a portion of our proceeds from the contribution of properties to these entities during 2025, 2024 and 2023, respectively.

- We issued 2.4 million, 1.4 million and 0.8 million shares in 2025, 2024 and 2023, respectively, of the Parent's common stock upon redemption of an equal number of common limited partnership units in the OP.

- We reinvested a distribution from an unconsolidated co-investment venture of $49.2 million and $51.1 million in 2025 and 2024, respectively.

- We recognized a $150.1 million liability for installment payments related to an acquisition of land in 2024. This liability was paid in full in March 2025.

- We acquired the ownership interest of our partner in an unconsolidated venture in 2024 and began consolidating the properties.

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NOTE 18. SELECTED QUARTERLY FINANCIAL DATA (UNAUDITED)

The following table details our selected quarterly financial data (in thousands, except per share and unit data):

	Three Months Ended			
Prologis, Inc.	**March 31,**	**June 30,**	**September 30,**	**December 31,**
2025:				
Rental revenues	$ 1,987,265	$ 2,025,332	$ 2,054,200	$ 2,092,107
Total revenues	$ 2,139,665	$ 2,183,869	$ 2,213,881	$ 2,252,712
Rental expenses	$ (488,317)	$ (487,963)	$ (484,635)	$ (503,222)
Gains on dispositions of development properties and land, net	$ 27,451	$ 10,477	$ 15,435	$ 204,368
Gains on other dispositions of investments in real estate, net	$ 36,799	$ 47,044	$ 32,235	$ 569,753
Operating income	$ 878,413	$ 912,712	$ 940,261	$ 1,626,478
Consolidated net earnings	$ 639,520	$ 622,304	$ 821,260	$ 1,482,215
Net earnings attributable to common stockholders	$ 591,501	$ 569,724	$ 762,897	$ 1,398,227
Net earnings per share attributable to common stockholders – Basic (1)	$ 0.64	$ 0.61	$ 0.82	$ 1.50
Net earnings per share attributable to common stockholders – Diluted (1)(2)	$ 0.63	$ 0.61	$ 0.82	$ 1.49
2024:				
Rental revenues	$ 1,827,658	$ 1,852,376	$ 1,897,164	$ 1,937,507
Total revenues	$ 1,956,621	$ 2,007,954	$ 2,036,389	$ 2,200,646
Rental expenses	$ (454,257)	$ (445,235)	$ (427,425)	$ (438,468)
Gains on dispositions of development properties and land, net	$ 40,308	$ 87,174	$ 32,005	$ 254,256
Gains on other dispositions of investments in real estate, net	$ 17,534	$ 199,326	$ 434,446	$ 252,830
Operating income	$ 720,355	$ 1,023,338	$ 1,250,971	$ 1,421,256
Consolidated net earnings	$ 630,807	$ 911,501	$ 1,063,451	$ 1,342,176
Net earnings attributable to common stockholders	$ 584,263	$ 859,845	$ 1,004,267	$ 1,277,379
Net earnings per share attributable to common stockholders – Basic (1)	$ 0.63	$ 0.93	$ 1.08	$ 1.38
Net earnings per share attributable to common stockholders – Diluted (1)(2)	$ 0.63	$ 0.92	$ 1.08	$ 1.37
Prologis, L.P.				
2025:				
Rental revenues	$ 1,987,265	$ 2,025,332	$ 2,054,200	$ 2,092,107
Total revenues	$ 2,139,665	$ 2,183,869	$ 2,213,881	$ 2,252,712
Rental expenses	$ (488,317)	$ (487,963)	$ (484,635)	$ (503,222)
Gains on dispositions of development properties and land, net	$ 27,451	$ 10,477	$ 15,435	$ 204,368
Gains on other dispositions of investments in real estate, net	$ 36,799	$ 47,044	$ 32,235	$ 569,753
Operating income	$ 878,413	$ 912,712	$ 940,261	$ 1,626,478
Consolidated net earnings	$ 639,520	$ 622,304	$ 821,260	$ 1,482,215
Net earnings attributable to common unitholders	$ 606,492	$ 583,660	$ 781,562	$ 1,431,639
Net earnings per unit attributable to common unitholders – Basic (1)	$ 0.64	$ 0.61	$ 0.82	$ 1.50
Net earnings per unit attributable to common unitholders – Diluted (1)	$ 0.63	$ 0.61	$ 0.82	$ 1.49
2024:				
Rental revenues	$ 1,827,658	$ 1,852,376	$ 1,897,164	$ 1,937,507
Total revenues	$ 1,956,621	$ 2,007,954	$ 2,036,389	$ 2,200,646
Rental expenses	$ (454,257)	$ (445,235)	$ (427,425)	$ (438,468)
Gains on dispositions of development properties and land, net	$ 40,308	$ 87,174	$ 32,005	$ 254,256
Gains on other dispositions of investments in real estate, net	$ 17,534	$ 199,326	$ 434,446	$ 252,830
Operating income	$ 720,355	$ 1,023,338	$ 1,250,971	$ 1,421,256
Consolidated net earnings	$ 630,807	$ 911,501	$ 1,063,451	$ 1,342,176
Net earnings attributable to common unitholders	$ 599,047	$ 881,196	$ 1,029,271	$ 1,309,348
Net earnings per unit attributable to common unitholders – Basic (1)	$ 0.63	$ 0.93	$ 1.08	$ 1.38
Net earnings per unit attributable to common unitholders – Diluted (1)	$ 0.63	$ 0.92	$ 1.08	$ 1.37

(1) Quarterly earnings per common share or unit amounts may not total to the annual amounts due to rounding and the changes in the number of weighted average common shares or units outstanding included in the calculation of basic and diluted shares or units.

(2) Income allocated to the exchangeable OP units not held by the Parent has been included in the numerator and exchangeable OP units have been included in the denominator for the purpose of computing diluted earnings per share for all periods since the per share and unit is the same.

PROLOGIS, INC. AND PROLOGIS, L.P.
SCHEDULE III – REAL ESTATE AND ACCUMULATED DEPRECIATION
DECEMBER 31, 2025
(In thousands of U.S. dollars, as applicable)

			Initial Cost to Prologis		Costs Capitalized Subsequent to Acquisition	Gross Amounts at Which Carried at December 31, 2025				
Description	No. of Bldgs.	Encum-brances	Land	Building & Improvements		Land	Building & Improvements	Total (a,b)	Accumulated Depreciation (c)	Date of Construction/ Acquisition
Operating Properties										
U.S. Markets										
Atlanta	179		818,772	2,332,278	690,610	844,653	2,997,007	3,841,660	(693,293)	1994-2025
Austin	10		12,783	52,335	12,970	12,837	65,251	78,088	(35,427)	1994-2015
Baltimore/Washington	100		579,978	1,124,537	371,412	597,835	1,478,092	2,075,927	(351,901)	1995-2025
Central PA	34		301,047	1,003,135	271,710	318,813	1,257,079	1,575,892	(356,011)	2004-2025
Central Valley	40		260,486	546,344	1,028,945	279,681	1,556,094	1,835,775	(420,938)	1999-2023
Charlotte	39		110,021	285,551	130,599	121,092	405,079	526,171	(126,504)	1994-2023
Chicago	229		1,136,438	3,057,225	866,849	1,162,027	3,898,485	5,060,512	(1,191,553)	1995-2025
Cincinnati	59		154,451	832,424	185,443	162,096	1,010,222	1,172,318	(205,468)	1996-2023
Columbus	34		78,965	429,338	113,029	82,215	539,117	621,332	(165,380)	1996-2022
Dallas/Ft. Worth	222		1,031,385	2,873,762	843,139	1,052,417	3,695,869	4,748,286	(875,445)	1994-2024
Denver	35		97,827	295,412	185,920	97,928	481,231	579,159	(199,120)	1993-2022
Houston	186		511,918	2,177,410	561,595	558,351	2,692,572	3,250,923	(611,515)	1993-2024
Indianapolis	45		121,482	744,088	204,302	123,372	946,500	1,069,872	(172,780)	1995-2023
Las Vegas	61		208,380	422,687	355,686	203,090	783,663	986,753	(198,448)	1996-2025
Lehigh Valley	67		1,254,531	2,279,491	572,399	1,332,169	2,774,252	4,106,421	(572,905)	2004-2023
Louisville	14		67,408	262,646	106,586	69,670	366,970	436,640	(114,445)	2005-2025
Nashville	48		255,215	747,459	267,525	260,082	1,010,117	1,270,199	(170,821)	1995-2025
New Jersey/New York City	161	(d)	3,045,151	4,044,825	1,069,440	3,170,787	4,988,629	8,159,416	(1,242,645)	1996-2025
Orlando	101	(d)	296,155	838,595	324,926	300,206	1,159,470	1,459,676	(279,992)	1994-2025
Phoenix	55		247,697	584,251	696,646	284,013	1,244,581	1,528,594	(234,509)	1992-2025
Portland	41	(e)	129,602	302,981	228,067	186,050	474,600	660,650	(128,724)	2006-2023
Raleigh Durham	40		125,129	469,010	64,194	129,869	528,464	658,333	(70,150)	2020-2024
Reno	20		55,869	190,340	240,360	57,950	428,619	486,569	(131,010)	1994-2025
San Antonio	14		17,991	61,528	47,623	18,214	108,928	127,142	(61,866)	1994-2016
San Francisco Bay Area	251	(d)	1,391,172	1,931,407	985,448	1,409,692	2,898,335	4,308,027	(1,168,559)	1993-2025
Savannah	27		225,576	522,311	43,976	225,465	566,398	791,863	(73,797)	2022-2023
Seattle	110		930,218	1,412,326	568,120	959,107	1,951,557	2,910,664	(494,794)	2008-2025
South Florida	175	(d)	1,396,011	2,127,771	552,430	1,414,891	2,661,321	4,076,212	(600,010)	1994-2025
Southern California	443	(e)	7,264,221	8,478,436	2,943,260	7,547,560	11,138,357	18,685,917	(2,940,526)	2005-2025
Tampa	26		92,357	244,738	42,021	99,091	280,025	379,116	(47,341)	2020-2022
Subtotal U.S. Markets:	2,866		22,218,236	40,674,641	14,575,230	23,081,223	54,386,884	77,468,107	(13,935,877)	
Other Americas Markets										
Brazil	6		51,475	25,247	467	51,475	25,714	77,189	(1,227)	2022-2025
Canada	40		445,268	586,164	421,810	461,096	992,146	1,453,242	(231,361)	2008-2025
Mexico	3		22,233	2,287	32,864	22,236	35,148	57,384	(2,821)	2011-2025
Subtotal Other Americas Markets:	49		518,976	613,698	455,141	534,807	1,053,008	1,587,815	(235,409)	
Europe Markets										
Belgium	4		27,765	5,261	42,760	27,685	48,101	75,786	(2,034)	2022-2025
Czech Republic	3		5,947	-	40,916	5,947	40,916	46,863	(1,524)	2023-2025
France	1		2,766	-	36,690	2,550	36,906	39,456	(2,115)	2023
Germany	3		39,713	7,787	2,212	39,708	10,004	49,712	(8,658)	2011-2022
Hungary	3		8,320	-	33,128	8,320	33,128	41,448	(1,834)	2022-2023
Italy	1		3,245	-	6,874	3,331	6,788	10,119	(99)	2025
Netherlands	3		25,607	3,886	1,363	25,607	5,249	30,856	(1,565)	2023
Poland	1		7,731	-	34,942	7,847	34,826	42,673	(1,514)	2023
Slovakia	3		6,161	-	29,376	5,308	30,229	35,537	(1,711)	2021-2025
Spain	6		18,252	38,011	48,789	17,389	87,663	105,052	(27,490)	2011-2023
Sweden	2		38,913	-	39,539	38,980	39,472	78,452	(1,668)	2023-2024
United Kingdom	17		288,905	27,350	158,886	303,392	171,749	475,141	(11,990)	2019-2025
Subtotal Europe Markets:	47		473,325	82,295	475,475	486,064	545,031	1,031,095	(62,202)	
Asia Markets										
Japan	10		78,415	11,522	215,284	79,500	225,721	305,221	(19,450)	2019-2025
Singapore	5		-	143,497	6,833	-	150,330	150,330	(98,215)	2011
India	2		13,855	3,297	1,300	13,854	4,598	18,452	(81)	2025
Subtotal Asia Markets:	17		92,270	158,316	223,417	93,354	380,649	474,003	(117,746)	
Total Operating Properties	2,979		23,302,807	41,528,950	15,729,263	24,195,448	56,365,572	80,561,020	(14,351,234)	

PROLOGIS, INC. AND PROLOGIS, L.P.
SCHEDULE III – REAL ESTATE AND ACCUMULATED DEPRECIATION
DECEMBER 31, 2025
(In thousands of U.S. dollars, as applicable)

			Initial Cost to Prologis		Costs Capitalized Subsequent to Acquisition	Gross Amounts at Which Carried at December 31, 2025				
Description	**No. of Bldgs.**	**Encum-brances**	**Land**	**Building & Improvements**		**Land**	**Building & Improvements**	**Total (a,b)**	**Accumulated Depreciation (c)**	**Date of Construction/ Acquisition (f)**
Development Portfolio										
U.S. Markets										
Atlanta	3		64,890	-	113,282	64,890	113,282	178,172		
Austin	2		118,447	-	330,578	118,447	330,578	449,025		
Baltimore/Washington	4		12,756	-	22,932	12,756	22,932	35,688		
Central Valley	4		55,632	-	186,589	55,632	186,589	242,221		
Cincinnati	1		520	-	5,623	520	5,623	6,143		
Houston	1		12,743	-	21,088	12,743	21,088	33,831		
Las Vegas	1		3,299	-	65,837	3,299	65,837	69,136		2025
Nashville	3		34,671	-	70,782	34,671	70,782	105,453		2025
New Jersey/New York City	1		118,064	-	47,521	118,064	47,521	165,585		
Orlando	2		8,763	-	12,803	8,763	12,803	21,566		2025
Portland	2		14,129	-	34,011	14,129	34,011	48,140		2025
San Francisco Bay Area	2		32,289	-	68,749	32,289	68,749	101,038		2025
Seattle	1		15,184	-	9,873	15,184	9,873	25,057		
South Florida	2		27,717	-	39,237	27,717	39,237	66,954		2025
Southern California	3		119,208	-	56,067	119,208	56,067	175,275		2025
Subtotal U.S. Markets:	32		638,312	-	1,084,972	638,312	1,084,972	1,723,284		
Other Americas Markets										
Canada	3		57,235	-	139,433	57,235	139,433	196,668		2025
Mexico	5		54,145	-	88,405	54,145	88,405	142,550		2025
Subtotal Other Americas Markets:	8		111,380	-	227,838	111,380	227,838	339,218		
Europe Markets										
France	2		11,243	-	60,675	11,243	60,675	71,918		2025
Germany	2		9,371	-	689	9,371	689	10,060		
Italy	5		23,399	-	25,921	23,399	25,921	49,320		2025
Netherlands	1		5,576	-	27,700	5,576	27,700	33,276		2025
Poland	2		5,680	-	56,178	5,680	56,178	61,858		2025
United Kingdom	11		130,010	-	207,766	130,010	207,766	337,776		2025
Subtotal Europe Markets:	23		185,279	-	378,929	185,279	378,929	564,208		
Asia Markets										
Japan	7		69,454	-	287,676	69,454	287,676	357,130		2025
India	7		23,964	-	11,205	23,964	11,205	35,169		
Subtotal Asia Markets:	14		93,418	-	298,881	93,418	298,881	392,299		
Total Development Portfolio	77		1,028,389	-	1,990,620	1,028,389	1,990,620	3,019,009		
GRAND TOTAL	**3,056**		**24,331,196**	**41,528,950**	**17,719,883**	**25,223,837**	**58,356,192**	**83,580,029**	**(14,351,234)**	

Schedule III – Footnotes

(a) The following table reconciles real estate assets per Schedule III to the Consolidated Balance Sheets in Item 8. Financial Statements and Supplementary Data at December 31, 2025 (in thousands):

Total operating properties and development portfolio per Schedule III	$	83,580,029 **(g)**
Land		4,888,153
Other real estate investments [i]		6,661,174
Total per Consolidated Balance Sheets	**$**	**95,129,356**

(i) Included in other real estate investments were principally: (i) land parcels we own and lease to third parties; (ii) renewable energy assets, including solar, electric vehicle charging and energy storage; (iii) non-strategic real estate assets that we do not intend to operate long term; (iv) newly developed and stabilized data centers; and (v) non-industrial real estate assets that we intend to redevelop as industrial properties or data centers.

(b) The aggregate cost for federal tax purposes at December 31, 2025, of our real estate assets was approximately $72 billion (unaudited).

(c) Real estate assets (excluding land balances) are depreciated over their estimated useful lives. These useful lives are generally 5 to 7 years for capital improvements, 10 years for standard tenant improvements, 15 to 25 years for depreciable land improvements, 25 to 40 years for operating properties acquired based on the age of the building and 40 years for operating properties we develop.

The following table reconciles accumulated depreciation per Schedule III to the Consolidated Balance Sheets in Item 8. Financial Statements and Supplementary Data at December 31, 2025 (in thousands):

Total accumulated depreciation per Schedule III	$	14,351,234	**(g)**
Accumulated depreciation on other real estate investments [i]		377,915	
Total per Consolidated Balance Sheets	**$**	**14,729,149**	

(i) Accumulated depreciation in other real estate investments includes the categories of real estate defined in footnote (a)(i) above.

(d) Properties with an aggregate undepreciated cost of $405.3 million secure $145.9 million of mortgage notes. See Note 7 to the Consolidated Financial Statements in Item 8. Financial Statements and Supplementary Data for more information related to our secured mortgage debt.

(e) Assessment bonds of $6.9 million are secured by assessments (similar to property taxes) on various underlying real estate properties with an aggregate undepreciated cost of $364.4 million. The assessment bonds are included in term loans and unsecured other debt in Note 7 to the Consolidated Financial Statements in Item 8. Financial Statements and Supplementary Data.

(f) Date of construction is provided for properties in the development portfolio that were completed but not yet stabilized.

(g) The following table summarizes our real estate assets and accumulated depreciation per Schedule III for the years ended December 31 (in thousands):

	2025	2024	2023
Real estate assets:			
Balance at beginning of year	$ 81,108,966	$ 79,802,952	$ 73,250,949
Acquisitions of and improvements to operating properties, development activity and net effect of changes in foreign exchange rates and other	3,505,148	5,627,171	7,138,283
Basis of operating properties disposed of	(1,166,772)	(2,481,169)	(404,914)
Change in the development portfolio balance, including the acquisition of properties	189,396	(1,537,842)	155,301
Assets transferred to and from held for sale and contribution	(56,709)	(302,146)	(336,667)
Balance at end year	**$ 83,580,029**	**$ 81,108,966**	**$ 79,802,952**
Accumulated depreciation:			
Balance at beginning of year	$ 12,450,545	$ 10,654,290	$ 8,815,724
Depreciation expense	2,011,907	1,925,386	1,837,145
Balances retired upon disposition of operating properties and net effect of changes in foreign exchange rates and other	(99,157)	(120,513)	7,697
Assets transferred to and from held for sale and contribution	(12,061)	(8,618)	(6,276)
Balance at end of year	**$ 14,351,234**	**$ 12,450,545**	**$ 10,654,290**