

SUMMARY OF FINANCIAL RESULTS (REIT) For the 17th Fiscal Period Ended May 31, 2021

July 15, 2021

Name of Issuer: Nippon Prologis REIT, Inc. ("NPR")
Stock Exchange Listing: Tokyo Stock Exchange
Securities Code: 3283
Website: <https://www.prologis-reit.co.jp/en/>
Representative: Masahiro Sakashita, Executive Director

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Supplementary Materials for Financial Results: ☐ Yes • No
Investors & Analysts Meeting: ☐ Yes • No

1. Financial Results for the Fiscal Period ended May 31, 2021 (17th Fiscal Period) (Dec. 1, 2020 to May 31, 2021)

(Values are rounded down to the nearest million yen)

(1) Operating Results

(Percentages indicates percentage change from the previous period)

	Operating revenues		Operating income		Ordinary income		Net income	
Period ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
May 31, 2021	24,554	4.0	11,539	2.7	10,576	1.4	10,611	(23.9)
Nov. 30, 2020	23,610	4.2	11,240	5.9	10,428	7.1	13,937	132.0

	Net income per unit	Return on unit holders' equity	Ratio of ordinary income to total assets	Ratio of ordinary income to operating revenues
Period ended	Yen	%	%	%
May 31, 2021	4,176	2.5	1.5	43.1
Nov. 30, 2020	5,652	3.5	1.5	44.2

(2) Distributions

	Distributions per unit (including SCD)	Distributions per unit (excluding SCD)	SCD per unit	Total of distributions (including SCD)	Total of distributions (excluding SCD)	Total of SCD	Payout ratio	Ratio of distributions to net assets
Period ended	Yen	Yen	Yen	Millions of yen	Millions of yen	Millions of yen	%	%
May 31, 2021	4,847	4,110	737	12,514	10,611	1,902	100.0	2.4
Nov. 30, 2020	4,860	4,131	729	11,984	10,186	1,797	73.1	2.5

* "SCD" stands for the "Surplus Cash Distributions".

- (Note 1) Total of SCD is the return of invested capital, which falls under the distributions through the reduction in unit holders' capital for tax purposes.
- (Note 2) The ratios of net asset value attributable to a reduction in unit holders' paid-in capital for the fiscal periods ended May 31, 2021, and Nov. 30, 2020 are both 0.005. The payment of SCD is deemed a return of capital. This calculation methodology is pursuant to Article 23, Paragraph 1, Item 4 of the Act on Special Measures Concerning Taxation.
- (Note 3) The payout ratio for the fiscal period ended Nov. 30, 2020 results in 100.0% after considering the reversal of ATA.

(3) Financial Position

	Total assets	Net assets	Ratio of unit holders' equity to total assets	Net asset per unit
Period ended	Millions of yen	Millions of yen	%	Yen
May 31, 2021	752,998	440,355	58.5	170,558
Nov. 30, 2020	693,019	404,344	58.3	163,977

(4) Cash Flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at the end of the fiscal period
Period ended	Millions of yen	Millions of yen	Millions of yen	Millions of yen
May 31, 2021	10,388	(61,833)	49,606	32,813
Nov. 30, 2020	24,207	(425)	(15,253)	34,651

2. Earnings Forecasts for the Fiscal Period ending Nov. 30, 2021 (18th Fiscal Period) (from June 1, 2021, to Nov. 30, 2021) and May 31, 2022 (19th Fiscal Period) (from Dec. 1, 2021, to May 31, 2022)

(Percentages indicate change from the previous period)

	Operating revenues		Operating income		Ordinary income		Net income		Distributions per unit (including SCD)	Distributions per unit (excluding SCD)	SCD
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen	Yen	Yen
Nov. 30, 2021	25,466	3.7	11,696	1.4	10,768	1.8	10,907	2.8	4,919	4,225	694
May 31, 2022	25,261	(0.8)	11,416	(2.4)	10,479	(2.7)	10,618	(2.6)	4,811	4,113	698

(Reference) Forecasted Net income per unit for the fiscal period ending Nov. 30, 2021: 4,224 yen
Forecasted Net income per unit for the fiscal period ending May 31, 2022: 4,112 yen

3. Other

(1) Changes in Accounting Policies, Accounting Estimates or Restatements

(a) Changes in Accounting Policies due to Revisions to Accounting Standards and Other Regulations	None
(b) Changes in Accounting Policies due to Other Reasons	None
(c) Changes in Accounting Estimates	None
(d) Restatements	None

(2) Number of Investment Units Issued and Outstanding

Number of investment units issued and outstanding at the end of the fiscal period including treasury units:

As of May 31, 2021	2,581,850 units
As of Nov. 30, 2020	2,465,850 units

Number of treasury units at end of period:

As of May 31, 2021	0 units
As of Nov. 30, 2020	0 units

* The Implementation Status of Statutory Audit

Summary of financial results is not inside the scope of audit procedure by certified public accountants or audit corporations.

* Special Note

The forward-looking statements in this material are based on information currently available to us and on certain assumptions that we believe are reasonable. Actual operating performance may differ substantially due to various factors. Furthermore, those statements shall not be deemed a guarantee or any commitment of the amount of future distributions and surplus cash distributions. Please refer to "Assumptions for the forecasts for the fiscal periods ending Nov. 30, 2021 (18th Fiscal Period) and May 31, 2022 (19th Fiscal Period)" on page 6-7 for assumptions regarding forward-looking statements.

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(1) Results of Operations

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1. Results of Operations

(1) Results of Operations

(I) Overview of the 17th Fiscal Period ended May 31, 2021

(i) Major Operational Results of NPR

NPR was established on Nov. 7, 2012, based on the Act on Investment Trust and Investment Corporation (investment trust law) and was listed on the REIT Securities Market (J-REIT Market) of the Tokyo Stock Exchange ("TSE") on Feb. 14, 2013 (securities code: 3283).

NPR has strategically focused on investment for Class-A logistics facilities from its inception backed by the Prologis Group's^{(*)1} strong sponsor support, and has increased unit holders' value by maintaining a portfolio that generates stable income. As a result of such investment management, NPR owned 52 properties (aggregate acquisition price^{(*)2}: 758,349 million yen), all of which are Class-A logistics facilities^{(*)3} developed by the Prologis Group, as of the end of the reporting fiscal period^{(*)4} ^{(*)5}.

(*1) The Prologis Group is a group of Prologis, Inc. and its affiliates, which include ProLogis K.K., a Japanese subsidiary.

(*2) "Acquisition price" does not include national or local consumption taxes or expenses which were incurred in connection with the acquisition of the properties. Figures are rounded down to millions of yen. With respect to Prologis Park Zama 1, the acquisition price is as of the date of the initial acquisition, and does not reflect the partial disposition and acquisition of land on Oct. 3, 2018.

(*3) "Class-A logistics facilities" are our target logistics properties that meet the demands of logistics companies and other end-users with respect to operational efficiency and fulfill certain criteria with respect to size, location, state-of-the-art equipment, convenience and safety.

(*4) Prologis Park Funabashi 5 and the Annex to Prologis Park Funabashi 5 are deemed a single property; the Annex to Prologis Park Funabashi 5 was not developed by the Prologis Group and considered by itself does not qualify as a Class-A logistics facility.

(*5) The aggregate acquisition price and the number of owned properties include Prologis Park Iwanuma 1 (the "PP Iwanuma"). At PP Iwanuma, all tangible assets in trust, excluding land in trust, were burned down by the fire (the "Fire") that occurred during the fiscal period ended May 2020.

(ii) Operational Results of the 17th Fiscal Period ended May 31, 2021

In the Japanese logistics real estate market, we believe that the fundamental demand for Class-A logistics facilities continues to increase as NPR's customers (logistics space users) move from older and smaller buildings to larger/ more advanced facilities. In our view, this shift is a result of the ongoing reconfiguration of Japan's supply chain, triggered by (i) the transition from manufacturing to services, migration of manufacturing to overseas locations, continuous expansion in global trade and economic, industrial and social structural changes inside and outside of Japan, and (ii) the expansion of e-commerce ("EC") and third-party logistics ("3PL") providers.

Meanwhile, due to the current COVID-19 pandemic, the outlook of global macroeconomy is unclear. At the same time, people's lifestyles and consumption behaviors are significantly affected. On the other hand, the growth of E-commerce related consumption has been further accelerated under the environment where people's movement is restricted, which is resulting in the more solid demand for modern logistics facilities. As a result, the vacancy rate of large multi-tenant logistics properties in the greater Tokyo market was continuously low at 1.1% ^{(*)1} as of the end of March, 2021. We believe that the impact of spread of COVID-19 on the modern logistics real estate leasing market will likely be relatively limited, and in the long-term, the importance of logistics real estate facilities as fundamental infrastructure that supports our lives will continue to grow.

Under these circumstances, the occupancy rate of NPR's portfolio remained significantly high, at 99.0% as of the end of the reporting fiscal period, backed by the competitive advantages of our portfolio and the strong leasing support from the sponsor, the Prologis Group.

During the reporting fiscal period, with an aim to further enhance its unit holder value, NPR acquired Prologis Park Chiba New town, Prologis Park Chiba 2, and Prologis Park Tsukuba 2 ("Acquisitions in the 17th Fiscal Period") (aggregate acquisition price: 62,200 million yen), all of which are Class-A logistics facilities developed by the Prologis Group at fair value with average NOI yield of 4.5%. This continuous external growth will further enhance portfolio diversification and cashflow stability. Besides, NPR commenced construction work of the redevelopment project of PP Iwanuma (the "Redevelopment Project"). The Redevelopment Project is proceeding as scheduled with the expected completion in April 2022.

(*1) Source: CBRE

(iii) Overview of Financing

(a) Issuance of New Investment Units

NPR issued new investment units through its public follow-on offering (110,480 units), with a payment date of Feb. 2, 2021 and through a third-party allotment (5,520 units) with a payment date of Feb. 24, 2021, with an aim to procure funds to be used for the Acquisitions in the 17th Fiscal Period which was conducted on Feb. 8, 2021. As a result of these offerings, NPR successfully raised 37,383 million yen equity capital, and the balance of NPR's unit holders' capital has increased to 429,742 million yen and the total number of units issued and outstanding has increased to 2,581,850 as of the end of the reporting fiscal period.

(b) Borrowings

For the purpose of raising capital for the Acquisitions in the 17th Fiscal Period, NPR borrowed short-term loans of 10,000 million yen and long-term loans of 12,300 million yen on Feb. 8, 2021. Additionally, NPR issued investment corporation bonds as green bonds in the total principal amount of 12,000 million yen on May 31, 2021 for the purpose of repayment of the subject short-term loans in the amount of 10,000 million yen. (The residual proceed amount of the subject investment corporation bonds of 2,000 million yen was applied to the redemption of our 3rd investment corporation bonds on its maturity date of Jun. 15, 2021.) In addition, NPR borrowed long-term loans of 7,300 million yen on Feb. 15, 2021 and 14,000 million yen on Apr. 28, 2021, respectively, for the purpose of repaying existing long-term loans at their maturities. As a result, the ending balance of NPR's interest-bearing debt was 284,500 million yen, out of which bank borrowings accounted for 246,500 million yen and investment corporation bonds accounted for 38,000 million yen as of the end of the reporting fiscal period. NPR's loan-to-value ratio (the ratio of aggregate balance of interest-bearing debt, including bank loans and the outstanding balance of long-term and short-term investment corporation bonds to NPR's total assets, hereinafter "LTV") was 37.8% as of the end of the reporting fiscal period.

(c) Credit Rating

NPR newly obtained a credit rating from Rating and Investment Information, Inc. during the reporting fiscal period. Consequently, NPR's credit ratings as of the end of the reporting fiscal period (May 31, 2021) were as follows:

Rating Agency	Rating Object	Rating	Outlook
Japan Credit Rating Agency, Ltd.	Long-term issuer rating	AA	Stable
	Ratings on bonds	AA	-
Rating and Investment Information, Inc.	Issuer rating	AA	Stable
	Ratings on bonds	AA	-

(iv) Overview of Financial Results and Distributions

As a result of activities, including the aforementioned investments and financings, NPR generated operating revenues of 24,554 million yen, operating income of 11,539 million yen and ordinary income of 10,576 million yen. In addition, NPR recorded an extraordinary income of 167 million yen from the profit insurance payment covering PP Iwanuma. On the other hand, NPR recorded an extraordinary loss of 131 million yen due to the demolition work of the building wreckage of PP Iwanuma (the "Demolition Work Expenses"). As a result, NPR generated net income of 10,611 million yen for the reporting fiscal period. The amount of NPR's distributions for the reporting period was 10,611 million yen, being determined to distribute all unappropriated retained earnings for the reporting period, excluding fractions less than 1 yen. Consequently, the distributions per unit (excluding Surplus Cash Distributions ("SCD")) for the reporting fiscal period was 4,110 yen.

In addition, NPR intends to regularly distribute cash in excess of the amount of retained earnings ("Regular Surplus Cash Distributions") in each fiscal period in accordance with a distribution policy set forth in its articles of incorporation of NPR (*1). Furthermore, to maintain the stability of NPR's distributions per unit ("DPU") in the event that DPU is expected to decline to a certain degree as a result of certain events, NPR may make additional distributions as one-time surplus cash distributions ("One-time Surplus Cash Distributions") (*2) in an amount determined by NPR.

For the reporting fiscal period, the total amount of NPR's Regular Surplus Cash Distributions is 1,654 million yen, equivalent to 28.5 percent of NPR's depreciation expense of 5,815 million yen for the reporting fiscal period. NPR will distribute One-time Surplus Cash Distributions of 247 million yen, equivalent to the Demolition Work Expenses and temporary dilution of distributions due to the issuance of new investment units. Consequently, the total amount of SCD per unit for the reporting fiscal period was determined at 737 yen; 641 yen from Regular Surplus Cash Distributions, 96 yen from One-time Surplus Cash Distributions.

(*1) In general, NPR intends to distribute Regular Surplus Cash Distributions on a regular basis in an amount no higher than

60 percent (however, if the result, calculated based on the rules of The Investment Trusts Association, Japan, etc., indicates lower amount, the amount should be adopted) of its depreciation expense for an applicable fiscal period, while pursuing other uses of capital such as maintenance expenses, capital expenditures, repayment of borrowings and funding of new acquisitions. In the meantime, NPR intends to regularly distribute approximately 30 percent of depreciation expense for an applicable fiscal period. However, NPR may adjust, reduce, or suspend the amount of SCD for a particular fiscal period, as a whole or partially, with considerations toward a level of NPR's profitability for a particular fiscal period which reflects the NPR's net income and one-time profits arising as capital gains from asset disposition and/or penalties received from lease contract cancellations, etc., the total amount of distributions which include SCD, NPR's LTV ratio, credit rating, and financial conditions, as well as, macroeconomic, real estate market conditions.

NPR estimates that the total amount of anticipated semi-annual average of imminent or short-term repair and maintenance expenses and medium- to long-term repair and maintenance expenses is 598 million yen except for PP Iwanuma.

- (*2) In general, NPR intends to maintain the maximum amount of the sum of the Regular Surplus Cash Distributions and the One-time Surplus Cash Distributions, in an amount no higher than 40 percent of its depreciation expense for an applicable fiscal period.

(II) Outlook for Next Fiscal Period

(i) Future Management Policies and Issues

(a) External Growth Strategies

NPR intends to achieve external growth through acquiring new properties, mainly consisted of Class-A logistics facilities developed by the Prologis Group. Pursuant to the sponsor support agreement which entered into with the Prologis Group, as of June 30, 2021, NPR held exclusive negotiation rights granted from the Prologis Group for five properties. The Prologis Group will continue to develop new assets of approximately 40 to 60 billion yen every year in Japan, and as of June 30, 2021, there were development plans for 9 properties and significant multi-property plans for one future development project that have been publicly announced. NPR is entitled to receive exclusive negotiation rights for logistics facilities that will be developed, owned or operated by the Prologis Group once these facilities achieve stabilization to the extent that those facilities qualify for NPR's investment criteria. All acquisitions are subject to the related party transaction guidelines of Prologis REIT Management K.K., NPR's asset management company (the "Asset Manager") to ensure appropriate terms and conditions.

Properties with Exclusive Negotiation Rights

Property name	Location	Exclusive Negotiation Rights Granted Date	GFA
Prologis Park Ebina 2	Ebina, Kanagawa	Dec. 11, 2020	38,511 m ²
Prologis Park Soka	Soka, Saitama	Dec. 11, 2020	151,604 m ²
Prologis Park Inagawa 1	Kawabe, Hyogo	Dec. 11, 2020	217,544 m ²
Prologis Park Inagawa 2	Kawabe, Hyogo	Dec. 11, 2020	158,633 m ²
Prologis Park Kobe 5	Kobe, Hyogo	Dec. 11, 2020	45,321 m ²

Properties under development or under planning by the Prologis Group

Property name	Location	GFA
Prologis Park Yachiyo 1	Yachiyo, Chiba	161,338 m ²
Prologis Park Yachiyo 2	Yachiyo, Chiba	113,000 m ²
Prologis Park Tsukuba 3	Tsukuba, Ibaraki	156,000 m ²
Prologis Park Kobe 3	Kobe, Hyogo	45,693 m ²
Prologis Tokai Otagawa Project	Tokai, Aichi	164,000 m ²
Prologis Park Ogori	Ogori, Fukuoka	27,000 m ²
Prologis Urban Tokyo-Adachi 1	Adachi, Tokyo	5,171 m ²
Prologis Urban Tokyo-Adachi 2	Adachi, Tokyo	6,466 m ²
Prologis Urban Tokyo-Ota 1	Ota, Tokyo	4,900 m ²

Property name	Location	GFA
Prologis Koga Project Phase 2	Koga, Ibaraki	TBD

The Asset Manager will also pursue acquisitions of properties from third parties. In those cases, both the status of the acquisition pipeline from the Prologis Group and the conditions of the real estate market will be considered.

(b) Internal Growth Strategies

NPR intends to achieve internal growth through maintaining high occupancy and increasing rents from our tenant. NPR's portfolio comprises multi-tenant logistics facilities, which typically have diversified tenant base and lease maturities, and build-to-suit logistics facilities, which typically have long-term lease terms with quality tenants, and as a result, NPR's portfolio generates stable cash flows. Upon maturities of lease contracts, NPR will pursue to maintenance of and potential increase in its portfolio's occupancy and rent growth by closely monitoring the status of the leasing market and fully leveraging the customer network of the Prologis Group. At the same time, NPR will pursue to enhance the value of assets as well as customer satisfaction through various measures including conducting property maintenances and capital expenditures at appropriate time, supporting customers' automated logistics operations, installations of LED lighting, and improvement of common space, etc.

(c) Financial Strategies

NPR intends to manage its financial strategies through careful considerations of its optimal balance between equity and debt. NPR intends to issue new investment units to grow its portfolio in the long-term, with thorough consideration of timing, fully considering and analyzing the status of capital markets/economic environment, acquisition timing of new properties and NPR's capital structure and potential economic impacts on existing unit holders. With regard to debt financing such as bank loans, NPR seeks financing with long-term stability by fixing most interest rates for the long-term.

(d) ESG Strategies

NPR, the Asset Manager, and the Prologis Group carry out various activities for the purpose of protecting environment, contributing to society, and maintaining corporate ethics and governance ("ESG"), that fully aligns with NPR's sustainable growth. We aim to live with various stake holders and make social contributions by providing our customers with safe and comfortable facilities allowing increased efficiency of logistics operations, by developing Japan's logistics systems through supply of Class-A logistics facilities, by reducing environmental burden and by participating in our local communities. NPR has set key performance indicators for its ESG initiatives ("KPIs"), and, going forward, intends to achieve the KPIs within the set timeframe, cooperating with the Asset Manager and the Prologis Group.

(ii) Significant Subsequent Events

None

(iii) Earnings Forecast

	Operating revenues (Millions of yen)	Operating income (Millions of yen)	Ordinary income (Millions of yen)	Net income (Millions of yen)	Distributions per unit (including surplus cash distributions) (yen)	Distributions per unit (excluding surplus cash distributions) (yen)	Surplus cash distributions per unit (yen)
Period ending Nov. 30, 2021 (18th period)	25,466	11,696	10,768	10,907	4,919	4,225	694
Period ending May 31, 2022 (19th period)	25,261	11,416	10,479	10,618	4,811	4,113	698

(Note) Forecast calculations are based on the assumptions as of the date hereof. Actual operating revenues, operating profit, ordinary income, net income, distributions per unit (excluding surplus cash distributions), and surplus cash distributions per unit may vary due to changes in NPR's operational environment and circumstances including acquisitions or sales of properties, changes in rent revenues attributable to tenant movement, unexpected repair, changes in interest rates or issuance of additional investment units. Therefore, these forecasts should not be deemed a commitment or guarantee of the amount of future cash distributions.

Assumptions for the forecasts for the fiscal periods ending Nov. 30, 2021 (18th Fiscal Period) and May 31, 2022 (19th Fiscal Period)

Item	Assumption
Accounting period	<ul style="list-style-type: none"> Fiscal period ending Nov. 30, 2021 (18th Fiscal Period) (from June 1, 2021 to Nov. 30, 2021) (183 days) Fiscal period ending May 31, 2022 (19th Fiscal Period) (from Dec. 1, 2021 to May 31, 2022) (182 days)
Assets under management	<ul style="list-style-type: none"> It is assumed that, in addition to its 52 properties held as of today, there will be no change (including acquisition of new properties and dispositions of existing properties) in the operational status of the properties until May 31, 2022. For PP Iwanuma, it is assumed that, only the land is included in the calculation of the assets under management until Apr. 27, 2022, and NPR will acquire the new building on the expected completion date of Apr. 28, 2022. Results may change due to the acquisition of new properties other than above or the disposition of existing properties, etc.
Investment units	<ul style="list-style-type: none"> It is assumed that the number of investment units currently issued and outstanding (2,581,850 units) will not change until May 31, 2022.
Interest-bearing Debt	<ul style="list-style-type: none"> The outstanding balance of NPR's interest-bearing debt on its balance sheet as of today is 282,500 million yen. NPR repaid existing investment corporation bonds of 2,000 million yen on the scheduled redemption date of Jun. 15, 2021. It is assumed that NPR will refinance all the borrowings and investment corporation bonds which are due by the end of the fiscal period ending May 31, 2022. It is assumed that the source of funds for construction cost of the Redevelopment Project on PP Iwanuma will be NPR's cash on hand (including the fire insurance payment that NPR has received based on the fire insurance that covered PP Iwanuma).
Operating revenues	<ul style="list-style-type: none"> Operating revenues account for factors such as market trends and the competitiveness of each property, and are estimated to be 25,466 million yen and 25,261 million yen for the fiscal periods ending Nov. 30, 2021, and May 31, 2022, respectively. The expected average occupancy rates of the properties in the portfolio are estimated to be 98.9% and 98.2% for the fiscal periods ending Nov. 30, 2021 and May 31, 2022, respectively. For operating rental revenues, it is assumed that tenants will pay rents without delinquency or withholding.
Operating expenses	<ul style="list-style-type: none"> Operating rental expenses except depreciation are calculated from variable factors, and are assumed to be 5,454 million yen and 5,536 million yen for the fiscal periods ending Nov. 30, 2021, and May 31, 2022, respectively. Depreciation expenses are calculated using the straight-line method in relation to the acquisition price including ancillary costs and are assumed to be 5,977 million yen and 6,008 million yen for the fiscal periods ending Nov. 30, 2021, and May 31, 2022, respectively. Upon the acquisition of the real estate, property taxes and city planning taxes which settled with the seller of properties are included in the purchase price of properties. Therefore, such taxes on the Acquisitions in the 17th Fiscal Period will be expensed from the fiscal period ending May 31, 2022. The total amount of property taxes and city planning taxes included in the purchase price of the Acquisitions in the 17th Fiscal Period are assumed to be 183 million yen (equivalent to expenses for 183 days) and 35 million yen (equivalent to expenses for 31 days) for the fiscal period ending Nov. 30, 2021 and May 31, 2022, respectively. It is assumed that the property taxes and city planning taxes incurred on the new building of PP Iwanuma will be expensed from the fiscal period ending May 31, 2023. Regarding building repair expenses, the amount assumed to be necessary for each property is based on the repair and maintenance plans of the Asset Manager. However, repair expenses may differ substantially due to unexpected factors. It is assumed that the construction cost of the Redevelopment Project of PP Iwanuma will not be expensed as operating expenses because such construction cost, which will be paid in accordance with the progress of the construction work, will be capitalized on the balance sheet as "construction in progress" in each fiscal period during the construction.

Item	Assumption
Non-operating expenses	<ul style="list-style-type: none"> As for interest expenses and other debt-related costs, 909 million yen and 917 million yen are expected to be incurred for the fiscal periods ending Nov. 30, 2021, and May 31, 2022, respectively. Non-cash expenditure, which is included in the debt-related expenses, is expected to be 208 million yen and 202 million yen for the fiscal periods ending Nov. 30, 2021, and May 31, 2022, respectively.
Extraordinary Income	<ul style="list-style-type: none"> It is assumed that, in the fiscal period ending both Nov. 30, 2021 and May 31, 2022, the insurance payment from the profit insurance which is covering PP Iwanuma (the "Profit Insurance Income") of 140 million yen shall be recorded as extraordinary income.
Distributions per unit (excluding surplus cash distributions (SCD))	<ul style="list-style-type: none"> Distributions per unit (excluding SCD) are calculated based on the premise of the distribution policy in the Articles of Incorporation of NPR that all the profit available for dividend shall be distributed. Distributions per unit (excluding SCD) may vary due to various causes, including, but not limited to, changes in the Profit Insurance Income, any additional acquisitions or dispositions of properties, changes in rent revenues attributable to tenant movements, changes in the property management environment including unexpected repairs, changes in interest rates, or any additional issuance of new investment units in the future.
Surplus cash distributions (SCD) per unit	<ul style="list-style-type: none"> SCD per unit are calculated based on the fund distribution policy in the NPR's Articles of Incorporation. It is assumed that SCD in the fiscal period ending Nov. 30, 2021 and May 31, 2022 will be 1,791 million yen and 1,802 million yen, respectively, as the Regular Surplus Cash Distributions which will be equivalent to 30% of depreciation expenses for the fiscal period. As a result, it is estimated that the SCD per unit in the fiscal period ending Nov. 30, 2021 and May 31, 2022 will be 694 yen and 698 yen, respectively. It is assumed that there are no One-time Surplus Cash Distributions in the fiscal period ending Nov. 30, 2021 and May 31, 2022.
Others	<ul style="list-style-type: none"> It is assumed that no revision that will have an impact on the forecast information above will be made in accordance with the laws and regulations, tax system, accounting standards, listing rules of the Tokyo Stock Exchange and rules of the Investment Trusts Association, Japan, etc. It is assumed that no unexpected material change will arise in overall economic trends and real estate market conditions. It is assumed that the spread of COVID-19 will neither continue for a significantly long period of time nor further significantly expand.

2. Financial Statements

(1) Balance Sheet

(Unit: Thousands of yen)

	As of Nov. 30, 2020	As of May 31, 2021
ASSETS		
Current assets:		
Cash and deposits	29,106,808	27,105,730
Cash and deposits in trust	5,544,592	5,707,332
Operating accounts receivable	1,373,638	1,216,548
Prepaid expenses	412,066	818,439
Consumption taxes receivables	-	3,831,448
Other current assets	199,250	-
Total current assets	36,636,356	38,679,500
Fixed assets:		
Property and equipment		
Buildings	7,596,814	7,596,814
Less: accumulated depreciation	(1,417,446)	(1,508,056)
Buildings, net	6,179,367	6,088,757
Structures	249,739	249,739
Less: accumulated depreciation	(145,468)	(154,753)
Structures, net	104,270	94,985
Tools, furniture and fixtures	5,434	5,434
Less: accumulated depreciation	(3,743)	(3,927)
Tools, furniture and fixtures, net	1,690	1,506
Land	3,834,204	3,834,204
Buildings in trust	423,647,908	467,852,464
Less: accumulated depreciation	(49,917,481)	(55,235,213)
Buildings in trust, net	373,730,426	412,617,250
Structures in trust	10,790,025	11,882,983
Less: accumulated depreciation	(2,702,407)	(3,033,447)
Structures in trust, net	8,087,618	8,849,536
Machinery and equipment in trust	23,299	24,297
Less: accumulated depreciation	(5,758)	(6,812)
Machinery and equipment in trust, net	17,541	17,485
Tools, furniture and fixtures in trust	1,089,675	1,226,902
Less: accumulated depreciation	(435,360)	(491,888)
Tools, furniture and fixtures in trust, net	654,315	735,013
Other tangible assets in trust	35	35
Less: accumulated depreciation	(35)	(35)
Other tangible assets in trust, net	0	0
Land in trust	262,116,051	280,104,421
Construction in progress in trust	-	81,954
Total property and equipment	654,725,485	712,425,116
Intangible assets		
Other intangible assets in trust	204,572	231,867
Total intangible assets	204,572	231,867
Investments and other assets		
Long-term prepaid expenses	1,315,410	1,461,997
Deferred tax assets	-	17
Security deposit	10,000	10,000
Other	400	400
Total investments and other assets	1,325,810	1,472,415
Total fixed assets	656,255,868	714,129,399

	(Unit: Thousands of yen)	
	As of Nov. 30, 2020	As of May 31, 2021
Deferred assets:		
Investment corporation bond issuance costs	127,381	189,135
Total deferred assets	127,381	189,135
Total assets	693,019,606	752,998,035
LIABILITIES		
Current liabilities:		
Operating accounts payable	2,176,682	1,444,476
Current portion of Investment corporation bonds payable	2,000,000	2,000,000
Current portion of long-term loans payable	21,300,000	30,000,000
Accounts payable	424,879	380,776
Accrued expenses	2,371,161	2,454,102
Accrued consumption taxes	1,766,247	-
Income taxes payable	605	946
Advances received	4,102,911	4,430,907
Other current liabilities	410,982	903,655
Total current liabilities	34,553,470	41,614,866
Non-current liabilities:		
Investment corporation bonds payable	24,000,000	36,000,000
Long-term loans payable	212,900,000	216,500,000
Tenant leasehold and security deposits	247,773	247,773
Tenant leasehold and security deposits in trust	16,968,824	18,276,843
Other non-current liabilities	5,042	2,863
Total non-current liabilities	254,121,640	271,027,480
Total liabilities	288,675,111	312,642,346
NET ASSETS		
Unit holders' equity		
Unit holders' capital		
Unit holders' capital, gross	407,485,839	444,869,507
Allowance for temporary difference adjustments	* ² (3,750,557)	* ² -
Other deduction from unitholders' capital	(13,329,197)	(15,126,802)
Unit holders' capital	390,406,084	429,742,705
Surplus		
Unappropriated retained earnings (undisposed loss)	13,938,410	10,612,983
Total surplus	13,938,410	10,612,983
Total unit holders' equity	404,344,494	440,355,689
Total net assets	* ³ 404,344,494	* ³ 440,355,689
Total liabilities and net assets	693,019,606	752,998,035

(2) Statement of Income

	(Unit: Thousands of yen)	
	For the period from June 1, 2020 to Nov. 30, 2020	For the period from Dec. 1, 2020 to May 31, 2021
Operating revenues:		
Operating rental revenues	* ¹ 21,983,222	* ¹ 23,164,265
Other rental revenues	* ¹ 1,627,602	* ¹ 1,389,811
Total operating revenues	23,610,825	24,554,076
Operating expenses:		
Expenses related to property rental business	* ¹ 10,147,037	* ¹ 10,718,548
Asset management fee	2,076,470	2,151,207
Asset custody fee	48,782	48,914
Directors' compensation	7,200	7,200
Audit fee	15,000	15,000
Other operating expenses	76,030	73,781
Total operating expenses	12,370,520	13,014,652
Operating income	11,240,305	11,539,424
Non-operating income:		
Interest income	113	155
Reversal of distributions payable	433	438
Gain on real estate tax settlement	595	-
Interest on refund of consumption taxes	3,705	-
Refund of real estate taxes and other	13,219	-
Gain on donation of fixed assets	-	10,251
Others	-	964
Total non-operating income	18,067	11,810
Non-operating expenses:		
Interest expenses	507,800	533,249
Interest expenses on investment corporation bonds	95,907	95,371
Amortization of investment corporation bond issuance costs	7,199	7,176
Borrowing related expenses	218,918	226,929
Investment unit issuance expenses	-	31,246
Offering costs associated with the issuance of investment units	-	80,608
Others	34	75
Total non-operating expenses	829,861	974,656
Ordinary income:	10,428,511	10,576,578
Extraordinary income:		
Insurance income	* ² 4,130,890	* ² 167,686
Compensation income	* ² 174,629	-
Total extraordinary income	4,305,520	167,686
Extraordinary losses:		
Loss on typhoon	* ² 100,132	-
Loss on fire	* ² 696,202	* ² 131,754
Total extraordinary losses	796,334	131,754
Income before income taxes	13,937,696	10,612,510
Incomes taxes – current	605	970
Incomes taxes – deferred	45	(17)
Total income taxes	650	952
Net Income	13,937,045	10,611,557
Retained earnings brought forward	1,364	1,425
Unappropriated retained earnings (undisposed loss)	13,938,410	10,612,983

(3) Statement of Unit Holders' Equity

For the periods from June 1, 2020, to Nov. 30, 2020

(Units: Thousands of yen)

	Unit holders' equity						
	Unit holders' capital					Surplus	
	Unit holders' capital, gross	Deduction from unitholders' capital			Unit holders' capital, net	Unappropriated retained earnings (undisposed loss)	Total surplus
		Allowance for temporary difference adjustments	Other deduction from unitholders' capital	Total deduction from unitholders' capital			
Balance at the beginning of the period	407,485,839	-	(11,635,158)	(11,635,158)	395,850,681	6,010,640	6,010,640
Change during the period							
Dividends of surplus						(6,009,276)	(6,009,276)
Distribution in excess of earnings attributable to allowance for temporary difference adjustments		(3,750,557)		(3,750,557)	(3,750,557)		
Other distributions in excess of retained earnings			(1,694,038)	(1,694,038)	(1,694,038)		
Net income						13,937,045	13,937,045
Total change during the period	-	(3,750,557)	(1,694,038)	(5,444,596)	(5,444,596)	7,927,769	7,927,769
Balance at the end of the period	* ¹ 407,485,839	(3,750,557)	(13,329,197)	(17,079,755)	390,406,084	13,938,410	13,938,410

(Units: Thousands of yen)

	Unit holders' equity	Total net assets
	Total unit holders' equity	
Balance at the beginning of the period	401,861,322	401,861,322
Change during the period		
Dividends of surplus	(6,009,276)	(6,009,276)
Distribution in excess of earnings attributable to allowance for temporary difference adjustments	(3,750,557)	(3,750,557)
Other distributions in excess of retained earnings	(1,694,038)	(1,694,038)
Net income	13,937,045	13,937,045
Total change during the period	2,483,172	2,483,172
Balance at the end of the period	404,344,494	404,344,494

For the periods from Dec. 1, 2020, to May 31, 2021

(Units: Thousands of yen)

	Unit holders' equity						
	Unit holders' capital					Surplus	
	Unit holders' capital, gross	Deduction from unitholders' capital			Unit holders' capital, net	Unappropriated retained earnings (undisposed loss)	Total surplus
		Allowance for temporary difference adjustments	Other deduction from unitholders' capital	Total deduction from unitholders' capital			
Balance at the beginning of the period	407,485,839	(3,750,557)	(13,329,197)	(17,079,755)	390,406,084	13,938,410	13,938,410
Change during the period							
Issuance of new Investment units	37,383,668				37,383,668		
Dividends of surplus						(10,186,426)	(10,186,426)
Reversals of allowance for temporary difference adjustments		3,750,557		3,750,557	3,750,557	(3,750,557)	(3,750,557)
Other distributions in excess of retained earnings			(1,797,604)	(1,797,604)	(1,797,604)		
Net income						10,611,557	10,611,557
Total change during the period	37,383,668	3,750,557	(1,797,604)	1,952,953	39,336,621	(3,325,426)	(3,325,426)
Balance at the end of the period	*1 444,869,507	-	(15,126,802)	(15,126,802)	429,742,705	10,612,983	10,612,983

(Units: Thousands of yen)

	Unit holders' equity	Total net assets
	Total unit holders' equity	
Balance at the beginning of the period	404,344,494	404,344,494
Change during the period		
Issuance of new Investment units	37,383,668	37,383,668
Dividends of surplus	(10,186,426)	(10,186,426)
Reversals of allowance for temporary difference adjustments	-	-
Other distributions in excess of retained earnings	(1,797,604)	(1,797,604)
Net income	10,611,557	10,611,557
Total change during the period	36,011,194	36,011,194
Balance at the end of the period	440,355,689	440,355,689

(4) Statement of Cash Distribution

(Unit: Yen)

	For the period from June 1, 2020 to Nov. 30, 2020	For the period from Dec. 1, 2020 to May 31, 2021
I Unappropriated retained earnings (undisposed loss)	13,938,410,174	10,612,983,972
II Distributions in excess of retained earnings	1,797,604,650	1,902,823,450
Other distributions in excess of earnings	1,797,604,650	1,902,823,450
III Incorporation into unitholders' capital	3,750,557,850	-
Of which, reversal of allowance for temporary difference adjustment	3,750,557,850	-
IV Distributions	11,984,031,000	12,514,226,950
(Distributions per unit)	(4,860)	(4,847)
Of which, distributions of retained earnings	10,186,426,350	10,611,403,500
(Of which, distributions of retained earnings per unit)	(4,131)	(4,110)
Of which, other distributions in excess of earnings	1,797,604,650	1,902,823,450
(Of which, other distributions in excess of earnings per unit (attributable to other dividends in excess of earnings))	(729)	(737)
V Retained earnings carried forward	1,425,974	1,580,472
Calculation method of distribution amount	<p>Pursuant to the "Policy on the Distribution of Funds" as defined in Article 39, Paragraph 1 of Article 2 of incorporation of NPR, the amount of distributions shall be the amount that does not exceed the amount of net income but exceeds 90% of the distributable profit as defined in Article 67-15 of the Special Taxation Measures Act.</p> <p>Based on the policy, NPR declared the distribution amount of 10,186,426,350 yen which was the amount equivalent to the unappropriated retained earnings excluding the reversal amount of allowance for temporary difference adjustments by 3,750,557,850 yen, and equivalent to the maximum integral multiples of number of investment units issued and outstanding (2,465,850 investment units) as of the reporting fiscal period ('Integer Multiple Method').</p> <p>In addition, based on the distribution policy as defined in Article 39, Paragraph 2 of incorporation, NPR shall make Regular Surplus Cash Distributions as a general principle, defined as distributions in excess of retained earnings, as a return of unit holders' capital, each fiscal period on a continuous basis. Furthermore, NPR is permitted to distribute One-time Surplus Cash Distributions for the</p>	<p>Pursuant to the "Policy on the Distribution of Funds" as defined in Article 39, Paragraph 1 of Article 2 of incorporation of NPR, the amount of distributions shall be the amount that does not exceed the amount of net income but exceeds 90% of the distributable profit as defined in Article 67-15 of the Special Taxation Measures Act.</p> <p>Based on the policy, NPR declared the distribution amount of 10,611,403,500 yen which was the amount equivalent to the maximum integral multiples of number of investment units issued and outstanding (2,581,850 investment units) as of the reporting fiscal period ('Integer Multiple Method').</p> <p>In addition, based on the distribution policy as defined in Article 39, Paragraph 2 of incorporation, NPR shall make Regular Surplus Cash Distributions as a general principle, defined as distributions in excess of retained earnings, as a return of unit holders' capital, each fiscal period on a continuous basis. Furthermore, NPR is permitted to distribute One-time Surplus Cash Distributions for the purpose of maintaining stable distributions per unit in the event that its distributions per unit is expected to temporarily dilute by a certain degree. Accordingly, NPR declared Regular</p>

	<p>purpose of maintaining stable distributions per unit in the event that its distributions per unit is expected to temporarily dilute by a certain degree.</p> <p>Accordingly, NPR declared Regular Surplus Cash Distributions of 1,558,417,200 yen, which was the amount equivalent to approximately 28.5% of depreciation expense of 5,470,864,699 yen for the period, and was calculated with Integer Multiple Method.</p> <p>In addition, NPR made One-time Surplus Cash Distributions of 239,187,450 yen, calculated with Integer Multiple Method, equivalent to the amount of 252,600,629 yen of the net demolition work expenses, excluding gain on insurance adjustments of 11,228,277 yen related to The Typhoon recorded in the reporting fiscal period.</p> <p>Net demolition work expenses represent the amount difference between insurance payment for loss on fire and the reversal amount of allowance for temporary difference adjustments, and related tenant compensations for demolition work expense.</p> <p>As a result, we totally distribute of 1,797,604,650 yen as Surplus Cash Distributions, which falls under the distributions through the reduction in unit holders' capital.</p>	<p>Surplus Cash Distributions of 1,654,965,850 yen, which was the amount equivalent to approximately 28.5% of depreciation expense of 5,815,263,081 yen for the period, and was calculated with Integer Multiple Method.</p> <p>In addition, NPR made One-time Surplus Cash Distributions of 247,857,600 yen, calculated with Integer Multiple Method, equivalent to the amount of the net demolition work expenses and a temporary decline in dividends due to the issuance of new investments unit.</p> <p>As a result, we totally distribute of 1,902,823,450 yen as Surplus Cash Distributions, which falls under the distributions through the reduction in unit holders' capital.</p>
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(Note) NPR is permitted to distribute cash in excess of the amount of retained earnings if the amount of the accounting profit is smaller than 90% of its distributable retained earnings on a tax basis to the extent that such distribution amount does not exceed the amount of NPR's depreciation for the same fiscal period, and if NPR determines that such excess distribution amount is appropriate. Also, NPR is permitted to distribute cash in any amount to the extent that such amount is determined by NPR's board of directors and if the amount of distributions does not satisfy certain conditions of special tax treatment which NPR shall be eligible to otherwise. Please note that the amount of SCD shall be subtracted from the balance of unit holders' paid-in capital upon payment.

(5) Statement of Cash Flows

(Units: Thousands of yen)

	For the period from June 1, 2020 to Nov. 30, 2020	For the period from Dec. 1, 2020 to May 31, 2021
Cash flows from operating activities:		
Income before income taxes	13,937,696	10,612,510
Depreciation	5,470,864	5,815,263
Amortization of investment corporation bond issuance costs	7,199	7,176
Investment unit issuance expenses	-	31,246
Interest income	(113)	(155)
Interest expense	603,708	628,620
Gain on donation of fixed assets	-	(10,251)
Insurance income	(4,130,890)	(167,686)
Compensation income	(174,629)	-
Loss on typhoon	100,132	-
Loss on fire	696,202	131,754
Decrease (Increase) in operating accounts receivable	4,858	173,810
Decrease (Increase) in consumption taxes refund receivables	2,224,753	(3,831,448)
Decrease (Increase) in prepaid expenses	112,963	(406,372)
Decrease (Increase) in long-term prepaid expenses	179,971	(146,587)
Increase (Decrease) in operating accounts payable	458,882	(416,406)
Increase (Decrease) in accounts payable-other	356	(199)
Increase (Decrease) in accrued expenses	107,446	83,015
Increase (Decrease) in accrued consumption taxes	1,766,247	(1,766,247)
Increase (Decrease) in advances received	67,984	327,996
Others, net	(98,047)	66,001
Subtotal	21,335,587	11,132,039
Interest received	113	155
Interest paid	(609,070)	(628,695)
Proceeds from insurance income	4,130,890	167,686
Proceeds from compensation income	7,418	167,211
Payment of loss on typhoon	(197,777)	(81,705)
Payment of loss on fire	(458,115)	(367,644)
Income taxes paid	(1,478)	(611)
Net cash used in operating activities	24,207,567	10,388,437
Cash flows from investing activities:		
Purchases of property and equipment	(23,881)	(3,501)
Purchases of property and equipment in trust	(487,396)	(63,527,025)
Purchases of intangible assets in trust	-	(50,242)
Proceeds from tenant leasehold and security deposits in trust	361,722	2,193,323
Repayments from tenant leasehold and security deposits in trust	(275,788)	(445,950)
Net cash used in investing activities	(425,344)	(61,833,396)
Cash flows from financing activities:		
Proceeds from short-term loans payable	-	10,000,000
Repayments of short-term loans payable	(3,800,000)	(10,000,000)
Proceeds from long-term loans payable	-	33,600,000
Repayments of long-term loans payable	-	(21,300,000)
Issuance of investment corporation bonds	-	11,937,421
Proceeds from issuance of new investment units	-	37,352,421
Payment of distributions of retained earnings	(6,009,218)	(10,185,775)
Distributions in excess of net earnings from allowance for temporary difference adjustments	(3,750,557)	-
Payment of other distributions in excess of retained	(1,693,968)	(1,797,444)

earnings		
Net cash provided by financing activities	(15,253,745)	49,606,622
Net increase (decrease) in cash and cash equivalents	8,528,477	(1,838,336)
Cash and cash equivalents at the beginning of period	26,122,923	34,651,400
Cash and cash equivalents at the end of period	* ¹ 34,651,400	* ¹ 32,813,063

(6) Notes Concerning Going Concerns Assumption

None

(7) Notes Concerning Significant Accounting Policies

1. Method of depreciation of non-current assets	<p>(1) Property and equipment (including trust assets) The straight-line method is used. The useful lives of major property and equipment are as follows.</p> <table> <tr> <td>Buildings</td><td>2-67 years</td></tr> <tr> <td>Structures</td><td>2-60 years</td></tr> <tr> <td>Machinery and equipment</td><td>8-17 years</td></tr> <tr> <td>Tools, furniture and fixtures</td><td>2-18 years</td></tr> </table> <p>(2) Intangible assets (including trust assets) The straight-line method is used.</p>	Buildings	2-67 years	Structures	2-60 years	Machinery and equipment	8-17 years	Tools, furniture and fixtures	2-18 years
Buildings	2-67 years								
Structures	2-60 years								
Machinery and equipment	8-17 years								
Tools, furniture and fixtures	2-18 years								
2. Accounting method of deferred charges	<p>(1) Investment unit issuance expenses The full amount of investment unit issuance expenses is recorded as expense at the time of expenditure.</p> <p>(2) Investment corporation bond issuance costs Investment corporation bond issuance costs are amortized over the remaining life of the bonds using straight-line method.</p>								
3. Revenue and expense recognition	<p>Accounting treatment of property taxes and other taxes With respect to property taxes, city planning taxes and depreciable asset taxes, of the tax amount assessed and determined, the amount corresponding to the relevant fiscal period is accounted for as rental expenses. Of the amounts paid for the acquisitions of real estate properties or beneficiary right in trust of real estate, the amount equivalent to property taxes is capitalized as part of the acquisition cost of the relevant property instead of being charged as an expense. Capitalized property taxes amounted to 265,898 thousand yen for the fiscal period ended May 31, 2021, and not applicable for the fiscal period ended Nov. 30, 2020.</p>								
4. Hedge accounting	<p>(1) Hedge accounting method For interest rate swaps, special accounting treatment is adopted.</p> <p>(2) Hedge instruments and hedged items Hedge instruments – interest rate swaps Hedged items – interests on loans payable</p> <p>(3) Hedging policy NPR uses interest rate swaps for the purpose of hedging risks defined in the articles of incorporation based on its risk management policies.</p> <p>(4) Hedge effectiveness test Assessment of the hedge effectiveness has been omitted since all interest rate swaps meet the specific matching criteria under the special accounting treatment.</p>								
5. Cash and cash equivalents as stated in the Statement of Cash Flows	<p>Cash and cash equivalents consist of cash on hand and cash in trust, floating deposits, deposits in trust and short-term investments that are very liquid and realizable with a maturity of three months or less when purchased and that are subject to insignificant risks of changes in value.</p>								
6. Other significant matters which constitute the basis for preparation of financial statements	<p>(1) Accounting treatment of trust beneficiary interests of real estate As to trust beneficiary interests of real estate, all accounts of assets and liabilities within assets in trust, as well as all income generated and expenses incurred from assets in trust, are recorded in the relevant balance sheets and income statement accounts. Of which, the following significant trust assets are shown separately on the balance sheet.</p> <ol style="list-style-type: none"> Cash and deposits in trust Buildings in trust, structures in trust, machinery and equipment in trust, tools, furniture and fixtures in trust and land in trust Construction in progress in trust Tenant leasehold and security deposits in trust <p>(2) Accounting treatment of consumption taxes Transactions subject to consumption taxes are recorded at amounts exclusive of consumption taxes. The nondeductible portion of consumption taxes imposed in connection with assets is charged to expense in the period incurred.</p>								

(Additional Information)

(Notes Concerning Increases in and the Reversal of Allowance for Temporary Difference Adjustments)

For the periods from June 1, 2020, to Nov. 30, 2020

1. Reasons, related assets and reversal of allowance

Related assets, etc.	Reason	Allowance for temporary difference adjustment (Note)
Buildings in trust and other properties (related to Prologis Park Iwanuma1)	Settlement of issuance income	(3,750,557) thousand yen

(Note) Based on recovery of temporary difference between book-tax income, NPR plans to reverse the allowance and the amount was excluded from regular cash distributions for the fiscal period.

2. Specific method of reversal

Related assets, etc.	Method of reversal
Buildings in trust and other properties (related to Prologis Park Iwanuma 1)	The allowance will be reversed as the insurance payment corresponds to loss on fire, is settled.

For the periods from Dec. 1, 2020, to May 31, 2021

none

(8) Notes to Financial Statements

(Notes to Balance Sheet)

*1. Commitment line agreement

NPR is in the contract of commitment line agreement with three banks.

	As of Nov. 30, 2020	As of May 31, 2021
Total amount of committed line of credit	20,000,000 thousand yen	20,000,000 thousand yen
Borrowings drawn down	-thousand yen	-thousand yen
Balance of unused committed line of credit	20,000,000 thousand yen	20,000,000 thousand yen

*2. Notes Concerning Increases in and the Reversal of Allowance for Temporary Difference Adjustments

For the periods from June 1, 2020, to Nov. 30, 2020

1. Reasons, related assets and amounts of allowance and its reversal

Related assets, etc.	Reason	Initial amount	Balance at the end of previous period	Allowance set aside during period	Reversal during period	Balance at the end of current period	Reason for reversal
Buildings and the ancillary facilities in trust (related to Prologis Park Iwanuma1)	Loss on fire	3,750,557	-	3,750,557	-	3,750,557	-

2. Specific method of reversal

Item	Method of reversal
Buildings and the ancillary facilities in trust (related to Prologis Park Iwanuma1)	The allowance will be reversed as the insurance payment corresponds to loss on fire, is settled.

For the periods from Dec. 1, 2020, to May 31, 2021

1. Reasons, related assets and amounts of allowance and its reversal

Related assets, etc.	Reason	Initial amount	Balance at the end of previous period	Allowance set aside during period	Reversal during period	Balance at the end of current period	Reason for reversal
Buildings and the ancillary facilities in trust (related to Prologis Park Iwanuma1)	Loss on fire	3,750,557	3,750,557	-	3,750,557	-	Settlement of the insurance of payment

2. Specific method of reversal

Item	Method of reversal
Buildings and the ancillary facilities in trust (related to Prologis Park Iwanuma1)	The allowance was reversed as the insurance payment corresponds to loss on fire had been settled.

*3. Minimum net assets as required by Article 67, Paragraph 4 of the Act on Investment Trusts and Investment Corporations:

50,000 thousand yen.

As of Nov. 30, 2020	As of May 31, 2021
50,000 thousand yen	50,000 thousand yen

(Notes to Statement of Income)

*1. Operating income from property leasing is as follows:

	(Units: Thousands of yen)	
	For the period from June 1, 2020 to Nov 30, 2020	For the period from Dec. 1, 2020 to May 31, 2021
(1) Property-related revenues		
Rental revenues		
Rental revenues	20,523,263	21,643,003
Common area charges	1,459,959	1,521,261
Total	21,983,222	23,164,265
Other rental revenues		
Received utilities cost	1,350,640	1,104,970
Others	276,961	284,840
Total	1,627,602	1,389,811
Total property-related revenues	23,610,825	24,554,076
(2) Property-related expenses		
Rental expenses		
Subcontract expenses	1,263,484	1,414,689
Utilities cost	1,170,511	944,291
Taxes and dues	1,921,991	2,069,405
Non-life insurance premium	87,763	206,114
Repair and maintenance	205,309	239,807
Depreciation	5,470,864	5,815,263
Custodian fee	22,480	23,367
Other expenses	4,631	5,609
Total rental expenses	10,147,037	10,718,548
(3) Operating income from property leasing ((1)-(2))	13,463,788	13,835,527

*2. Extraordinary income and Extraordinary loss:

For the period from June 1, 2020, to Nov 30, 2020

Due to the two typhoons hit Japan during 2019, NPR recorded extraordinary losses of 100,132 thousand yen for repair expenses, and extraordinary income of 111,360 thousand yen for the insurance payment.

As to Prologis Park Iwanuma 1 which was caught in a fire during the previous period, NPR recorded demolition expense by 696,202 thousand yen as extraordinary loss, also recorded insurance income and compensation income which should be paid by tenants, by 4,019,530 thousand yen and 174,629 thousand yen, respectively as extraordinary income.

For the period from Dec. 1, 2020, to May 31, 2021

As to Prologis Park Iwanuma 1 which was caught in a fire during the period ended May 31, 2019, NPR recorded demolition expense by 131,754 thousand yen as extraordinary loss, also recorded insurance income for lost profits by 167,686 thousand yen as extraordinary income.

(Notes to Statement of Unit Holders' Equity)

*1. Number of investment units authorized and number of investment units issued and outstanding

	For the period from June 1, 2020 to Nov 30, 2020	For the period from Dec. 1, 2020 to May 31, 2021
Number of investment units authorized	10,000,000 units	10,000,000 units
Number of investment units issued and outstanding	2,465,850 units	2,581,850 units

(Notes to Statement of Cash Flow)

*1. Relationship between cash and cash equivalents in statement of cash flows and accounts and amounts in the accompanying balance sheet

	For the period from June 1, 2020 to Nov 30, 2020	For the period from Dec. 1, 2020 to May 31, 2021
Cash and deposits	29,106,808 thousand yen	27,105,730 thousand yen
Cash and deposits in trust	5,544,592 thousand yen	5,707,332 thousand yen
Cash and cash equivalents	34,651,400 thousand yen	32,813,063 thousand yen

(Notes Related to Lease Contracts)

Operating lease transactions (as lessor)

Unearned rental revenue

	As of Nov. 30, 2020	As of May 31, 2021
Due within one year	39,883,443 thousand yen	42,934,610 thousand yen
Due after one year	130,277,602 thousand yen	139,461,494 thousand yen
Total	170,161,046 thousand yen	182,396,104 thousand yen

(Notes Related to Financial Instruments)

1. Status of financial instruments

(1) Policy for Financial Instruments

NPR procures funds for the acquisition of assets through the issuance of new investment units, bank loans and the issuance of investment corporation bonds.

NPR generally invests surplus funds in bank deposits, considering the safety and liquidity of the investment and also reflecting the market environment and NPR's cash positions.

NPR enters into derivative transactions solely to reduce the risks of rising interest rates related to financings. NPR does not use derivative transactions for speculative purposes.

(2) Financial Instruments, their Risks and Risk Management System

Bank deposits are used for the investment of surplus funds. These deposits are exposed to credit risks, such as bankruptcy of depository financial institutions, but such credit risks are limited and carefully controlled by using only short-term deposits in financial institutions with high credit ratings, fully considering market environment and NPR's cash flow status.

Bank loans and investment corporation bonds are made primarily to procure funds for acquisition of properties, repayment of bank loans and redemption of investment corporation bonds. Although NPR is exposed to potential liquidity risks upon repayment and redemption of loans, such risks are mitigated by diversifying the maturities and lending institutions, establishing commitment line agreements, securing liquidity of cash in hand and managing such liquidity risks by preparing and monitoring cash flow projections.

(3) Supplemental Explanation Regarding Fair Values of Financial Instruments

The fair value of financial instruments is calculated based on their observable market value, if available. When no observable market values are available, the fair value is assessed based on prices derived and estimated through reasonable assumptions. Because various factors are reflected in estimating the fair value, different assumptions and factors may result in variances of value.

2. Estimated Fair Value of Financial Instruments

As of Nov. 30, 2020

The book value, the fair value and the difference between the values as of Nov. 30, 2020, are as follows. Financial instruments for which fair value is extremely difficult to estimate are excluded from the following table. (Note 2)

			(Unit: Thousands of yen)
	Book value	Fair value	Difference
(1) Cash and deposits	29,106,808	29,106,808	-
(2) Cash and deposits in trust	5,544,592	5,544,592	-
Total assets	34,651,400	34,651,400	-
(3) Current portion of investment corporation bonds payable	2,000,000	1,998,800	(1,200)
(4) Current portion of long-term loans payable	21,300,000	21,294,904	(5,095)
(5) Investment corporation bonds payable	24,000,000	23,410,300	(589,700)
(6) Long-term loans payable	212,900,000	214,013,237	1,113,237
Total liabilities	260,200,000	260,717,242	517,242
(7) Derivative transactions	-	-	-

As of May. 31, 2021

The book value, the fair value and the difference between the values as of May 31, 2021, are as follows. Financial instruments for which fair value is extremely difficult to estimate are excluded from the following table. (Note 2)

			(Unit: Thousands of yen)
	Book value	Fair value	Difference
(1) Cash and deposits	27,105,730	27,105,730	-
(2) Cash and deposits in trust	5,707,332	5,707,332	-
Total assets	32,813,063	32,813,063	-
(3) Current portion of investment corporation bonds payable	2,000,000	1,999,800	(200)
(4) Current portion of long-term loans payable	30,000,000	30,023,615	23,615
(5) Investment corporation bonds payable	36,000,000	35,480,400	(519,600)
(6) Long-term loans payable	216,500,000	217,509,159	1,009,159
Total liabilities	284,500,000	285,012,975	512,975
(7) Derivative transactions	-	-	-

(Note 1) Methods used to calculate fair values of financial instruments and matters concerning derivative transactions

(1) Cash and deposits and (2) Cash and deposits in trust

Due to the short maturities, the book value of these instruments is deemed a reasonable approximation of the fair value and, therefore, book value is used as the fair value.

(3) Current portion of investment corporation bonds payable and (5) Investment corporation bonds payable

The reference value disclosed by the Japan Securities Dealers Association is used as the fair value

(4) Current portion of long-term loans payable and (6) Long-term loans payable

The fair value of long-term loans payable in trust is determined based on the present value of contractual cash flows that would be applicable to new loans payable in trust under the same terms and conditions.

(7) Derivative transactions

Please refer to “Notes related to Derivative Transactions,” below.

(Note 2) Financial instruments for which fair value is extremely difficult to estimate

(Units: Thousands of yen)

	As of Nov. 30, 2020	As of May 31, 2021
Tenant leasehold and security deposits	247,773	247,773
Tenant leasehold and security deposits in trust	16,968,824	18,276,843

Because tenant leasehold and security deposits and tenant leasehold and security deposits in trust have no observable and available market price and it is impracticable to reasonably estimate their future cash flows, their fair value is not assessed herein.

(Note 3) Redemption schedule of monetary claims after the closing date of the fiscal period

As of Nov. 30, 2020

(Units: Thousands of yen)

	Due within one year
Cash and deposits	29,106,808
Cash and deposits in trust	5,544,592

As of May 31, 2021

(Units: Thousands of yen)

	Due within one year
Cash and deposits	27,105,730
Cash and deposits in trust	5,707,332

(Note 4) Redemption schedule of long-term loans payable and other interest-bearing debt after the closing date of the fiscal period

As of Nov. 30, 2020

(Unit: Thousands of yen)

	Due within one year	Due after one to two years	Due after two to three years	Due after three to four years	Due after four to five years	Due after five years
Investment corporation bonds payable	2,000,000	-	1,500,000	3,000,000	-	19,500,000
Long-term loans payable	21,300,000	30,000,000	27,600,000	21,000,000	32,300,000	102,000,000
Total	23,300,000	30,000,000	29,100,000	24,000,000	32,300,000	121,500,000

As of May 31, 2021

(Unit: Thousands of yen)

	Due within one year	Due after one to two years	Due after two to three years	Due after three to four years	Due after four to five years	Due after five years
Investment corporation bonds payable	2,000,000	-	1,500,000	3,000,000	-	31,500,000
Long-term loans payable	30,000,000	27,600,000	16,000,000	32,300,000	18,900,000	121,700,000
Total	32,000,000	27,600,000	17,500,000	35,300,000	18,900,000	153,200,000

(Notes Related to Investment Securities)

For the periods ended Nov. 30, 2020, and May 31, 2021

None

(Notes Related to Derivative Transactions)

1. Derivative transactions for which hedge accounting is not applied

For the periods ended Nov. 30, 2020, and May 31, 2021

None

2. Derivative transactions for which hedge accounting is applied

The contract and notional amount as of Nov. 30, 2020, sorted by hedge accounting method is as follows:

(Units: Thousands of yen)

Hedge accounting method	Type of derivative transaction	Primary hedged item	Contract amount and other		Fair value	Fair value measurement
			Total	Due after one year		
Special treatment for interest rate swaps	Interest rate swaps Receive floating / Pay fix	Long-term loans payable	234,200,000	212,900,000	(Note)	-

(Note) Interest rate swaps under special accounting treatment are accounted for as the integral part of long-term loans payable designated as hedged items. Therefore, their fair value is included in long-term loans payable disclosed in the aforementioned "Notes Related to Financial Instruments, 2. Estimated Fair Values of Financial Instruments, (4) Current portion of long-term loans payable and (6) Long-term loans payable".

The contract and notional amount as of May 31, 2021, sorted by hedge accounting method is as follows:

(Units: Thousands of yen)

Hedge accounting method	Type of derivative transaction	Primary hedged item	Contract amount and other		Fair value	Fair value measurement
			Total	Due after one year		
Special treatment for interest rate swaps	Interest rate swaps Receive floating / Pay fix	Long-term loans payable	246,500,000	216,500,000	(Note)	-

(Note) Interest rate swaps under special accounting treatment are accounted for as the integral part of long-term loans payable designated as hedged items. Therefore, their fair value is included in long-term loans payable disclosed in the aforementioned "Notes Related to Financial Instruments, 2. Estimated Fair Values of Financial Instruments, (4) Current portion of long-term loans payable and (6) Long-term loans payable".

(Notes Related to Related Party Transactions)

1. Transactions with Account Balances with the Parent company and Major Unit Holders

For the periods from June 1, 2020, to Nov. 30, 2020, and Dec. 1, 2020, to May 31, 2021

None

2. Transactions and Account Balances with Affiliates

For the periods from June 1, 2020, to Nov. 30, 2020, and Dec. 1, 2020, to May 31, 2021

None

3. Transactions and Account Balances with Companies under Common Control

For the periods from June 1, 2020, to Nov. 30, 2020

Relationship	Name of the company	Address	Stated capital (Thousands of yen)	Type of business	% of voting rights owned	Relation		Type of transaction	Transaction amount (Thousands of yen)	Account	Balance (Thousands of yen)
						Common board member	Business relationship				
Subsidiary of an affiliate	Prologis REIT Master Lease GK (Note 3)	Chiyoda-ku, Tokyo	2,100	Real estate business	-	-	Lessee	Lease of properties in trust	21,913,819	Operating accounts receivable	871,205
										Advances received	3,785,267
								Proceeds of tenant leasehold and security deposits in trust	361,722	Tenant leasehold and security deposits in trust	15,854,173
								Repayments of tenant leasehold and security deposits in trust	640,047		
Subsidiary of an affiliate	Prologis REIT Management K.K.	Chiyoda-ku, Tokyo	100,000	Investment management business	-	Executive Director of NPR and President & CEO of the Asset Manager	Asset Manager	Payment of asset management fee	2,076,470	Accrued expenses	2,284,117

(Note 1) The figures above do not include consumption taxes in the transaction amount. Nonetheless, it is included in the balance as of the fiscal period end.

(Note 2) The terms and conditions of these transactions were executed in line with general market practices.

(Note 3) With respect to 41 of the 49 properties held by NPR, NPR leases space to Prologis REIT Master Lease GK based on a pass-through type master lease agreement, and Prologis REIT Master Lease GK subleases the space to tenants.

For the periods from Dec. 1, 2020, to May 31, 2021

Relationship	Name of the company	Address	Stated capital (Thousands of yen)	Type of business	% of voting rights owned	Relation		Type of transaction	Transaction amount (Thousands of yen)	Account	Balance (Thousands of yen)
						Common board member	Business relationship				
Subsidiary of an affiliate	Prologis REIT Master Lease GK (Note 3)	Chiyoda-ku, Tokyo	2,100	Real estate business	-	-	Lessee	Lease of properties in trust	22,842,908	Operating accounts receivable	749,969
										Advances received	4,113,794
								Proceeds of tenant leasehold and security deposits in trust	2,193,323	Tenant leasehold and security deposits in trust	17,601,546
								Repayments of tenant leasehold and security deposits in trust	445,950		
Subsidiary of an affiliate	Asama Special Purpose Company	Chiyoda-ku, Tokyo	100,000	Real estate business	-	-	Seller	Acquisition of beneficiary right in trust	26,300,000	-	-
Subsidiary of an affiliate	Hakuba Special Purpose Company	Chiyoda-ku, Tokyo	100,000	Real estate business	-	-	Seller	Acquisition of beneficiary right in trust	15,000,000	-	-
Subsidiary of an affiliate	Haruna Special Purpose Company	Chiyoda-ku, Tokyo	100,000	Real estate business	-	-	Seller	Acquisition of beneficiary right in trust	20,900,000	-	-

Relationship	Name of the company	Address	Stated capital (Thousands of yen)	Type of business	% of voting rights owned	Relation		Type of transaction	Transaction amount (Thousands of yen)	Account	Balance (Thousands of yen)
						Common board member	Business relationship				
Subsidiary of an affiliate	Prologis REIT Management K.K.	Chiyoda-ku, Tokyo	100,000	Investment management business	-	Executive Director of NPR and President & CEO of the Asset Manager	Asset Manager	Payment of asset management fee (Note 4)	2,462,207	Accrued expenses	2,366,327

(Note 1) The figures above do not include consumption taxes in the transaction amount. Nonetheless, it is included in the balance as of the fiscal period end.

(Note 2) The terms and conditions of these transactions were executed in line with general market practices.

(Note 3) With respect to 44 of the 52 properties held by NPR, NPR leases space to Prologis REIT Master Lease GK based on a pass-through type master lease agreement, and Prologis REIT Master Lease GK subleases the space to tenants.

(Note 4) The Asset management fee above includes management fees for property acquisition of 311,000 thousand yen.

4. Transaction and Account Balances with Board of Directors and Individual Unit Holders

For the periods from June 1, 2020, to Nov. 30, 2020, and Dec. 1, 2020, to May 31, 2021

None

(Notes Related to Retirement Payment)

For the periods from June 1, 2020, to Nov. 30, 2020, and Dec. 1, 2020, to May 31, 2021

None

(Notes Related to Deferred Tax Accounting)

1. Primary components of deferred tax assets and deferred tax liabilities

	(Unit: Thousands of yen)	
	As of Nov. 30, 2020	As of May 31, 2021
(Deferred tax assets)		
Enterprise tax payable	-	17
Total deferred tax assets	-	17
Net deferred tax assets	-	17

2. Reconciliations of major items that caused differences between statutory tax rate and effective tax rate after applying deferred tax accounting

	(Unit: %)	
	As of Nov. 30, 2020	As of May 31, 2021
Statutory tax rate	31.46	31.46
(Adjustments)		
Deductible distributions of retained earnings	(22.99)	(31.46)
Valuation allowance	(8.57)	-
Others	0.10	0.01
Effective tax rate	0.00	0.01

(Notes Related to Asset Retirement Obligations)

For the periods from June 1, 2020, to Nov. 30, 2020, and Dec. 1, 2020, to May 31, 2021

None

(Notes Related to Rental Properties)

NPR owns logistics facilities that it leases to tenants to earn rental income. The book value, the change in the balance during the reporting fiscal period and fair values of the properties are as follows:

(Unit: Thousands of yen)		
	For the period from June 1, 2020 to Nov 30, 2020	For the period from Dec. 1, 2020 to May 31, 2021
Book value		
Balance at the beginning of the period	659,843,429	654,930,057
Change during the period	(4,913,371)	57,644,972
Balance at the end of the period	654,930,057	712,575,030
Fair value at the end of the period	835,920,000	912,640,000

(Note 1) Book value is the figure calculated by decreasing the accumulated amount of depreciation from acquisition cost.

(Note 2) The decrease for the fiscal period ended Nov. 30, 2020 were primarily a result of recognition of depreciation, which amounted to 5,470,864 thousand yen.

The increase for the fiscal period ended May 31, 2021 was primarily a result of acquiring properties, Prologis Park Chiba New Town, Prologis Park Chiba 2 and Prologis Park Tsukuba 2 during the period for a total of 62,875,906 thousand yen. The decrease for the fiscal period ended May 31, 2021 were primarily a result of recognition of depreciation, which amounted to 5,815,263 thousand yen.

(Note 3) The fair value as of the end of the reporting period is determined based on appraisal value or investigation price provided by third party real estate appraisers. Note that, as to Prologis Park Iwanuma 1 which was destroyed by fire, "Fair value at the end of the period" includes only the land valuation.

Income and loss in connection with investment and rental properties are disclosed in "Notes to Statements of Income."

(Notes Related to Segment and Related Information)

(Segment Information)

For the periods from June 1, 2020, to Nov. 30, 2020

Description is omitted as NPR engages in a single segment

For the periods from Dec. 1, 2020, to May 31, 2021

Description is omitted as NPR engages in a single segment

(Related Information)

For the periods from June 1, 2020, to Nov. 30, 2020

1. Information by products and services

Description of this information is not stated herein as operating revenues generated from external customers for a single product and service have exceeded 90 percent of total operating revenues on the statement of income.

2. Information by geographic region

(1) Operating revenues

Description of this information is not stated herein as operating revenues generated from external customers in Japan have exceeded 90 percent of total operating revenues on the statement of income.

(2) Property and equipment

Description of this information is not stated herein as the balance of property and equipment in Japan has exceeded 90 percent of total balance of property and equipment on the balance sheet.

3. Information by major customers

(Unit: Thousands of yen)

Counterparty	Operating revenues	Related segment
Prologis REIT Master Lease GK	21,913,819	The real estate leasing business.

(Note 1) With respect to 41 of the 49 properties held by NPR, NPR leases space to Prologis REIT Master Lease GK based on a pass-through type master lease agreement, and Prologis REIT Master Lease GK subleases the space to actual tenants.

For the period from Dec. 1, 2020, to May 31, 2021

1. Information by products and services

Description of this information is not stated herein as operating revenues generated from external customers for a single product and service have exceeded 90 percent of total operating revenues on the statement of income.

2. Information by geographic region

(1) Operating revenues

Description of this information is not stated herein as operating revenues generated from external customers in Japan have exceeded 90 percent of total operating revenues on the statement of income.

(2) Property and equipment

Description of this information is not stated herein as the balance of property and equipment in Japan has exceeded 90 percent of total balance of property and equipment on the balance sheet.

3. Information by major customers

(Unit: Thousands of yen)

Counterparty	Operating revenues	Related segment
Prologis REIT Master Lease GK	22,842,908	The real estate leasing business.

(Note 1) With respect to 44 of the 52 properties held by NPR, NPR leases space to Prologis REIT Master Lease GK based on a pass-through type master lease agreement, and Prologis REIT Master Lease GK subleases the space to actual tenants.

(Notes Related to Per Unit Information)

	For the period from June 1, 2020 to Nov 30, 2020	For the period from Dec. 1, 2020 to May 31, 2021
Net assets per unit	163,977 yen	170,558 yen
Net income per unit	5,652 yen	4,176 yen

(Note 1) Net income or loss per unit is calculated by dividing income or loss for the period by the weighted average number of investment units issued and outstanding based on the number of days during the applicable reporting periods. Diluted income per unit is not stated as there is no dilutive equity issued and outstanding.

(Note 2) The basis for calculation of net income per unit is as follows:

	For the period from June 1, 2020 to Nov 30, 2020	For the period from Dec. 1, 2020 to May 31, 2021
Net income (Thousands of yen)	13,937,045	10,611,557
Amount not attributable to common unit holders (Thousands of yen)	-	-
Net income attributable to common unit holders (Thousands of yen)	13,937,045	10,611,557
Average number of investment units during the period (unit)	2,465,850	2,541,028

(Notes Related to Material Subsequent Events)

none

(9) Change in Number of Investment Units Issued and Outstanding

Changes in the number of investment units issued and outstanding and unit holders' equity for the last five years are as follows:

Date	Type of issue	Number of investment units issued and outstanding (Units)		Unit holders' equity (Note 1 and 22) (Thousands of yen)		Note
		Increase	Total	Increase	Total	
Aug. 15, 2016	Surplus cash distribution (Return on capital)	-	1,841,950	(1,123,589)	257,856,193	(Note 2)
Dec. 19, 2016	Public offering	61,330	1,903,280	13,190,979	271,047,172	(Note 3)
Jan. 16, 2017	Secondary distribution	3,070	1,906,350	660,301	271,707,473	(Note 4)
Feb. 15, 2017	Surplus cash distribution (Return on capital)	-	1,906,350	(946,762)	270,760,711	(Note 5)
Aug. 7, 2017	Public offering	143,430	2,049,780	31,609,963	302,370,675	(Note 6)
Sept. 6, 2017	Secondary distribution	7,170	2,056,950	1,580,167	303,950,843	(Note 7)
Mar. 12, 2018	Public offering	122,860	2,179,810	26,715,661	330,666,504	(Note 8)
Apr. 11, 2018	Secondary distribution	6,140	2,185,950	1,335,130	332,001,635	(Note 9)
Aug. 15, 2018	Surplus cash distribution (Return on capital)	-	2,185,950	(1,484,260)	330,517,375	(Note 10)
Feb. 15, 2019	Surplus cash distribution (Return on capital)	-	2,185,950	(972,747)	329,544,627	(Note 11)
June 18, 2019	Public offering	155,430	2,341,380	34,199,262	363,743,890	(Note 12)
July 17, 2019	Secondary distribution	7,770	2,349,150	1,709,633	365,453,523	(Note 13)
Aug. 15, 2019	Surplus cash distribution (Return on capital)	-	2,349,150	(1,239,433)	364,214,089	(Note 14)
Jan. 31, 2020	Public offering	111,140	2,460,290	31,485,072	395,699,162	(Note 15)
Feb. 14, 2020	Surplus cash distribution (Return on capital)	-	2,460,290	(1,423,584)	394,275,577	(Note 16)
Feb. 26, 2020	Secondary distribution	5,560	2,465,850	1,575,103	395,850,681	(Note 17)

Aug. 14, 2020	Surplus cash distribution (Return on capital)	-	2,465,850	(1,694,038)	394,156,642	(Note 18)
Feb. 2, 2021	Public offering	110,480	2,576,330	35,604,721	429,761,363	(Note 19)
Feb. 15, 2021	Surplus cash distribution (Return on capital)	-	2,576,330	(1,797,604)	427,963,758	(Note 20)
Feb. 24, 2021	Secondary distribution	5,520	2,581,850	1,778,946	429,742,705	(Note 21)

(Note 1) Refers to the value after the deduction of unit holders' capital.

(Note 2) Cash distributions for the fiscal period ended May 2016 in the amount of 610 yen per unit as distributions in excess of retained earnings, as a return of unit holders' capital. It was decided on July 14, 2016, and payment began on Aug. 15, 2016.

(Note 3) New investment units were issued at a price of 222,460 yen per unit (215,082 yen after deduction of gross spread to underwriters) to raise funds for the repayment of borrowings for the acquisition of new properties.

(Note 4) New investment units were issued at a price of 215,082 yen per unit through third-party allotment to raise funds for the future acquisition of properties or the repayment of borrowings.

(Note 5) Cash distributions for the fiscal period ended Nov. 2016 in the amount of 514 yen per unit as distributions in excess of retained earnings, as a return of unit holders' capital. It was decided on Jan. 17, 2017, and payment began on Feb. 15, 2017.

(Note 6) New investment units were issued at a price of 227,850 yen per unit (220,386 yen after deduction of gross spread to underwriters) to raise funds for the repayment of borrowings for the acquisition of new properties.

(Note 7) New investment units were issued at a price of 220,386 yen per unit through third-party allotment to raise funds for the future acquisition of properties or the repayment of borrowings.

(Note 8) New investment units were issued at a price of 224,812 yen per unit (217,448 yen after deduction of gross spread to underwriters) to raise funds for the repayment of borrowings for the acquisition of new properties.

(Note 9) New investment units were issued at a price of 217,448 yen per unit through third-party allotment to raise funds for the future acquisition of properties or the repayment of borrowings.

(Note 10) Cash distributions for the fiscal period ended May 2018 in the amount of 679 yen per unit as distributions in excess of retained earnings, as a return of unit holders' capital. It was decided on July 17, 2018, and payment began on Aug. 15, 2018.

(Note 11) Cash distributions for the fiscal period ended Nov. 2018 in the amount of 445 yen per unit as distributions in excess of retained earnings, as a return of unit holders' capital. It was decided on Jan. 18, 2019, and payment began on Feb. 15, 2019.

(Note 12) New investment units were issued at a price of 227,458 yen per unit (220,030 yen after deduction of gross spread to underwriters) to raise funds for the repayment of borrowings for the acquisition of new properties.

(Note 13) New investment units were issued at a price of 220,030 yen per unit through third-party allotment to raise funds for the future acquisition of properties or the repayment of borrowings.

(Note 14) Cash distributions for the fiscal period ended May 2018 in the amount of 567 yen per unit as distributions in excess of retained earnings, as a return of unit holders' capital. It was decided on July 18, 2019, and payment began on Aug. 15, 2019.

(Note 15) New investment units were issued at a price of 292,824 yen per unit (283,292 yen after deduction of gross spread to underwriters) to raise funds for the acquisition of new properties.

(Note 16) Cash distributions for the fiscal period ended Nov. 2019 in the amount of 606 yen per unit as distributions in excess of retained earnings, as a return of unit holders' capital. It was decided on Jan. 17, 2020, and payment began on Feb. 14, 2020.

(Note 17) New investment units were issued at a price of 283,292 yen per unit through third-party allotment to raise funds for the future acquisition of properties or the repayment of borrowings.

(Note 18) Cash distributions for the fiscal period ended May 2020 in the amount of 687 yen per unit as distributions in excess of retained earnings, as a return of unit holders' capital. It was decided on July 22, 2020, and payment began on Aug. 14, 2020.

(Note 19) New investment units were issued at a price of 332,962 yen per unit (322,273 yen after deduction of gross spread to underwriters) to raise funds for the acquisition of new properties.

(Note 20) Cash distributions for the fiscal period ended Nov. 2020 in the amount of 729 yen per unit as distributions in excess of retained earnings, as a return of unit holders' capital. It was decided on Jan. 20, 2021, and payment began on Feb. 15, 2021.

(Note 21) New investment units were issued at a price of 322,273 yen per unit through third-party allotment to raise

funds for the future acquisition of properties or the repayment of borrowings.
(Note 22) ATA-based distribution is not included in the amounts of Unit holders' equity.

3. Reference Information

(1) Composition of NPR's Assets

Type of asset	Region	Sixteenth fiscal period (As of Nov. 30, 2020)		Seventeenth fiscal period (As of May 31, 2021)	
		Retained amount (Millions of yen) (Note 3 and 6)	Ratio of total asset (%)	Retained amount (Millions of yen) (Note 3 and 6)	Ratio of total asset (%)
Real estate	Global markets (Note 1)				
	Kanto area	-	-	-	-
	Kansai area	4,062	0.6	4,030	0.5
	Regional markets (Note 2)				
	Chubu area	-	-	-	-
	Tohoku area	-	-	-	-
	Kyushu area	6,056	0.9	5,989	0.8
	Total	10,119	1.5	10,019	1.3
Beneficiary right in trust	Global markets (Note 1)				
	Kanto area	392,214	56.6	451,927	60.0
	Kansai area	221,252	31.9	219,587	29.2
	Regional markets (Note 2)				
	Chubu area	16,704	2.4	16,547	2.2
	Tohoku area	14,638	2.1	14,492	1.9
	Kyushu area	-	-	-	-
	Total	644,810	93.0	702,555	93.3
Total of real estate and others		654,930	94.5	712,575	94.6
Deposit and other assets		38,089	5.5	40,423	5.4
Total assets (Note 4)		693,019 (654,930)	100.0 (94.5)	752,998 (712,575)	100.0 (94.6)

(Note 1) Global markets are vital areas for international trade and logistics and surround the largest customer bases, which can also serve as important hubs within the domestic logistics network. It refers to the following areas:

- Kanto area, which refers to Tokyo, Kanagawa, Chiba, Saitama, Ibaraki, Tochigi and Gunma prefectures
- Kansai area, which refers to Osaka, Hyogo, Kyoto, Nara, Wakayama, Shiga and Mie prefectures

(Note 2) Regional markets are critical to Japan's domestic trade and play a crucial role in a widespread regional logistics network. It refers to following areas:

- Chubu area, which refers to Aichi, Shizuoka, Niigata, Toyama, Ishikawa, Fukui, Yamanashi, Nagano and Gifu prefectures
- Tohoku area, which refers to Aomori, Iwate, Miyagi, Akita, Yamagata and Fukushima prefectures
- Kyushu area, which refers to Fukuoka, Saga, Nagasaki, Kumamoto, Oita, Miyazaki and Kagoshima prefectures

(Note 3) "Retained amount" is from the balance (for the "Total of real estate and others", the book value after depreciation) as of end of the reporting fiscal period. Note that, "Book value" does not include "Construction in progress in trust".

(Note 4) "Total assets" refers to the value on the balance sheet, and the figures in the brackets show the figures related to actual owned real estate.

(Note 5) "Ratio of total assets" is rounded down to the nearest first decimal place.

(Note 6) As to Prologis park Iwanuma 1, which was caught in a fire during the fiscal period ended May 31, 2020, "Book value" only includes that of land in trust.

(2) Overview of the Portfolio

The following summarizes the real estate or the real estate properties in trust owned by NPR at the end of the reporting fiscal period:

(I) Overview of Assets Held (acquisition price, book value, appraisal value as of the end of the reporting fiscal period and others)

Property number	Property name	Form of ownership	Acquisition price (Millions of yen) ⁽¹⁾	Book value (Millions of yen) ⁽²⁾	Appraisal value as of the end of the reporting fiscal period (Millions of yen) ⁽³⁾	Return price					Investment rate (%) ⁽⁴⁾
						Direct capitalization method		DCF method			
						Priced based on direct capitalization method (Millions of yen)	Direct capitalization rate (%)	Priced based on DCF method (Millions of yen)	Discount rate (%)	Terminal capitalization rate (%)	
M-01	Prologis Park Ichikawa 1	Beneficiary right in trust	33,900	31,329	46,700	47,500	3.8	46,700	3.6	4.0	4.5
M-02	Prologis Park Zama 1	Beneficiary right in trust	27,900	25,070	34,900	35,400	4.1	34,900	3.9	4.3	3.7
M-03	Prologis Park Kawajima	Beneficiary right in trust	25,600	22,220	33,000	33,500	4.5	33,000	4.3	4.7	3.4
M-04	Prologis Park Osaka 2	Beneficiary right in trust	25,000	22,114	34,700	34,800	4.1	34,700	3.9	4.2	3.3
M-05	Prologis Park Maishima 3	Beneficiary right in trust	13,500	11,863	16,700	16,900	4.2	16,700	4.0	4.3	1.8
M-06	Prologis Park Kasugai	Beneficiary right in trust	12,500	10,856	19,100	19,300	4.4	19,100	4.2	4.5	1.6
M-07	Prologis Park Kitanagoya	Beneficiary right in trust	6,500	5,691	9,550	9,700	4.2	9,550	4.0	4.3	0.9
M-09	Prologis Park Tokyo-Ohta	Beneficiary right in trust	29,500	28,484	42,200	42,800	3.5	42,200	3.3	3.7	3.9
M-10	Prologis Park Zama 2	Beneficiary right in trust	21,900	19,828	30,200	30,400	4.0	30,200	3.8	4.2	2.9
M-11	Prologis Park Funabashi 5	Beneficiary right in trust	9,500	10,403	14,600	14,700	3.9	14,600	3.7	4.1	1.5
	(Annex)		1,500								
M-12	Prologis Park Narita 1-A&B	Beneficiary right in trust	8,420	7,685	11,300	11,400	4.7	11,200	4.4	4.9	1.1
M-13	Prologis Park Narita 1-C	Beneficiary right in trust	4,810	4,442	6,470	6,490	4.7	6,450	4.4	4.9	0.6
M-14	Prologis Park Amagasaki 1	Beneficiary right in trust	17,600	16,286	22,200	22,300	4.3	22,100	4.0	4.4	2.3
M-15	Prologis Park Amagasaki 2	Beneficiary right in trust	19,200	17,822	23,400	23,400	4.3	23,300	4.0	4.4	2.5
M-16	Prologis Park Tokyo-Shinkiba	Beneficiary right in trust	13,600	13,197	19,700	19,600	3.5	19,700	3.3	3.6	1.8
M-17	Prologis Park Yokohama-Tsurumi	Beneficiary right in trust	13,800	12,504	18,600	18,800	3.9	18,600	3.7	4.0	1.8
M-18	Prologis Park Osaka 4	Beneficiary right in trust	21,000	18,856	27,300	27,500	4.1	27,300	3.9	4.2	2.8
M-20	Prologis Park Kawajima 2	Beneficiary right in trust	8,180	7,380	9,650	9,770	4.4	9,650	4.2	4.6	1.1
M-21	Prologis Park Kitamoto	Beneficiary right in trust	12,600	11,775	15,300	15,300	4.5	15,200	4.1	4.7	1.7

Property number	Property name	Form of ownership	Acquisition price (Millions of yen) ⁽¹⁾	Book value (Millions of yen) ⁽²⁾	Appraisal value as of the end of the reporting fiscal period (Millions of yen) ⁽³⁾	Return price					Investment rate (%) ⁽⁴⁾
						Direct capitalization method		DCF method			
						Priced based on direct capitalization method (Millions of yen)	Direct capitalization rate (%)	Priced based on DCF method (Millions of yen)	Discount rate (%)	Terminal capitalization rate (%)	
M-22	Prologis Park Joso	Beneficiary right in trust	7,120	6,542	7,730	7,810	4.5	7,730	4.3	4.7	0.9
M-23	Prologis Park Osaka 5	Beneficiary right in trust	17,600	16,437	19,800	20,200	4.2	19,800	4.0	4.4	2.3
M-24	Prologis Park Narita 3	Beneficiary right in trust	9,240	8,738	11,600	11,700	4.5	11,400	4.3	4.7	1.2
M-25	Prologis Park Narashino 5	Beneficiary right in trust	13,600	12,867	15,300	15,400	3.9	15,300	3.7	4.0	1.8
M-26	Prologis Park Ibaraki	Beneficiary right in trust	38,300	36,652	43,700	43,400	4.0	43,700	3.8	4.1	5.1
M-27	Prologis Park Ichikawa 3	Beneficiary right in trust	17,000	16,408	18,600	19,100	3.7	18,600	3.5	3.9	2.2
M-28	Prologis Park Narita 1-D	Beneficiary right in trust	5,260	5,084	5,700	5,720	4.7	5,670	4.4	4.9	0.7
M-29	Prologis Park Yoshimi	Beneficiary right in trust	21,300	20,353	22,200	22,400	4.4	22,200	4.2	4.6	2.8
M-30	Prologis Park Higashimatsuyama	Beneficiary right in trust	12,600	12,238	13,200	13,500	4.4	13,200	4.2	4.6	1.7
M-31	Prologis Park Kyotanabe	Beneficiary right in trust	35,800	35,107	38,900	39,300	4.1	38,400	3.9	4.3	4.7
M-32	Prologis park Chiba 1	Beneficiary right in trust	31,000	30,769	33,000	33,400	4.1	32,500	3.9	4.3	4.1
M-33	Prologis park MFLP Kawagoe ⁽⁵⁾	Beneficiary right in trust	14,800	14,717	15,900	16,100	4.1	15,700	3.9	4.3	2.0
M-34	Prologis park Chiba New Town	Beneficiary right in trust	26,300	26,488	26,400	26,800	4.3	25,900	4.1	4.5	3.5
M-35	Prologis park Chiba 2	Beneficiary right in trust	15,000	15,035	15,500	15,600	4.2	15,300	4.0	4.4	2.0
B-02	Prologis Park Takatsuki	Real estate	4,410	4,030	5,440	5,410	4.4	5,440	4.1	4.5	0.6
B-03	Prologis Park Tosu 2	Real estate	3,030	2,627	4,010	4,140	4.6	4,010	4.3	4.7	0.4
B-04	Prologis Park Tosu 4	Real estate	3,810	3,361	5,080	5,350	4.6	5,080	4.3	4.7	0.5
B-05	Prologis Park Narashino 4	Beneficiary right in trust	20,000	17,985	26,900	27,200	3.8	26,900	3.6	3.9	2.6
B-06	Prologis Park Ebina	Beneficiary right in trust	8,250	7,953	11,100	11,000	3.9	11,100	3.7	4.0	1.1
B-07	Prologis Park Kawanishi	Beneficiary right in trust	13,600	12,548	14,900	15,300	4.3	14,900	4.1	4.6	1.8

Property number	Property name	Form of ownership	Acquisition price (Millions of yen) ⁽¹⁾	Book value (Millions of yen) ⁽²⁾	Appraisal value as of the end of the reporting fiscal period (Millions of yen) ⁽³⁾	Return price					Investment rate (%) ⁽⁴⁾
						Direct capitalization method		DCF method			
						Priced based on direct capitalization method (Millions of yen)	Direct capitalization rate (%)	Priced based on DCF method (Millions of yen)	Discount rate (%)	Terminal capitalization rate (%)	
B-08	Prologis Park Amagasaki 3	Beneficiary right in trust	9,090	8,426	11,100	11,300	4.1	10,900	3.9	4.3	1.2
B-09	Prologis Park Kobe	Beneficiary right in trust	6,410	5,782	7,470	7,550	4.6	7,380	4.4	4.9	0.8
B-10	Prologis Park Sendai Izumi	Beneficiary right in trust	4,820	4,313	5,580	5,630	4.8	5,520	4.6	5.2	0.6
B-11	Prologis Park Koga 1	Beneficiary right in trust	7,680	7,092	8,430	8,530	4.7	8,330	4.4	4.9	1.0
B-12	Prologis Park Kobe 2	Beneficiary right in trust	13,700	12,763	14,900	15,000	4.6	14,800	4.4	4.9	1.8
B-13	Prologis Park Koga 2	Beneficiary right in trust	3,930	3,661	4,100	4,130	4.7	4,060	4.4	4.9	0.5
B-14	Prologis Park Koga 3	Beneficiary right in trust	5,440	5,170	5,650	5,720	4.7	5,570	4.4	4.9	0.7
B-15	Prologis Park Tsukuba 1-A	Beneficiary right in trust	12,900	12,229	13,300	13,700	4.5	13,300	4.3	4.7	1.7
B-16	Prologis Park Sendai Izumi 2	Beneficiary right in trust	9,250	8,992	9,600	9,730	4.8	9,470	4.2	5.3	1.2
B-17	Prologis Park Kobe 4	Beneficiary right in trust	5,020	4,924	5,260	5,330	4.6	5,180	4.4	4.8	0.7
B-18	Prologis Park Tsukuba 1-B	Beneficiary right in trust	13,500	13,267	13,800	14,000	4.5	13,800	4.3	4.7	1.8
B-19	Prologis Park Tsukuba 2	Beneficiary right in trust	20,900	20,999	20,900	20,800	4.5	20,900	4.3	4.7	2.8
Sub Total		-	757,170	711,388	910,620	919,810	-	907,190	-	-	99.8
M-19	Prologis Park Iwanuma 1 ⁽⁶⁾	Beneficiary right in trust	1,179	1,186	2,020	-	-	-	-	-	0.2
Total		-	758,349	712,575	912,640	919,810	-	907,190	-	-	100.0

(Note 1) Acquisition price represents the purchase price of each property or beneficiary right in trust as set forth on the relevant purchase agreement and does not include expenses such as consumption taxes, and is rounded down to nearest million yen. Note that "Acquisition price" of Prologis Park Zama1 does not reflect prices related to the partial acquisition and disposition of Land, executed on Oct. 3, 2018.

(Note 2) Book value represents the value on the balance sheet after depreciation and is rounded down to nearest million yen. Note that "Book value" does not include "Construction in progress in trust".

(Note 3) NPR has retained JLL Morii Valuation & Advisory K.K., CBRE K.K. and Japan Real Estate Institute to appraise or investigate the properties. Appraisal or Investigation value as of the end of the reporting fiscal period represents the appraisal or investigation value as set forth on the relevant study reports by real estate appraisers as of May 31, 2021.

(Note 4) Investment rate is calculated by dividing the acquisition price for each property by the total acquisition price and is rounded to nearest tenth. Thus the sum of the figures in total may not add up to the figure in the total column.

(Note 5) The amounts shown for Prologis Park MFLP Kawagoe represent 50% of the relevant trust beneficiary interest to be acquired and co-owned by NPR.

(Note 6) As to Prologis Park Iwanuma 1, which was caught in a fire during the fiscal period ended May 31, 2020, each amount is summarized individually. And only the land in trust of the asset is expressed for each amount.

(II) Overview of Assets Held (property age, occupancy rate and annual rent) ⁽¹⁾

Property number	Property name	Property age (years) ⁽²⁾	Leasable area(m ²) ⁽³⁾	Leased area(m ²) ⁽⁴⁾	Gross number of tenants ⁽⁵⁾	Occupancy rate (%) ⁽⁶⁾	Annual rent (Millions of yen) ⁽⁷⁾	Security deposit (Millions of yen) ⁽⁸⁾	Average lease contract (years) ⁽⁹⁾	Average remaining lease contract (years) ⁽¹⁰⁾
M-01	Prologis Park Ichikawa 1	12.6	125,100.54	125,100.54	14	100.0	2,224	1,050	7.2	4.1
M-02	Prologis Park Zama 1	12.1	113,471.12	113,299.81	7	99.8	1,819	587	3.5	2.4
M-03	Prologis Park Kawajima	10.0	144,897.54	144,897.54	8	100.0	1,882	608	4.0	1.8
M-04	Prologis Park Osaka 2	14.1	130,553.85	129,570.21	4	99.2	1,779	670	6.5	4.6
M-05	Prologis Park Maishima 3	13.3	74,874.37	67,758.20	6	90.5	875	303	7.1	1.2
M-06	Prologis Park Kasugai	13.4	91,455.06	89,742.80	5	98.1	1,043	406	3.6	2.3
M-07	Prologis Park Kitanagoya	12.0	42,751.60	42,751.60	3	100.0	545	173	2.5	1.3
M-09	Prologis Park Tokyo-Ohta	15.7	73,023.05	73,023.05	24	100.0	1,827	784	5.0	2.6
M-10	Prologis Park Zama 2	8.9	95,121.43	95,121.43	8	100.0	1,509	641	5.5	2.8
M-11	Prologis Park Funabashi 5 (Annex)	16.5	56,556.95	56,556.95	4	100.0	790	348	4.7	1.9
M-12	Prologis Park Narita 1-A&B	16.3	62,058.81	60,614.04	11	97.7	714	208	2.5	1.4
M-13	Prologis Park Narita 1-C	14.1	32,230.25	17,762.43	1	55.1	Not disclosed (Note 11)	Not disclosed (Note 11)	3.0	2.8
M-14	Prologis Park Amagasaki 1	15.8	91,446.75	91,446.75	1	100.0	Not disclosed (Note 11)	Not disclosed (Note 11)	15.0	4.8
M-15	Prologis Park Amagasaki 2	14.2	91,428.87	91,337.82	6	99.9	1,234	534	5.2	2.4
M-16	Prologis Park Tokyo-Shinkiba	14.0	31,023.41	31,023.41	9	100.0	896	415	5.0	3.1
M-17	Prologis Park Yokohama-Tsurumi	13.1	63,973.24	63,973.24	4	100.0	972	426	4.7	2.3
M-18	Prologis Park Osaka 4	9.1	106,135.15	103,547.96	7	97.6	1,401	393	2.6	1.2
M-20	Prologis Park Kawajima 2	7.3	42,005.07	42,005.07	2	100.0	Not disclosed (Note 11)	Not disclosed (Note 11)	7.8	0.7
M-21	Prologis Park Kitamoto	7.2	69,432.00	69,432.00	4	100.0	843	252	5.2	3.1
M-22	Prologis Park Joso	6.6	37,165.49	37,165.49	2	100.0	Not disclosed (Note 11)	Not disclosed (Note 11)	2.9	1.9
M-23	Prologis Park Osaka 5	6.4	78,087.30	78,087.30	7	100.0	1,092	421	5.4	3.5
M-24	Prologis Park Narita 3	13.0	52,982.99	52,579.27	10	99.2	682	252	3.6	1.5

Property number	Property name	Property age (years) ⁽²⁾	Leasable area(m ²) ⁽³⁾	Leased area(m ²) ⁽⁴⁾	Gross number of tenants ⁽⁵⁾	Occupancy rate (%) ⁽⁶⁾	Annual rent (Millions of yen) ⁽⁷⁾	Security deposit (Millions of yen) ⁽⁸⁾	Average lease contract (years) ⁽⁹⁾	Average remaining lease contract (years) ⁽¹⁰⁾
M-25	Prologis Park Narashino 5	5.2	58,159.44	58,159.44	2	100.0	Not disclosed (Note 11)	Not disclosed (Note 11)	5.2	1.9
M-26	Prologis Park Ibaraki	4.7	154,182.43	154,182.43	3	100.0	2,294	566	4.9	0.7
M-27	Prologis Park Ichikawa 3	3.5	50,714.15	50,714.15	3	100.0	902	367	6.3	2.9
M-28	Prologis Park Narita 1-D	6.4	27,960.13	27,960.13	2	100.0	Not disclosed (Note 11)	Not disclosed (Note 11)	4.5	4.0
M-29	Prologis Park Yoshimi	5.5	98,076.60	98,076.60	4	100.0	1,202	455	8.4	4.8
M-30	Prologis Park Higashimatsuyama	3.4	60,540.99	60,540.99	1	100.0	Not disclosed (Note 11)	Not disclosed (Note 11)	10.5	8.6
M-31	Prologis Park Kyotanabe	2.6	135,024.76	135,024.76	4	100.0	2,020	556	8.7	6.3
M-32	Prologis Park Chiba 1	1.7	127,045.45	127,045.45	9	100.0	1,775	708	6.5	5.3
M-33	Prologis Park MFLP Kawagoe	2.6	56,723.77	56,723.77	10	100.0	858	364	5.9	3.9
M-34	Prologis Park Chiba New Town	5.1	106,934.22	102,728.22	7	96.1	1,371	626	4.7	2.5
M-35	Prologis Park Chiba 2	0.5	58,117.46	58,117.46	3	100.0	857	354	5.0	4.6
B-02	Prologis Park Takatsuki	9.4	19,898.05	19,898.05	1	100.0	Not disclosed (Note 11)	Not disclosed (Note 11)	15.0	5.7
B-03	Prologis Park Tosu 2	8.9	21,778.87	21,778.87	1	100.0	Not disclosed (Note 11)	Not disclosed (Note 11)	10.0	1.2
B-04	Prologis Park Tosu 4	9.4	28,765.31	28,765.31	1	100.0	Not disclosed (Note 11)	Not disclosed (Note 11)	15.3	6.0
B-05	Prologis Park Narashino 4	7.9	91,529.07	91,529.07	1	100.0	Not disclosed (Note 11)	Not disclosed (Note 11)	10.0	2.3
B-06	Prologis Park Ebina	11.2	32,500.08	32,500.08	1	100.0	Not disclosed (Note 11)	Not disclosed (Note 11)	8.0	6.8
B-07	Prologis Park Kawanishi	7.6	75,493.23	75,493.23	1	100.0	Not disclosed (Note 11)	Not disclosed (Note 11)	10.0	2.5
B-08	Prologis Park Amagasaki 3	7.7	39,527.85	39,527.85	1	100.0	Not disclosed (Note 11)	Not disclosed (Note 11)	10.0	2.3
B-09	Prologis Park Kobe	7.5	32,511.56	32,511.56	1	100.0	Not disclosed (Note 11)	Not disclosed (Note 11)	15.2	7.8
B-10	Prologis Park Sendai Izumi	5.7	26,353.50	26,353.50	1	100.0	Not disclosed (Note 11)	Not disclosed (Note 11)	20.3	14.8
B-11	Prologis Park Koga 1	4.6	34,158.16	34,158.16	1	100.0	Not disclosed (Note 11)	Not disclosed (Note 11)	15.0	10.4
B-12	Prologis Park Kobe 2	4.6	62,468.19	62,468.19	1	100.0	Not disclosed (Note 11)	Not disclosed (Note 11)	15.0	10.4

Property number	Property name	Property age (years) ⁽²⁾	Leasable area(m ²) ⁽³⁾	Leased area(m ²) ⁽⁴⁾	Gross number of tenants ⁽⁵⁾	Occupancy rate (%) ⁽⁶⁾	Annual rent (Millions of yen) ⁽⁷⁾	Security deposit (Millions of yen) ⁽⁸⁾	Average lease contract (years) ⁽⁹⁾	Average remaining lease contract (years) ⁽¹⁰⁾
B-13	Prologis Park Koga 2	4.1	19,699.36	19,699.36	1	100.0	Not disclosed (Note 11)	Not disclosed (Note 11)	15.0	10.9
B-14	Prologis Park Koga 3	2.9	29,196.84	29,196.84	1	100.0	Not disclosed (Note 11)	Not disclosed (Note 11)	10.0	7.2
B-15	Prologis Park Tsukuba 1-A	2.7	65,168.90	65,168.90	1	100.0	Not disclosed (Note 11)	Not disclosed (Note 11)	11.0	8.3
B-16	Prologis Park Sendai Izumi 2	2.7	36,542.37	36,542.37	1	100.0	Not disclosed (Note 11)	Not disclosed (Note 11)	20.0	17.3
B-17	Prologis Park Kobe 4	2.0	24,154.17	24,154.17	1	100.0	Not disclosed (Note 11)	Not disclosed (Note 11)	10.0	8.1
B-18	Prologis Park Tsukuba 1-B	1.8	65,570.07	65,570.07	1	100.0	Not disclosed (Note 11)	Not disclosed (Note 11)	10.0	8.3
B-19	Prologis Park Tsukuba 2	0.8	98,824.83	98,824.83	1	100.0	Not disclosed (Note 11)	Not disclosed (Note 11)	10.0	9.3
Total		8.0	3,443,394.65	3,410,210.72	213	99.0	47,882	18,983	7.1	4.0

(Note 1) The figures excluding property age in this table are based on the May 31, 2021 Lease Agreements. References to “May 31, 2021 Lease Agreements” are to lease agreements for all warehouses, offices and stores (excluding certain stores in cafeteria area), at our current properties, that have commenced as of May 31, 2021, excluding a lease agreement for the jointly owned convenience store building at Prologis Park Narita 1-A&B, Prologis Park Narita 1-C and Prologis Park Narita 1-D. The figures including property age do not account for a jointly owned convenience store building at Prologis Park Narita 1-A&B, Prologis Park Narita 1-C and Prologis Park Narita 1-D. The same applies hereinafter. The figures of Prologis Park Iwanuma 1, which was caught in a fire during the period ended May 31, 2020, are not included in this table. As to Prologis Park MFLP Kawagoe, the figures of Leasable area, Leased area, Annual rent and Security deposit are shown based on our 50% co-ownership.

(Note 2) Property age is calculated based on the property registry and rounded to the nearest tenth. Total amount is a weighted average based on acquisition prices. The property age of Prologis Park Funabashi 5 is calculated based on the weighted average based on acquisition prices of the main structure and the annex. The property age of Prologis Park Zama 2 is calculated based only on the main structure of the property and does not include its annex.

(Note 3) Equal to the gross leasable space based on the May 31, 2021 Lease Agreements and floor plans included in such lease agreements plus available space based on such floor plans.

(Note 4) Equal to gross floor area of leased space in property based on the May 31, 2021 Lease Agreements and floor plans included in such lease agreements.

(Note 5) For properties with pass-through master lease agreements, this is the total number of end-tenants based on the May 31, 2021 Lease Agreements.

(Note 6) Occupancy rate is calculated by dividing leased area by leasable area. Figures are rounded to the nearest tenth.

(Note 7) Annual rent is based on total annual rent (including common area charges) as indicated in the May 31, 2021 Lease Agreements. If the relevant agreements include monthly contracted rent, annual rent is calculated in accordance with the terms stipulated in the agreements. Figures are rounded down to millions of yen.

(Note 8) Calculated as the total security deposit as indicated in the May 31, 2021 Lease Agreement. If the security deposit is amortized, we state the security deposit amount after subtracting the relevant amortization amount. Figures are rounded down to millions of yen.

(Note 9) Average lease contract is calculated as the weighted average of length of lease contract indicated in the May 31, 2021 Lease Agreements by the rent and figures are rounded to the nearest tenth.

(Note 10) Average remaining lease contract is calculated as the weighted average of length of remaining lease contract indicated in the May 31, 2021 Lease Agreements by the rent and figures are rounded to the nearest tenth.

(Note 11) We have not obtained permission from the tenant of the properties to disclose the information unstated in this table.

(3) Capital Expenditures for Owned Properties

(I) Future Plans for Capital Expenditure

The following summarizes the major capital expenditure plans in connection with scheduled renovations and other work for properties owned by NPR. Estimated construction cost includes the amounts to be expensed for accounting purposes.

Name (Location)	Purpose	Planned period	Estimate construction cost (Millions of yen) ⁽¹⁾		
			Total amount	Paid during the reporting period	Total amount already paid
Prologis Park Narita 1-A&B other (Narita, Chiba, other)	Installment and renewal work of firefighting equipment	From June 2021 to May 2022	328	-	-
Prologis Park Kawajima 1 other (Hiki, Saitama, other)	Installment of LED lighting	From June 2021 to May 2022	275	-	-
Prologis Park Narita 1-C other (Narita, Chiba, other)	Installment and renewal work of air conditioner	From July 2021 to May 2022	188	-	-

(Note 1) Figures are rounded down to the nearest million yen.

(II) Capital Expenditure Incurred for the Reported Fiscal Period

The following summarizes the major construction work to NPR's owned properties that resulted in capital expenditures for the reporting fiscal period. NPR conducted construction work worth 824 million yen in the reporting fiscal period which is a sum of capital expenditures of 584 million yen and repair and maintenance expenses of 239 million yen.

Name (Location)	Purpose	Expenditure Period	Amount spent (Millions of yen) ⁽¹⁾
Prologis Park Tokyo-Ohta other (Ota, Tokyo, other)	Installment of LED lighting	From Nov. 2020 to May 2021	150
Prologis Park Maishima 3 other (Osaka, Osaka, other)	Installment and renewal work of surveillance cameras	From Feb. 2021 to May 2021	100
Prologis Park Tokyo-Shinkiba other (Koto, Tokyo, other)	Installment and renewal work of air conditioner	From Feb 2021 to May 2021	32
Others	-	-	299
Total			584

(Note 1) Figures are rounded down to the nearest million yen.

(III) Reserved Amount for Long-Term Repairs, Maintenance and Renovation Plans

None

(4) Information Concerning Major Tenants

(I) Major Tenants (tenants accounting for more than 10 percent of aggregate leased area)

None

(II) Information Related to Major Properties (properties accounting for more than 10 percent of aggregate property-related revenue)

None

(5) Overview of Property Leasing and Status of Operating Income

Fourteenth Fiscal Period from Nov. 30, 2020, to May 31, 2021

(Units: Thousands of yen)

Property number	M-01	M-02	M-03	M-04	M-05
Property name	Prologis Park Ichikawa 1	Prologis Park Zama 1	Prologis Park Kawajima	Prologis Park Osaka 2	Prologis Park Maishima 3
Operating days	182	182	182	182	182
(1) Property related revenues	1,220,037	978,071	1,004,952	943,819	481,016
Property revenues	1,104,829	904,719	934,755	889,352	459,905
Other property related revenues	115,208	73,352	70,196	54,466	21,111
(2) Total of property related expenses	470,598	372,869	396,748	409,169	242,208
Property taxes	89,288	71,656	68,745	83,462	51,459
Subcontract expenses	79,133	48,711	41,839	42,646	35,181
Utilities cost	63,763	36,109	42,180	42,163	14,505
Non-life insurance premium	7,750	7,324	8,295	8,726	4,815
Repair and maintenance	14,556	7,315	9,719	23,174	10,684
Depreciation	215,624	199,131	225,469	208,495	125,081
Custodian fee	480	500	500	500	480
Other expenses	-	2,119	-	-	-
(3) Operating income from property leasing (= (1)-(2))	749,439	605,202	608,203	534,649	238,808
NOI ((3) + Depreciation)	965,064	804,334	833,672	743,145	363,889

(Units: Thousands of yen)

Property number	M-06	M-07	M-09	M-10	M-11
Property name	Prologis Park Kasugai	Prologis Park Kitanagoya	Prologis Park Tokyo-Ohta	Prologis Park Zama 2	Prologis Park Funabashi 5 (include Annex)
Operating days	182	182	182	182	182
(1) Property related revenues	553,000	281,293	964,895	819,607	418,401
Property revenues	525,290	271,249	895,638	734,378	393,524
Other property related revenues	27,709	10,044	69,256	85,229	24,876
(2) Total of property related expenses	245,563	130,299	317,985	319,710	174,538
Property taxes	57,148	29,897	59,559	61,349	34,674
Subcontract expenses	34,000	19,941	58,742	41,764	24,611
Utilities cost	19,615	7,171	39,417	47,477	6,696
Non-life insurance premium	5,236	2,179	5,740	5,656	3,360
Repair and maintenance	3,432	9,825	7,549	7,377	21,360
Depreciation	125,629	60,783	146,477	155,583	82,875
Custodian fee	500	500	500	500	960
Other expenses	-	-	-	-	-
(3) Operating income from property leasing (= (1)-(2))	307,436	150,994	646,909	499,897	243,862
NOI ((3) + Depreciation)	433,066	211,777	793,386	655,480	326,737

(Units: Thousands of yen)

Property number	M-12	M-13	M-14	M-15	M-16
Property name	Prologis Park Narita 1-A&B	Prologis Park Narita 1-C	Prologis Park Amagasaki 1	Prologis Park Amagasaki 2	Prologis Park Tokyo-Shinkiba
Operating days	182	182	182	182	182
(1) Property related revenues	387,354	Not disclosed (Note 1)	Not disclosed (Note 1)	666,371	476,728
Property revenues	356,616			613,193	440,240
Other property related revenues	30,738			53,178	36,488
(2) Total of property related expenses	159,864			309,917	168,550
Property taxes	23,330			57,326	37,066
Subcontract expenses	29,490			45,611	33,949
Utilities cost	14,352			42,902	22,029
Non-life insurance premium	3,393			5,007	2,180
Repair and maintenance	5,392			10,400	5,795
Depreciation	83,405			148,189	67,029
Custodian fee	500			480	500
Other expenses	-			-	-
(3) Operating income from property leasing (= (1)-(2))	227,489	102,463	344,594	356,454	308,178
NOI ((3) + Depreciation)	310,895	150,288	458,903	504,644	375,207

(Note 1) We have not obtained permission from the tenants of the properties to disclose the information and therefore it has been omitted from this table.

(Units: Thousands of yen)

Property number	M-17	M-18	M-19	M-20	M-21
Property name	Prologis Park Yokohama- Tsurumi	Prologis Park Osaka 4	Prologis Park Iwanuma 1 (Note 2)	Prologis Park Kawajima 2	Prologis Park Kitamoto
Operating days	182	182	182	182	182
(1) Property related revenues	512,386	741,638	-	Not disclosed (Note 1)	438,275
Property revenues	486,015	689,140	-		423,199
Other property related revenues	26,370	52,498	-		15,076
(2) Total of property related expenses	235,906	321,614	9,189		189,107
Property taxes	51,707	75,920	2,397		31,175
Subcontract expenses	33,872	34,296	5,897		39,431
Utilities cost	24,020	27,097	-		9,303
Non-life insurance premium	3,597	5,973	394		3,293
Repair and maintenance	12,691	3,990	-		1,228
Depreciation	109,217	173,857	-		104,194
Custodian fee	500	480	500		480
Other expenses	300	-	-		-
(3) Operating income from property leasing (= (1)-(2))	276,479	420,023	(9,189)	175,466	249,167
NOI ((3) + Depreciation)	385,697	593,881	(9,189)	242,751	353,362

(Note 1) We have not obtained permission from the tenants of the properties to disclose the information and therefore it has been omitted from this table.

(Note 2) Prologis Park Iwanuma 1 was destroyed by a fire during the fiscal period ended May 31, 2020.

(Units: Thousands of yen)

Property number	M-22	M-23	M-24	M-25	M-26
Property name	Prologis Park Joso	Prologis Park Osaka 5	Prologis Park Narita 3	Prologis Park Narashino 5	Prologis Park Ibaraki
Operating days	182	182	182	182	182
(1) Property related revenues	Not disclosed (Note 1)	563,254	371,219	Not disclosed (Note 1)	1,153,062
Property revenues		542,939	339,287		1,116,326
Other property related revenues		20,314	31,931		36,736
(2) Total of property related expenses		265,923	172,218		650,556
Property taxes		61,284	30,167		117,929
Subcontract expenses		34,969	36,064		203,841
Utilities cost		16,881	19,866		33,857
Non-life insurance premium		4,762	3,661		10,045
Repair and maintenance		6,372	2,610		286
Depreciation		141,172	79,365		283,840
Custodian fee		480	480		480
Other expenses		-	2		275
(3) Operating income from property leasing (= (1)-(2))	131,545	297,330	199,000	223,779	502,506
NOI ((3) + Depreciation)	196,692	438,503	278,365	335,768	786,346

(Note 1) We have not obtained permission from the tenants of the properties to disclose the information and therefore it has been omitted from this table.

(Units: Thousands of yen)

Property number	M-27	M-28	M-29	M-30	M-31
Property name	Prologis Park Ichikawa 3	Prologis Park Narita 1-D	Prologis Park Yoshimi	Prologis Park Higashimatsuyama	Prologis Park Kyotanabe
Operating days	182	182	182	182	182
(1) Property related revenues	461,547	Not disclosed (Note 1)	627,186	Not disclosed (Note 1)	1,127,271
Property revenues	444,942		596,620		998,502
Other property related revenues	16,605		30,566		128,768
(2) Total of property related expenses	217,084		282,400		515,199
Property taxes	46,713		48,203		101,042
Subcontract expenses	31,383		29,408		38,542
Utilities cost	10,697		15,418		102,819
Non-life insurance premium	4,066		5,842		9,348
Repair and maintenance	3,297		1,892		260
Depreciation	120,445		181,155		260,941
Custodian fee	480		480		480
Other expenses	-		-		1,763
(3) Operating income from property leasing (= (1)-(2))	244,462	88,585	344,786	187,660	612,072
NOI ((3) + Depreciation)	364,908	130,507	525,941	306,796	873,013

(Note 1) We have not obtained permission from the tenants of the properties to disclose the information and therefore it has been omitted from this table.

(Units: Thousands of yen)

Property number	M-32	M-33	M-34	M-35
Property name	Prologis Park Chiba 1	Prologis Park MFLP Kawagoe (Note 1)	Prologis Park Chiba New Town	Prologis Park Chiba 2
Operating days	182	182	113	113
(1) Property related revenues	937,342	447,281	422,687	251,250
Property revenues	885,342	427,670	407,226	247,991
Other property related revenues	52,000	19,610	15,461	3,258
(2) Total of property related expenses	418,535	176,515	174,954	106,562
Property taxes	84,507	38,896	-	-
Subcontract expenses	49,080	25,461	34,392	14,876
Utilities cost	33,752	14,614	8,250	5,399
Non-life insurance premium	8,392	3,667	6,350	3,272
Repair and maintenance	117	1,159	1,171	-
Depreciation	242,205	92,476	124,493	81,719
Custodian fee	480	240	295	296
Other expenses	-	0	-	997
(3) Operating income from property leasing (= (1)-(2))	518,806	270,766	247,733	144,688
NOI ((3) + Depreciation)	761,011	363,242	372,226	226,408

(Note 1) Each amount of Prologis Park MFLP Kawagoe shown in the table is based on our 50% co-ownership.

(Units: Thousands of yen)

Property number	B-02	B-03	B-04	B-05	B-06
Property name	Prologis Park Takatsuki	Prologis Park Tosu 2	Prologis Park Tosu 4	Prologis Park Narashino 4	Prologis Park Ebina
Operating days	182	182	182	182	182
(1) Property related revenues	Not disclosed (Note 1)	Not disclosed (Note 1)	Not disclosed (Note 1)	Not disclosed (Note 1)	Not disclosed (Note 1)
Property revenues					
Other property related revenues					
(2) Total of property related expenses					
Property taxes					
Subcontract expenses					
Utilities cost					
Non-life insurance premium					
Repair and maintenance					
Depreciation					
Custodian fee					
Other expenses					
(3) Operating income from property leasing (= (1)-(2))	89,002	60,607	72,639	379,448	188,213
NOI ((3) + Depreciation)	121,555	92,153	108,619	524,714	229,249

(Note 1) We have not obtained permission from the tenants of the properties to disclose the information and therefore is omitted from this table.

(Units: Thousands of yen)

Property number	B-07	B-08	B-09	B-10	B-11
Property name	Prologis Park Kawanishi	Prologis Park Amagasaki 3	Prologis Park Kobe	Prologis Park Sendai Izumi	Prologis Park Koga 1
Operating days	182	182	182	182	182
(1) Property related revenues	Not disclosed (Note 1)	Not disclosed (Note 1)	Not disclosed (Note 1)	Not disclosed (Note 1)	Not disclosed (Note 1)
Property revenues					
Other property related revenues					
(2) Total of property related expenses					
Property taxes					
Subcontract expenses					
Utilities cost					
Non-life insurance premium					
Repair and maintenance					
Depreciation					
Custodian fee					
Other expenses					
(3) Operating income from property leasing (= (1)-(2))	314,118	169,917	129,819	77,905	131,704
NOI ((3) + Depreciation)	402,407	230,389	182,248	132,533	203,084

(Note 1) We have not obtained permission from the tenants of the properties to disclose the information and therefore is omitted from this table.

(Units: Thousands of yen)

Property number	B-12	B-13	B-14	B-15	B-16
Property name	Prologis Park Kobe 2	Prologis Park Koga 2	Prologis Park Koga 3	Prologis Park Tsukuba 1-A	Prologis Park Sendai Izumi 2
Operating days	182	182	182	182	182
(1) Property related revenues	Not disclosed (Note 1)	Not disclosed (Note 1)	Not disclosed (Note 1)	Not disclosed (Note 1)	Not disclosed (Note 1)
Property revenues					
Other property related revenues					
(2) Total of property related expenses					
Property taxes					
Subcontract expenses					
Utilities cost					
Non-life insurance premium					
Repair and maintenance					
Depreciation					
Custodian fee					
Other expenses					
(3) Operating income from property leasing (= (1)-(2))	237,400	59,421	74,030	170,478	145,268
NOI ((3) + Depreciation)	352,081	98,680	132,658	322,321	236,936

(Note 1) We have not obtained permission from the tenants of the properties to disclose the information and therefore is omitted from this table.

Property number	B-17	B-18	B-19
Property name	Prologis Park Kobe 4	Prologis Park Tsukuba 1-B	Prologis Park Tsukuba 2
Operating days	183	183	113
(1) Property related revenues	Not disclosed (Note 1)	Not disclosed (Note 1)	Not disclosed (Note 1)
Property revenues			
Other property related revenues			
(2) Total of property related expenses			
Property taxes			
Subcontract expenses			
Utilities cost			
Non-life insurance premium			
Repair and maintenance			
Depreciation			
Custodian fee			
Other expenses			
(3) Operating income from property leasing (= (1)-(2))	83,652	200,422	201,220
NOI ((3) + Depreciation)	123,851	347,870	352,702

(Note 1) We have not obtained permission from the tenants of the properties to disclose the information and therefore is omitted from this table.