

## **Disclaimers**

This document has been prepared solely for the purpose of providing U.K. and Dutch investors with certain information under Article 23 of the European Alternative Investment Fund Managers Directive (European Directive 2011/61/EU) (the “AIFMD”) as implemented in their respective jurisdictions. Accordingly, you should not use this document for any other purpose.

### ***Prohibition of Sales to EEA Retail Investors***

In addition to the restrictions under the AIFMD, the units of Nippon Prologis REIT, Inc. (“NPR” or the “AIF”) are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area (the “EEA”). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU, as amended (the “MiFID II”), including any client, beneficiary, principal, or similar of any person acting as a trustee, agent, nominee, or similar; or (ii) a customer within the meaning of Directive (EU) 2016/97, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in Regulation (EU) 2017/1129, as amended (the “Prospectus Regulation”). Consequently no key information document has been prepared required by Regulation (EU) No 1286/2014 (the “PRIIPs Regulation”) for offering or selling the units of NPR or otherwise making them available to retail investors in the EEA. Therefore offering or selling the units of NPR, or otherwise making them available, to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

### ***Prohibition of Sales to UK Retail Investors***

In addition to the restrictions under the AIFMD, as retained by the United Kingdom in its domestic laws, the units of NPR are not intended to be offered, sold or otherwise made available to, and should not be offered, sold or otherwise made available to, any retail investor in the United Kingdom. For these purposes of this provision, a “retail investor” means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (“EUWA”); (ii) a customer within the meaning of the provisions of the United Kingdom Financial Services and Markets Act 2000 (the “FSMA”) and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA; or (iii) not a qualified investor as defined in Article 2 of the Prospectus Regulation, as it forms part of domestic law by virtue of the EUWA; and the expression “offer” includes the communication in any form and by any means of sufficient information on the terms of the offer and the units to be offered so as to enable an investor to decide to purchase or subscribe the units. Consequently, no key information document required by Regulation (EU) No 1286/2014, as it forms part of domestic law by virtue of the EUWA (the “UK PRIIPs Regulation”), for offering or selling the units, or otherwise making them available, to retail investors in the United Kingdom has been prepared and therefore offering or selling the units, or otherwise

making them available, to any retail investor in the United Kingdom may be unlawful under the UK PRIIPs Regulation.

### ***United Kingdom***

The units of NPR are being marketed in the United Kingdom pursuant to Article 59 of the United Kingdom Alternative Investment Fund Managers Regulations 2013. In accordance with this provision, Prologis REIT Management K.K. (the “AIFM” or the “Asset Manager”) has notified the Financial Conduct Authority (the “FCA”) of its intention to offer these units in the United Kingdom. For the purposes of the FSMA, NPR is an unregulated collective investment scheme which has not been authorized by the FCA. Accordingly, any communication of an invitation or inducement to invest in NPR may be made only to: (i) investment professionals falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the “Order”); (ii) high net worth companies, unincorporated associations or other entities falling within Articles 49(2)(a) to (d) of the Order; or (iii) other persons to whom it may lawfully be communicated (all such persons together being referred to as “Relevant Persons”). In the United Kingdom, this document and its contents are directed only at Relevant Persons and must not be acted on or relied on by persons who are not Relevant Persons. The transmission of this document and its contents in the United Kingdom to any person other than a Relevant Person is unauthorized and may contravene the FSMA and other United Kingdom securities laws and regulations.

### ***European Economic Area and United Kingdom Investors***

The AIFMD was adopted on June 8, 2011 and was required to be implemented by each Member State of the EEA into its national legislation by July 22, 2013. The units of NPR may not be marketed (within the meaning given to the term “marketing” under the AIFMD), and the Communication may not be conducted, to prospective investors domiciled or with a registered office in any Member State of the EEA or the United Kingdom unless: (i) the units of NPR may be marketed under any national private placement regime (including under the AIFMD) or other exemption in that Member State or the United Kingdom (as applicable); or (ii) the units of NPR can otherwise be lawfully marketed or sold in that Member State or the United Kingdom (as applicable) in circumstances in which the AIFMD does not apply, provided that any such offer or sale is not made to a retail investor as described above. We have made a notification to each of the Netherlands Authority for the Financial Markets (Autoriteit Financiële Markten, the “AFM”) and the United Kingdom Financial Conduct Authority pursuant to Article 42 of the AIFMD in order to market the units of NPR in the Netherlands and the United Kingdom, respectively.

### ***Netherlands***

The units of NPR are being marketed in the Netherlands under Section 1:13b of the Netherlands Financial Supervision Act (*Wet op het financieel toezicht*, or the “Wft”). In accordance with this provision, the AIFM has notified the AFM of its intention to offer these units in the Netherlands. The units of NPR will not, directly or indirectly, be offered, sold, transferred or delivered in the Netherlands, except to or by individuals or entities that are qualified investors (*gekwalficeerde*

*beleggers*) within the meaning of Article 1:1 of the Wft, and as a consequence neither the AIFM nor NPR is subject to the license requirement for investment institutions (*beleggingsinstellingen*) or their managers pursuant to the Wft. Consequently, the AIFM and NPR are only subject to the supervision of the Dutch Central Bank (De Nederlandsche Bank) or the AFM for the compliance with the ongoing regulatory requirements as referred to in the Dutch law implementation of Article 42 of the AIFMD. According to Article 23 of the AIFMD, the prospectus is not subject to approval by the AFM. No approved prospectus is required to be published in the Netherlands pursuant to Article 3 of the Prospectus Regulation as amended and applicable in the Netherlands.

Article 23 (1)(a)	
Objectives of the AIF	NPR's investment objectives are to acquire and own logistics facilities in Japan, and to increase unit holder value by maintaining a portfolio that generates stable income and achieves steady portfolio growth through sound acquisitions and proactive portfolio management.
Investment strategy	NPR's investment strategy is focused on achieving diversification of property characteristics and geography, in order to provide stability of income and distributions. NPR intends to accomplish this by investing in a mix of multi-tenant and build-to-suit logistics facilities and by building a geographically diverse portfolio. NPR will target its investments in areas of Japan vital to international trade and logistics, which NPR calls the "global markets", as well as areas of Japan vital to domestic trade and logistics, which NPR calls the "regional markets". NPR's portfolio is relatively large and composed entirely of high-quality Class A logistics facilities that reflect the objectives of its portfolio strategy and have (or are expected to have) an occupancy rate and lease terms on par with the current properties.
Types of assets the AIF may invest in	Securities, real estate, leaseholds of real estate, surface rights ( <i>chijō-ken</i> ) (i.e., right to use land for the purpose of having a structure on it) or trust beneficiary interests for securities, real estate, leaseholds of real estate or surface rights
Techniques it may employ and all associated risks	<p>NPR makes investments primarily in logistics facilities located in Japan. The principal risks with respect to investment in NPR are as follows:</p> <ul style="list-style-type: none"> <li>• Any adverse conditions in the Japanese economy could adversely affect NPR.</li> <li>• Increases in prevailing market interest rates may increase NPR's interest expenses and may result in a decline in the market price of NPR's units.</li> <li>• Instability in the global financial system following the failure of major financial institutions, including bank failures in the United States and other developed economies</li> <li>• Uncertainty regarding the full effects of the continuing expansionary monetary and fiscal measures that the Japanese government and the Bank of Japan are pursuing against a global trend toward monetary tightening by other key central banks across the world</li> <li>• NPR's strategy of investing in Class-A logistics facilities may entail risks uncommon to other J-REITs that invest primarily in a broader range of real estate or real estate-related assets</li> <li>• NPR may lose rental revenues in the event of lease terminations, decreased lease renewals, the defaults of tenants as a result of financial difficulty or insolvency or careless or imprudent property management by tenants.</li> <li>• Some of NPR's logistics facilities are generally expected to cater to a single tenant or a small number of tenants and are typically designed for a specific use, which may make it difficult to find substitute tenants.</li> <li>• NPR faces significant and increasing competition in attracting tenants and it may be difficult to find replacement tenants without reducing rents, incurring additional costs or providing favorable lease terms to tenants.</li> <li>• NPR may suffer large losses from damage to NPR's properties or other negative consequences resulting from a natural disaster, climate change or man-made disaster.</li> <li>• Future outbreak of highly infectious or contagious diseases may materially and adversely impact NPR's business, operations, financial results and liquidity.</li> </ul>

	<ul style="list-style-type: none"> <li>• Any inability to obtain financing for future acquisitions could adversely affect the growth of NPR's portfolio.</li> <li>• Liquidity and other limitations on NPR's activities under debt financing arrangements may adversely affect NPR's business, financial condition and results of operations.</li> <li>• A downgrading of NPR's credit ratings may affect its ability to refinance or newly issue investment corporation bonds.</li> <li>• NPR may not be able to acquire properties to execute its growth and investment strategy in a manner that is accretive to earnings. In particular, NPR may face competition from a new private fund that the Prologis Group has recently established for acquisition opportunities, including those made available by other Prologis Group entities.</li> <li>• A high LTV ratio may increase NPR's exposure to changes in interest rates and may cause a material adverse effect on NPR's results of operations.</li> <li>• Many of the properties in NPR's portfolio are concentrated in the Kanto area and the Kansai area.</li> <li>• Real estate investments are not as liquid as certain other types of assets, which may reduce economic returns to investors.</li> <li>• The past experience of the Prologis Group in the Japanese real estate market is not an indicator or guarantee of NPR's future results.</li> <li>• NPR may suffer impairment losses in relation to NPR's properties.</li> <li>• Any future loans or issuances of investment corporation bonds would be senior to NPR's units upon liquidation, which could adversely affect the market price of NPR's units.</li> <li>• NPR may be excluded from equity indices with or without cause, which may trigger significant unwinding of investors' positions in NPR and thereby could adversely affect the market price of NPR's units.</li> <li>• When NPR purchases or commits to purchase properties under development, NPR may be exposed to increased risks and uncertainties with respect to the successful completion and operation of such properties.</li> <li>• NPR's redevelopment projects may not go as planned and could adversely affect NPR's gains and losses.</li> <li>• NPR may not be able to make regular or one-time surplus cash distributions, which are presented as part of the financial forecasts presented by NPR.</li> <li>• NPR's portfolio contains certain properties located on reclaimed land, which is subject to unique risks, including land liquefaction.</li> <li>• NPR relies on expert appraisals and engineering, environmental and seismic reports, which are subject to significant uncertainties.</li> <li>• NPR's success depends on the performance of service providers to which NPR is required to assign various key functions.</li> <li>• NPR's performance depends on the efforts of key personnel of the Asset Manager.</li> <li>• There are potential conflicts of interest between NPR and the Prologis Group, including the Asset Manager.</li> <li>• NPR's reliance on the Prologis Group could have a material adverse effect on its business.</li> <li>• NPR's use of bridge funds to acquire properties could entail certain risks, including that there is no guarantee that NPR will be able to acquire such properties with the bridge funds at favorable prices or on a timing that NPR deems appropriate.</li> </ul>
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	<ul style="list-style-type: none"> <li>• NPR's investment to securities such as preferred equity securities and senior/mezzanine loan receivables could entail certain risks, including that there is no guarantee that NPR will be able to dispose such securities at favorable prices or on a timing that NPR deems appropriate due to transfer restrictions and low liquidity.</li> <li>• Security breaches and other similar disruptions could compromise the information that NPR owns and manage and expose NPR to liability, which could cause its business and reputation to suffer.</li> <li>• J-REITs and their asset managers are subject to tight supervision by the regulatory authorities.</li> <li>• NPR's failure to satisfy a complex series of requirements pursuant to Japanese tax regulations would disqualify NPR from certain taxation benefits and significantly reduce its cash distributions to unit holders.</li> <li>• NPR may reduce its cash distributions due to limitations relating to reversal of allowance for temporary difference adjustment.</li> <li>• NPR expects to be treated as a partnership for U.S. federal income tax purposes. Transfers of (and certain distributions on) our units could be subject to U.S. withholding tax requirements under the Internal Revenue Code of 1986, as amended, and recently issued U.S. Treasury regulations.</li> <li>• Unit holders may be subject to U.S. Foreign Account Tax Compliance Act (FATCA) withholding.</li> <li>• Unit holders have limited control over changes in NPR's investment policies</li> <li>• NPR is subject to increasing scrutiny from certain investors, tenants and regulators with respect to environmental, social and governance matters, which may adversely affect our ability to market NPR's units and increase compliance costs.</li> <li>• NPR may need to make significant expenditures to improve the environmental performance of properties within NPR's portfolio.</li> </ul> <p>In addition, NPR is subject to the following risks:</p> <ul style="list-style-type: none"> <li>• risks related to tenant leasehold deposit and/or security deposits</li> <li>• risks related to operation costs, including risks associated with increases in commodity prices as a result of weakness of the Japanese yen, inflationary pressures across the world as well as geographical instability</li> <li>• risks related to master lease agreements</li> <li>• risks related to cost of complying with regulations applicable</li> <li>• risks related to property defect</li> <li>• risks related to industry and market data</li> <li>• risks related to climate change</li> <li>• risks related to forward commitment contracts</li> <li>• risks related to earthquake resistance building codes</li> <li>• risks related to environmental assessments</li> <li>• risks related to the tax authorities' disagreement with the AIFM's interpretations of the Japanese tax laws and regulations</li> <li>• risks related to tax benefit</li> <li>• risks related to changes in Japanese tax laws</li> <li>• NPR's ownership rights in some of its projects may be declared invalid or limited</li> <li>• risks related to loss of rights in a property due to the recharacterization of purchase of the property as a secured financing</li> </ul>
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	<ul style="list-style-type: none"> <li>• risks related to leasehold or subleasehold rights</li> <li>• risks related to complicated investment methods</li> <li>• risks related to trust beneficiary interests</li> <li>• risks related to unit holders rights in a J-REIT</li> <li>• risks related to foreign financial regulations</li> <li>• risks related to ERISA requirements</li> <li>• risks related to the Bank of Japan's policy</li> <li>• risks related to repurchase and cancellation of units</li> <li>• risks related to sales of units by major unit holders</li> <li>• risks related to daily price range limitations by the Tokyo Stock Exchange</li> <li>• risks related to immediate dilution in the appraisal net asset value of units</li> <li>• risks related to reliance on the appraisal values or metrics</li> </ul>
Any applicable investment restrictions	<p>NPR is an "investment corporation" who is subject to investment restrictions under Japanese laws and regulations, including the Act on Investment Trusts and Investment Corporations (the "ITA") and the Financial Instruments and Exchange Act (the "FIEA"). These restrictions require that NPR must invest primarily in specified assets as defined in the ITA. Specified assets include, but are not limited to, securities, real estate, leaseholds of real estate, and surface rights (<i>chijō-ken</i>) (i.e., the right to use land for the purpose of having a structure on it), as well as trust beneficiary interests in securities, real estate, leaseholds of real estate and surface rights.</p> <p>Pursuant to the ITA, investment corporations may not become an entity who independently develops land for housing or to construct buildings, but may outsource such activities in certain circumstances.</p> <p>In addition, the basic investment policy of NPR is set out in NPR's Articles of Incorporation (the "Articles of Incorporation"). Moreover, the Asset Manager has established investment guidelines to provide more detailed policies based on this basic policy. However, the Asset Manager may amend or revise these investment guidelines from time to time without a vote of NPR's unit holders or NPR's approval.</p>
Circumstances in which the AIF may use leverage	<p>NPR may borrow funds (including through the call money market) or issue investment corporation bonds (including short-term investment corporation bonds) for the purpose of funding property acquisitions, conducting repairs, paying cash distributions, providing funds for the administration of NPR, repaying obligations (including repayment of tenant leasehold or security deposits and of obligations related to loans and investment corporation bonds) and other activities.</p>
The types and sources of leverage permitted and associated risks	<p>NPR currently has outstanding loans and investment corporation bonds, as well as access to a commitment line, all of which are unsecured and unguaranteed. NPR may be subject to restrictive covenants in connection with any indebtedness that may restrict NPR's operations and limit its ability to make cash distributions to unit holders, to dispose of properties or to acquire additional properties. Furthermore, if NPR were to violate such restrictive covenants, for example with regard to the maintenance of debt service coverage or loan-to-value ratios, lenders may be entitled to require NPR to collateralize portfolio properties or demand that the entire outstanding balance be paid ahead of scheduled payments. Further, in the event of an increase in interest rates, to the extent that NPR has taken on any debt with unhedged floating interest rates, interest payments may increase, which in turn could reduce the amount of cash available for distributions to unit holders. Higher interest rates may also limit NPR's capacity for short- and long-term</p>

	borrowings, which would in turn limit its ability to acquire properties, and could cause the market price of its units to decline.
Any restrictions on leverage	Under the Articles of Incorporation, the maximum permitted amount of each loan and corporate bond issuance is one trillion yen, and the aggregate permitted amount of all such debt is also one trillion yen.
Any restrictions on collateral and asset reuse arrangements	No applicable arrangements.
Maximum level of leverage which the AIFM is entitled to employ on behalf of the AIF	NPR has, in principle, set an upper limit of 60% for its loan-to-value (“LTV”) ratio in order to operate with a stable financial condition. Additionally, NPR seeks to operate, as a general rule, with an LTV ratio at a conservative level at approximately 50%. NPR may, however, temporarily exceed such levels as a result of acquisitions of additional properties or other events.
<b>Article 23(1) (b)</b>	
Procedure by which the AIF may change its investment strategy / investment policy	<p>Changes to NPR’s basic investment policy require an amendment of the Articles of Incorporation. Such amendment requires a quorum of a majority of the total issued units and at least a two-thirds vote of the voting rights represented at a general meeting of unit holders. Unit holders should note, however, that under the ITA and the Articles of Incorporation, unit holders who do not attend and exercise their voting rights at a general meeting of unit holders are deemed to be in agreement with proposals submitted at the meeting, except in cases where, based on a prescribed procedure in our articles of incorporation, a unit holder or unit holders who satisfy specific eligibility requirements express a prior contrary opinion with respect to certain prescribed proposals which may have a significant impact on unit holders’ interest and thereby our governance structure, as well as in cases where contrary proposals are also being submitted.</p> <p>Additionally, the investment guidelines of the Asset Manager, which provide more detailed policies based on NPR’s basic investment policy, can be modified without amendment of the Articles of Incorporation and without a vote of NPR’s unit holders or NPR’s approval.</p>
<b>Article 23(1) (c)</b>	
Description of the main legal implications of the contractual relationship entered into for the purpose of investment, including jurisdiction, applicable law, and the existence or not of any legal instruments providing for the recognition and enforcement of judgments in the territory where the AIF is established	<p>NPR has entered into the following asset management, support and information agreements with the Asset Manager, the Sponsor (as defined below) and other entities, each of which is governed by Japanese law:</p> <ul style="list-style-type: none"> <li>• Asset Management Agreement dated as of November 13, 2012 between NPR and the Asset Manager.</li> <li>• Sponsor Support Agreement dated as of January 10, 2013 among NPR, the Asset Manager, Prologis K.K. and Prologis, Inc. (the “Sponsor”).</li> </ul> <p>NPR is a corporate-type investment trust in the form of investment corporation (<i>toshi hojin</i>) provided for under the ITA. Therefore, the relationship between NPR and its unit holders is governed by the Articles of Incorporation (as opposed to individual agreements), which can be amended from time to time upon resolution of a general meeting of unit holders. The Articles of Incorporation stipulate rules relating to general meetings of unit holders, including the convocation, setting of record date, exercise of voting rights, resolutions and election of NPR’s directors.</p>



	<p>The relationship between NPR and its unit holders is also governed by, and is subject to the provisions of, Japanese law, including the ITA.</p> <p>The courts in Japan would recognize as a valid judgment any final and conclusive civil judgment for monetary claims (which, for this purpose, are limited to those of a purely civil nature and do not include monetary claims of the nature of criminal or administrative sanction, such as punitive damages, even though they take the form of civil claims) against NPR obtained in a foreign court provided that (i) the jurisdiction of such foreign court is admitted under the laws of Japan, (ii) NPR has received service of process for the commencement of the relevant proceedings, otherwise than by a public notice or any method comparable thereto, or has appeared without any reservation before such foreign court, (iii) neither such judgment nor the relevant proceeding is repugnant to public policy as applied in Japan, (iv) there exists reciprocity as to the recognition by such foreign court of a final judgment obtained in a Japanese court and (v) there is no conflicting judgement on the subject matter by any Japanese court.</p>
<b>Article 23(1) (d)</b>	
<p>The identity of the AIFM, AIF's depositary, auditor and any other service providers and a description of their duties and the investors' rights thereto</p>	<ul style="list-style-type: none"> <li>• <u>Asset Manager (AIFM)</u>: Prologis REIT Management K.K. The AIFM provides services related to asset management, financing of the AIF, reporting to the AIF and other related matters.</li> <li>• <u>Auditor</u>: KPMG AZSA LLC The auditor audits financial statements and reports to the supervisory directors if it finds any misconduct or any material fact of violation of law or the Articles of Incorporation with regard to execution of the duties of the executive director.</li> <li>• <u>Asset custodian, general administrator and transfer agent</u>: Sumitomo Mitsui Trust Bank, Limited The asset custodian provides administrative services related to custody of assets. The general administrator provides services related to administration of directors' meetings and administration of unit holders' meetings (except for services concerning dispatch of documents related to unit holders' meetings and, production, acceptance and counting of voting forms), administration of accounting matters, preparation of accounting books and administration of tax payments. The transfer agent provides administrative services related to unit holders' register, issuance of investment units, calculation and payment of cash distributions to unit holders and addressing unit holders' claims, offers and notices.</li> <li>• <u>General administrator for investment corporation bonds</u>: Sumitomo Mitsui Banking Corporation, MUFG Bank, Ltd., and the Norinchukin Bank The general administrator for investment corporation bonds undertakes administrative tasks relating to the bond holders' registry and payment of interest or redemption for the investment corporation bonds.</li> </ul>
<b>Article 23(1) (e)</b>	

Description of how the AIFM complies with the requirements to cover professional liability risks (own funds / professional indemnity insurance)	Not applicable.
<b>Article 23(1) (f)</b>	
Description of any delegated management function such as portfolio management or risk management and of any safekeeping function delegated by the depositary, the identification of the delegate and any conflicts of interest that may arise from such delegations	<p>Not applicable.</p> <p>There is no delegation of such functions beyond the Asset Manager, which is responsible for portfolio and risk management, and the asset custodian, which is responsible for safekeeping activities.</p>
<b>Article 23(1) (g)</b>	
Description of the AIF's valuation procedure and pricing methodology, including the methods used in valuing hard-to-value assets	<p>NPR makes investment decisions based partly on the results of due diligence which includes the valuation of properties and consideration of the property appraisal value.</p> <p>NPR otherwise values assets in accordance with the Articles of Incorporation. The methods and standards that NPR uses for the valuation of assets are based on the Ordinance on Accountings of Investment Corporations, as well as the Regulations Concerning Real Estate Investment Trusts and Real Estate Investment Corporations and other regulations stipulated by ITA, as well as Japanese GAAP.</p> <p>Hard-to-value assets include assets such as equity interests in anonymous associations (<i>tokumei kumiai</i>) and beneficiary interests in trusts of money principally invested in real estate anonymous associations. Future cash flows of hard-to-value assets are difficult to estimate. NPR values hard-to-value assets differently depending on the asset, but pursuant to the ITA, the Ordinance on Accountings of Investment Corporations and the valuation rules of the Investment Trusts Association, Japan or in accordance with Japanese GAAP. The valuation of such hard-to-value assets is discussed in the notes to NPR's financial statements.</p>
<b>Article 23(1) (h)</b>	
Description of the AIF's liquidity risk management, including redemption rights in normal and exceptional	Net operating income arising from operating activities constitutes NPR's primary source of liquidity to fund distributions, interest payments on loans payable, fees to the Asset Manager and other service providers, property-related taxes, repairs and maintenance, and capital expenditures for its properties in the ordinary course of business. However, NPR's ability to use cash flows from operations to finance property acquisitions is limited because NPR is generally required to distribute in excess of 90% of its distributable profit,

<p>circumstances and existing redemption arrangements with investors</p>	<p>calculated in accordance with the Special Taxation Measures Act of Japan, for each fiscal period to its unit holders. Therefore, NPR's financing for acquisitions depends primarily on proceeds from outside financing, including equity offerings, loans and investment corporation bonds.</p> <p>In addition, NPR is provided a line of credit from major Japanese commercial banks in the total amount of 20 billion yen. The line of credit can be drawn down for the purpose of enhancing liquidity of NPR in case of acquisitions, repayment of debt, return of security deposits, etc.</p> <p>NPR controls liquidity-related risks by aiming to maintain its LTV ratio at a conservative level at approximately 50%, diversifying the maturity dates of its repayment obligations, and maintaining a certain amount of highly liquid cash and deposits.</p> <p>Because NPR is a closed-end investment corporation, unit holders are not entitled to request the redemption of their investment.</p>
<p><b>Article 23(1) (i)</b></p>	
<p>Description of all fees, charges and expenses and a maximum amount which is directly / indirectly borne by the investors</p>	<p><u>Directors' Compensation:</u> The Articles of Incorporation, which is set forth by resolutions at general meetings of our unit holders, defines that the maximum amount of remuneration for the executive director is ¥1,000,000 per month and the maximum amount of remuneration for the supervisory directors is ¥500,000 per month per person.</p> <p><u>Asset Management Fees:</u></p> <ul style="list-style-type: none"> <li>• NPR pays the Asset Manager asset management fees as follows: <ul style="list-style-type: none"> <li>• <i>Type 1 management fee</i> NPR pays to the Asset Manager a type 1 asset management fee for each fiscal period. This type 1 asset management fee is payable within three months following the last day of the fiscal period and is up to an amount equal to 7.5% of net operating income, which is (i) the total operating income of the property lease business received during the fiscal period, (ii) less the operating costs of the property lease business during the fiscal period (excluding allowances for depreciation), rounded down to the nearest yen.</li> <li>• <i>Type 2 management fee</i> NPR pays to the Asset Manager a type 2 management fee within three months following the last day of each fiscal period. The type 2 management fee is up to an amount equal to 6% of (i) the total net income during the fiscal period (before the deduction of the type 2 management fee and consumption and local taxes), (ii) less the total profit and loss incurred from the sale of specified assets and retirement of fixed assets, rounded down to the nearest yen.</li> <li>• <i>Acquisition fee</i> For each new property and real estate security that NPR acquires, the Asset Manager receives an acquisition fee, which is up to an amount equal to 1.0% of the purchase price (excluding national and local consumption taxes and acquisition expenses), or up to an amount equal to 0.5% in the case of a related-party transaction (according to rules that are adopted by the Asset Manager regarding related-party transactions), rounded down to the nearest yen and</li> </ul> </li> </ul>

	<p>payable by the end of the month following the month of the acquisition (when transfer of property rights becomes effective). Acquisition fees are also expected to be incurred for the new properties.</p> <ul style="list-style-type: none"> <li>• <i>Disposition fee</i> For each property that NPR disposes of, the Asset Manager receives a disposition fee, which is up to an amount equal to 0.5% of the disposition price (excluding national and local consumption taxes and disposition expenses), or up to an amount equal to 0.25% in the case of a related-party transaction, rounded down to the nearest yen and payable by the end of the month following the month of the disposition (when transfer of property rights becomes effective). However, the Asset Manager does not receive any disposition fee for any disposition of properties that incurs a loss.</li> </ul> <p><u>Asset Custodian Fee:</u></p> <ul style="list-style-type: none"> <li>• NPR pays SMTB a biannual fee for each calculation month, payable by the last day of the month immediately following the month when the claim for the payment is made by the custodian or general administrator for each fiscal period (or the preceding business day if the last day of such month is not a bank business day), by means of a bank remittance to the bank account as designated by the custodian or administrator. (Any bank remittance charges and local and national consumption taxes to be imposed on such charges shall be borne by NPR.)</li> <li>• The maximum custodian fee is determined as a percentage of the total amount of NPR's assets as at the end of the month prior to the calculation month, not exceeding 0.03% of such total assets prorated over 12 months, to be calculated based on the composition of NPR's assets and to be separately agreed upon between the custodian and NPR and local and national consumption taxes to be imposed on the foregoing fees.</li> </ul> <p><u>General Administrator Fee:</u></p> <ul style="list-style-type: none"> <li>• The maximum general administrator fee is determined as a percentage of the total amount of NPR's assets as at the end of the month prior to the calculation month, not exceeding 0.09% of such total assets prorated over 12 months, to be calculated based on the composition of NPR's assets and to be separately agreed upon between the general administrator and us and local and national consumption taxes to be imposed on the foregoing fees.</li> </ul> <p><u>Transfer Agent Fee:</u></p> <ul style="list-style-type: none"> <li>• Standard fee: Standard fees are for services such as administration and custody of the unit holders' register, creating monthly reports, managing unit holders lists and compilation of statistical data, large unit holder lists, lists of all unit holders, and executive board members lists. There is a minimum monthly fee of ¥210,000. There is a ¥50 fee per unit holder disqualified during the month.</li> </ul>
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		Number of Unit Holders	Fees per Unit Holder
		not more than 5,000 unit holders	¥86
		over 5,000 to 10,000	¥73
		over 10,000 to 30,000	¥63
		over 30,000 to 50,000	¥54
		over 50,000 to 100,000	¥47
		over 100,000	¥40
•	Calculation of Distributions:		
These fees are for the calculation of distributions and deducted tax, preparation of the detailed invoice of distributions, preparation of payment receipts, arrangement for revenue-stamp duty, preparation of the certificate of payment for distributions, confirmation of unpaid distributions and preparation of the detailed invoice of unpaid distributions, preparation of wire transfer notices of distributions, wire transfer magnetic tape of distributions and the wire transfer voucher of distribution. The fees are determined based on the total number of unit holders and calculated according to the table below. There is a minimum fee of ¥350,000 per distribution. An additional fee of ¥150 per distribution will be charged for distributions made to a specified bank account. NPR pays ¥15 per sheet for the creation of calculation sheets for distributions. NPR pays a fee of ¥15,000 per application for payment applications for taxation on dividend income (for taxation by administrative divisions excluding the Tokyo Metropolitan Area), which includes the creation of the payment application for taxation on dividend income. NPR pays fees of ¥10,000 per payment for distribution payments, which includes creating the distribution payment and also receiving and renewing the money to make the payment.			
		Number of Unit Holders	Fees per Unit Holder
		Not more than 5,000 unit holders	¥120
		over 5,000 to 10,000	¥105
		over 10,000 to 30,000	¥90
		over 30,000 to 50,000	¥80
		over 50,000 to 100,000	¥60
		over 100,000	¥50
•	Payment of Distributions:		
These fees are for payment of distributions after the handling period and payment arrangements and administration of unpaid distributions. NPR pays ¥450 per payment receipt and ¥3 per payment receipt for unpaid distributions as of the end of each month.			
<u>General Administrator Fee for investment corporation bonds:</u>			
The maximum fee amount with respect to the eighth, ninth, tenth, eleventh, twelfth, thirteenth, fourteenth and fifteenth series of investment corporation bonds is ¥5,000,000, respectively.			

	<p>The fee amount is ¥2,700,000 with respect to the fifth series of investment corporation bonds, ¥3,900,000 with respect to the sixth series of investment corporation bonds and ¥4,000,000 with respect to the seventh series of investment corporation bonds. NPR is also responsible for national and local consumption taxes.</p> <p><u>Auditor Fee:</u></p> <p>NPR may pay the independent auditor up to ¥20 million per fiscal period. The board of directors is responsible for determining the actual compensation amount.</p>			
Article 23(1) (j)				
Description of the AIFM's procedure to ensure fair treatment of investors and details of any preferential treatment received by investors, including detailing the type of investors and their legal or economic links with the AIF or AIFM	Under Article 77 paragraph 4 of the ITA, which applies the requirements of Article 109 paragraph 1 of the Companies Act of Japan to investment corporations, investment corporations are required to treat unit holders equally depending on the number and content of units held. In addition, upon liquidation, the allotment of residual assets to unit holders is required to be made equally depending on the number of units held under Article 77 paragraph 2 item 2 and Article 158 of the ITA.			
Article 23(1) (k)				
The latest annual report referred to in Article 22(1)	Additional information may be found in our most recent semi-annual report prepared in accordance with Article 22 of the AIFMD, which is available at NPR’s website.			
Article 23(1) (l)				
The procedure and conditions for the issue and sale of the units	NPR is authorized under the Articles of Incorporation to issue up to 10,000,000 units. Its units have been listed on the Tokyo Stock Exchange since February 14, 2013. Secondary market sales and transfers of units will be conducted in accordance with the rules of the Tokyo Stock Exchange. Unit prices on the Tokyo Stock Exchange are determined on a real-time basis by the equilibrium between bids and offers. The Tokyo Stock Exchange sets daily price limits, which limit the maximum range of fluctuation within a single trading day. Daily price limits are set according to the previous day’s closing price or special quote.			
Article 23(1) (m)				
Latest net asset value of the AIF or latest market price of the unit or share of the AIF	NPR’s unit’s latest market price is publicly available at the Tokyo Stock Exchange or from financial information venders (including Reuters, which can be viewed at <a href="https://jp.reuters.com/companies/3283.T">https://jp.reuters.com/companies/3283.T</a> ).			
Article 23(1) (n)				
Details of the historical performance of the AIF, where available	The units of NPR were listed on the Tokyo Stock Exchange on February 14, 2013. The most recent five fiscal periods’ performance of the units is as follows.			
	Fiscal period	Total Assets (JPY million)	Total Net Assets (JPY million)	Net Assets per unit (JPY)
	November 30, 2024	878,175	508,544	179,134

	May 31, 2024	880,723	510,747	179,910
	November 30, 2023	881,219	512,592	180,560
	May 31, 2023	836,085	488,780	177,770
	November 30, 2022	803,379	466,307	174,624
<b>Article 23(1) (o)</b>				
Identity of the prime broker, any material arrangements of the AIF with its prime brokers, how conflicts of interest are managed with the prime broker and the provision in the contract with the depositary on the possibility of transfer and reuse of AIF assets, and information about any transfer of liability to the prime broker that may exist	No applicable prime broker.			
<b>Article 23(1) (p)</b>				
Description of how and when periodic disclosures will be made in relation to leverage, liquidity and risk profile of the assets, pursuant to Articles 23(4) and 23(5)	The AIFM will disclose the matters described in Articles 23(4) and 23(5) periodically through NPR’s website and semi-annual report.			
<b>Article 23(2)</b>				
The AIFM shall inform the investors before they invest in the AIF of any arrangement made by the depositary to contractually discharge itself of liability in accordance with Article 21(13)	Not applicable.			

The AIFM shall also inform investors of any changes with respect to depositary liability without delay	Not applicable.
<b>Article 23(4)(a)</b>	
Percentage of the AIF's assets which are subject to special arrangements arising from their illiquid nature. The percentage shall be calculated as the net value of those assets subject to special arrangements divided by the net asset value of the AIF concerned	There are no assets that are subject to special arrangements arising from their illiquid nature.
Overview of any special arrangements, including whether they relate to side pockets, gates or other arrangements	There are no such special arrangements.
Valuation methodology applied to assets which are subject to such arrangements	There are no such special arrangements.
How management and performance fees apply to such assets	There are no such special arrangements.
<b>Article 23(4)(b)</b>	
Any new arrangements for managing the liquidity of the AIF	Any new arrangements or change in applicable arrangements will be disclosed at an appropriate time.
For each AIF that the AIFM manages that is not an unleveraged closed-end AIF, notify to investors whenever they make changes to its liquidity management systems	Any new arrangements or change in applicable arrangements will be disclosed at an appropriate time.



(which enable an AIFM to monitor the liquidity risk of the AIF and to ensure the liquidity profile of the investments of the AIF complies with its underlying obligations) that are material in accordance with Article 106(1) of Regulation (EU) No 231/2013 (ie. there is a substantial likelihood that a reasonable investor, becoming aware of such information, would reconsider its investment in the AIF, including because such information could impact an investor's ability to exercise its rights in relation to its investment, or otherwise prejudice the interests of one or more investors in the AIF).	
Immediately notify investors where they activate gates, side pockets or similar special arrangements or where they decide to suspend redemptions	Any new arrangements or change in applicable arrangements will be disclosed at an appropriate time.
Overview of changes to liquidity arrangements, even if not special arrangements	Any new arrangements or change in applicable arrangements will be disclosed at an appropriate time.
Terms of redemption and circumstances where management	NPR is a closed-end investment corporation and unit holders are not entitled to request the redemption of their investment.

discretion applies, where relevant	
Also any voting or other restrictions exercisable, the length of any lock-up or any provision concerning 'first in line' or 'pro-rating' on gates and suspensions shall be included	There are no voting or other restrictions on the rights attaching to units.
<b>Article 23(4)(c)</b>	
The current risk profile of the AIF and the risk management systems employed by the AIFM to manage those risks	<p>The Asset Manager stipulates basic provisions of risk management in its risk management rules. The appropriateness and effectiveness of the Asset Manager's risk management systems are regularly reviewed and evaluated by the Compliance Officer of the Asset Manager.</p> <p>The use of long-term loans and investment corporation bonds to finance asset acquisitions and other purposes gives rise to liquidity risks. NPR controls such risks by aiming to maintain a conservative LTV ratio of approximately 50%, diversifying financing methods and lenders, dispersing repayment deadlines, retaining a certain amount of liquid cash deposits and establishing commitment lines.</p> <p>NPR, in order to reduce the impact caused by rising interest rates, closely monitors the movement of interest rates.</p> <p>Derivative transactions (interest rate swap transactions) are used to hedge against the risks of increases in floating interest rates.</p>
Measures to assess the sensitivity of the AIF's portfolio to the most relevant risks to which the AIF is or could be exposed	No such measures have been implemented.
If risk limits set by the AIFM have been or are likely to be exceeded and where these risk limits have been exceeded a description of the circumstances and the remedial measures taken	No such situation has occurred.
<b>Article 23(5)(a)</b>	
Any changes to the maximum amount of leverage which the	Any new arrangements or change in applicable arrangements will be disclosed at an appropriate time.

AIFM may employ on behalf of the AIF, calculated in accordance with the gross and commitment methods. This shall include the original and revised maximum level of leverage calculated in accordance with Articles 7 and 8 of Regulation (EU) No 231/2013, whereby the level of leverage shall be calculated as the relevant exposure divided by the net asset value of the AIF.	
Any right of the reuse of collateral or any guarantee granted under the leveraging agreement, including the nature of the rights granted for the reuse of collateral and the nature of the guarantees granted	No such right or guarantee exists.
Details of any change in service providers relating to the above.	Any new arrangements or change in applicable arrangements will be disclosed at an appropriate time.
<b>Article 23(5)(b)</b>	
Information on the total amount of leverage employed by the AIF calculated in accordance with the gross and commitment methods	The aggregate amount of debt with interest is JPY 333,300 million as of November 30, 2024.