



Prologis Park Kyotanabe

Nippon Prologis REIT, Inc.

Fiscal Period Ended May 31, 2019

Unaudited

July 18, 2019

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SECTION 01

Highlights for Fiscal Period Ended May 2019 and Recent Offering

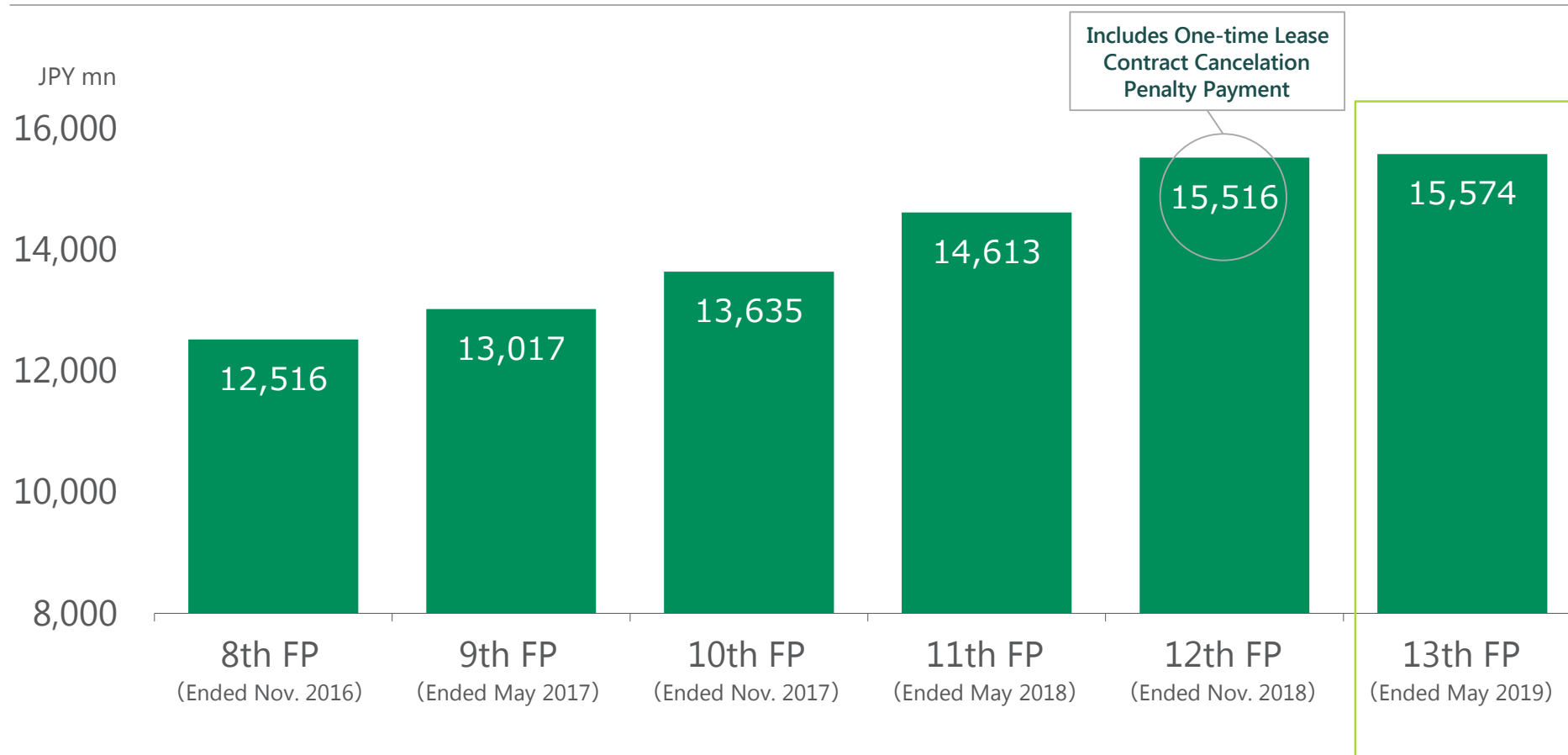
Highlights for Fiscal Period Ended May 2019 and Recent Offering

- Achieved steady DPU and NAV per unit growth
- Increased occupancy and Continued growth of NOI
- Accessed proprietary pipeline from sponsor
- Maintained strong balance sheet

Highlights for Fiscal Period Ended May 2019			Post-Acquisition	
NOI JPY 15,574 mn (+1.1% vs. forecast)	DPU JPY 4,502 (+1.6% vs. forecast)	NAV per Unit JPY 216,743	Portfolio Size ⁽¹⁾ JPY 641.3 bn	Pipeline 11 properties approx. JPY 180 bn
Average Occupancy Rate 99.0%	Unrealized Gain JPY 144.2 bn	Market Cap JPY 582.7 bn (as of June 30, 2019)	LTV ⁽²⁾ 37.8%	Borrowing Capacity ⁽³⁾ approx. JPY 150 bn

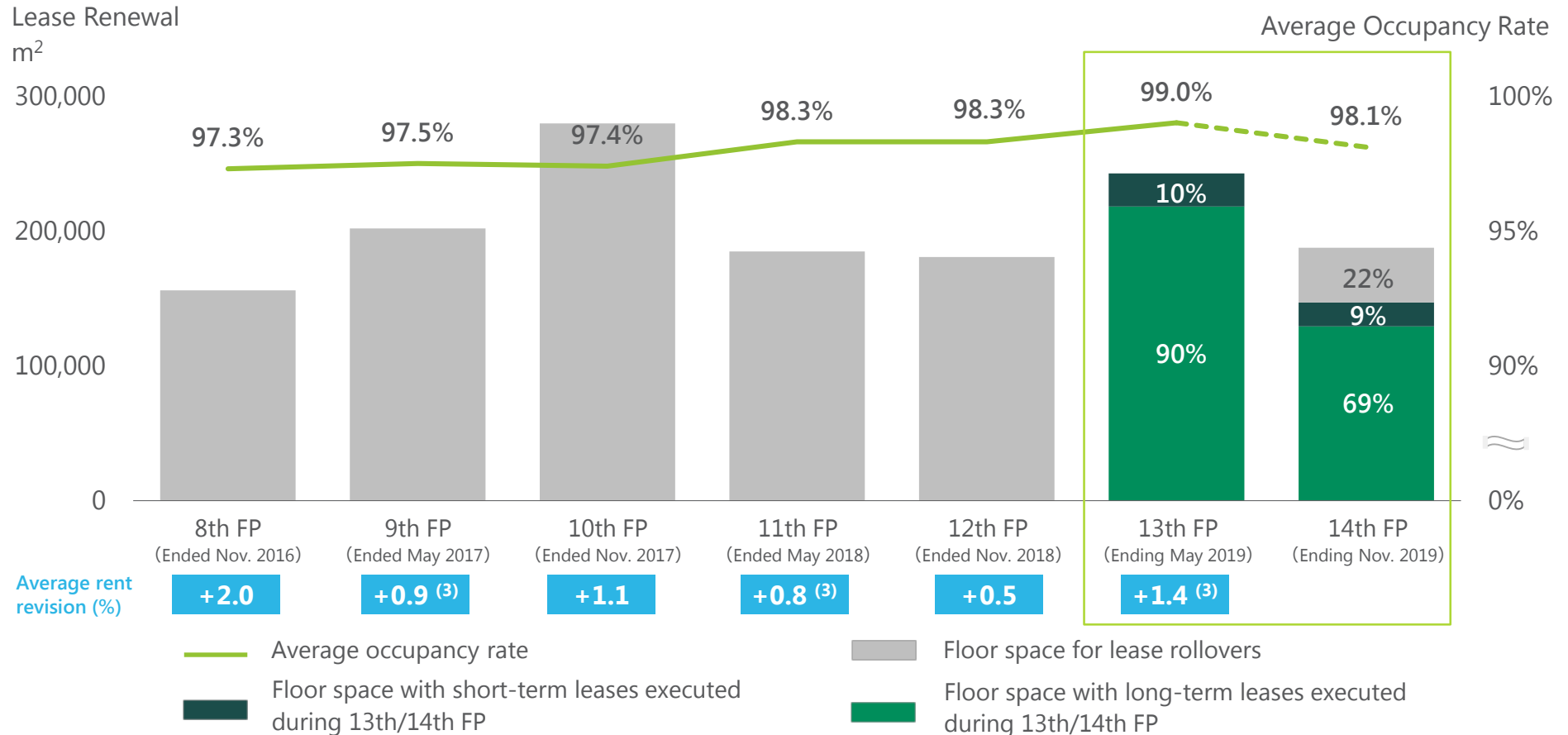
Continued Growth of NOI

13TH FP NOI ⁽¹⁾ JPY 15,574 MN (+1.1% VS. FORECAST ⁽²⁾ , +0.4% OVER PREVIOUS FP)



Increased Occupancy and Improved Rent Growth

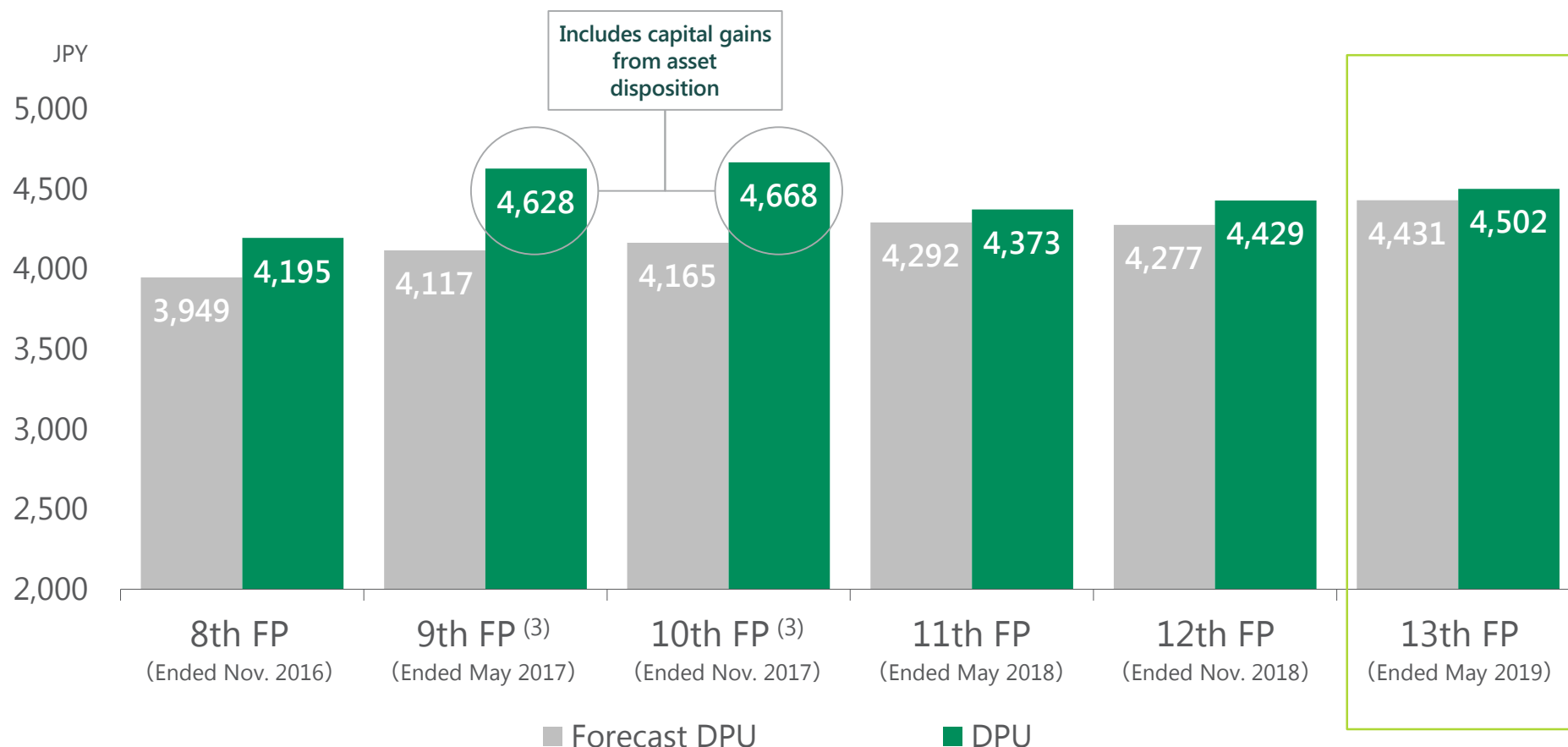
HISTORICAL LEASE RENEWAL/AVERAGE OCCUPANCY RATE



1. The results of leasing activities do not include office and store space, and the percentages shown are based on the size of contracted floor space.
2. For warehouse excluding office and store space, it is calculated by weighted rental rate variance between the old and new lease contracts which expired during the fiscal period. Calculated based on monthly nominal rents including common area management charges.
3. Includes contract for which the rent was revised during contract period.
4. Floor space breakdown of Rent Revision of 13th FP: Upward Revision of Rent 47%, Rent Unchanged 53%, Downward Revision of Rent 0%.
5. The average occupancy rate for 14th FP is forecast.
6. Floor space breakdown of lease renewal during 13th/14th FP is as of July 8, 2019.

Achieved Steady DPU Growth

13TH FP DPU ⁽¹⁾ JPY 4,502 (+1.6% VS. FORECAST ⁽²⁾ , +1.6% OVER PREVIOUS FP)

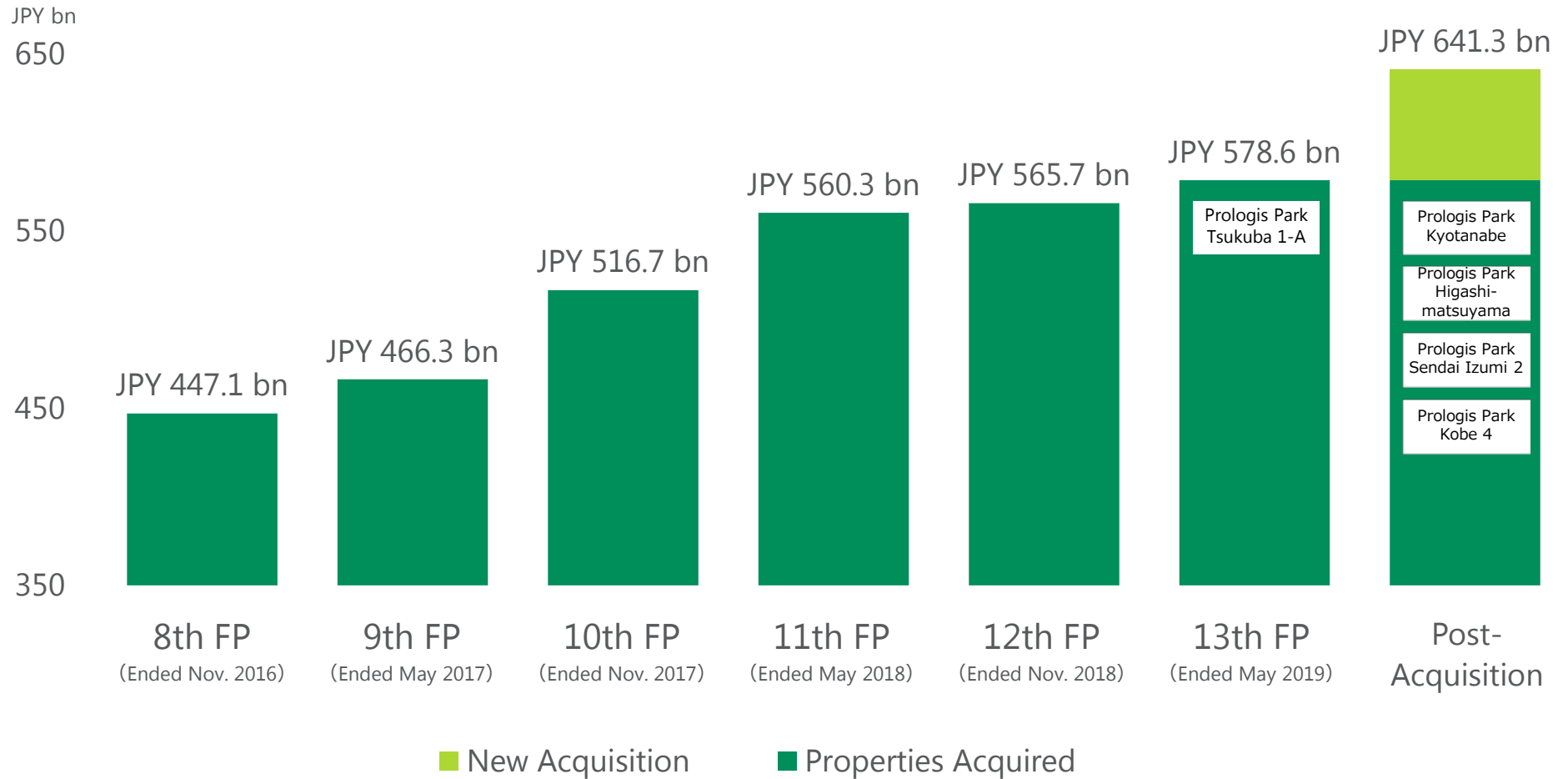


1. Including surplus cash distributions.

2. Calculated based on data disclosed on January 18, 2019.

3. Regular surplus cash distributions were suspended due to the increased profit levels as a result of asset dispositions.

Assets Under Management Continued to Grow



Four Class-A Properties Acquired

Total (Anticipated) Acquisition Price : JPY 62.6 bn ⁽¹⁾	Average Appraisal NOI Yield : 4.7 % ⁽²⁾	Average Property Age : 0.6 years ⁽³⁾
Occupancy Rate : 100.0 % ⁽³⁾	WALE : 10.7 years ⁽³⁾	Developed by Prologis : 100.0 %

Prologis Park Kyotanabe (Kyotanabe, Kyoto)



Acquisition Price	JPY 35,800 mn
Appraisal NOI Yield	4.5%
GFA	139,520.72 sqm
Completion	Oct. 17, 2018
Main Tenant	Amazon Japan G.K.

Prologis Park Sendai Izumi 2 (Sendai, Miyagi)



Acquisition Price	JPY 9,250 mn
Appraisal NOI Yield	5.1%
GFA	36,589.70 sqm
Completion	Sep. 3, 2018
Tenant	Yamato Transport Co., Ltd.

Prologis Park Higashimatsuyama (Higashimatsuyama, Saitama)



Acquisition Price	JPY 12,600 mn
Appraisal NOI Yield	4.8%
GFA	61,885.92 sqm
Completion	Jan. 15, 2018
Tenant	LIXIL VIVA CORPORATION

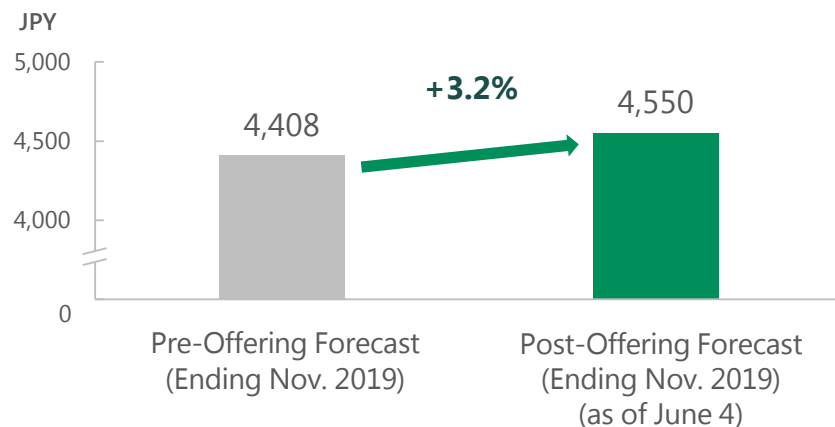
Prologis Park Kobe 4 (Kobe, Hyogo)



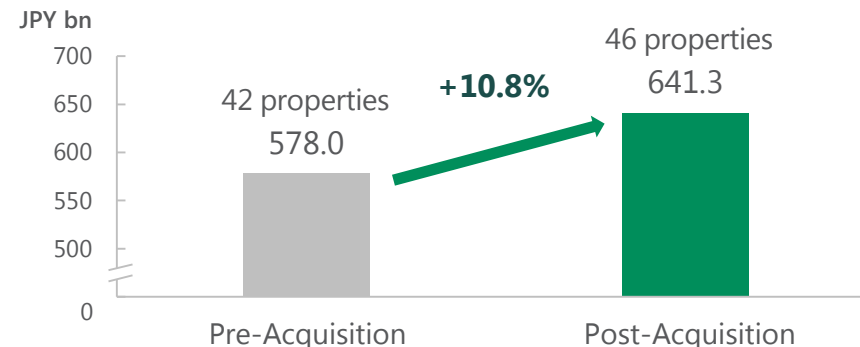
Anticipated acquisition Price ⁽¹⁾	JPY 5,000 mn
Appraisal NOI Yield	4.9%
GFA	24,137.60 sqm
Completion	May 22, 2019
Tenant	Shinkai Transport Systems, Ltd.

Offering Enhanced Unit Holder Value

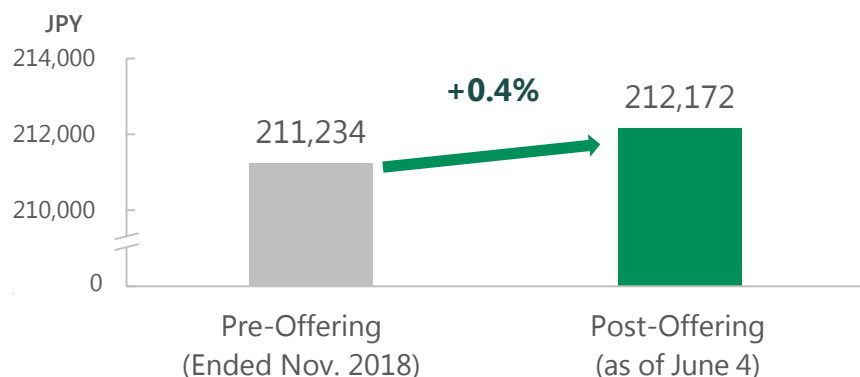
Stabilized Distributions Per Unit (Illustrative) ⁽³⁾



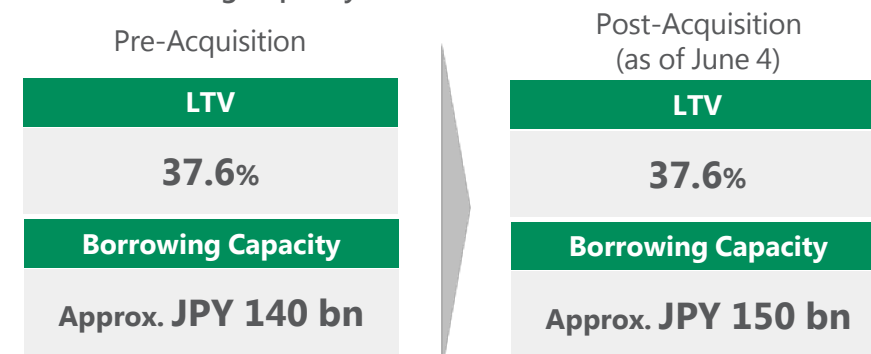
Asset Size (Total Acquisition Price)



Appraisal NAV Per Unit

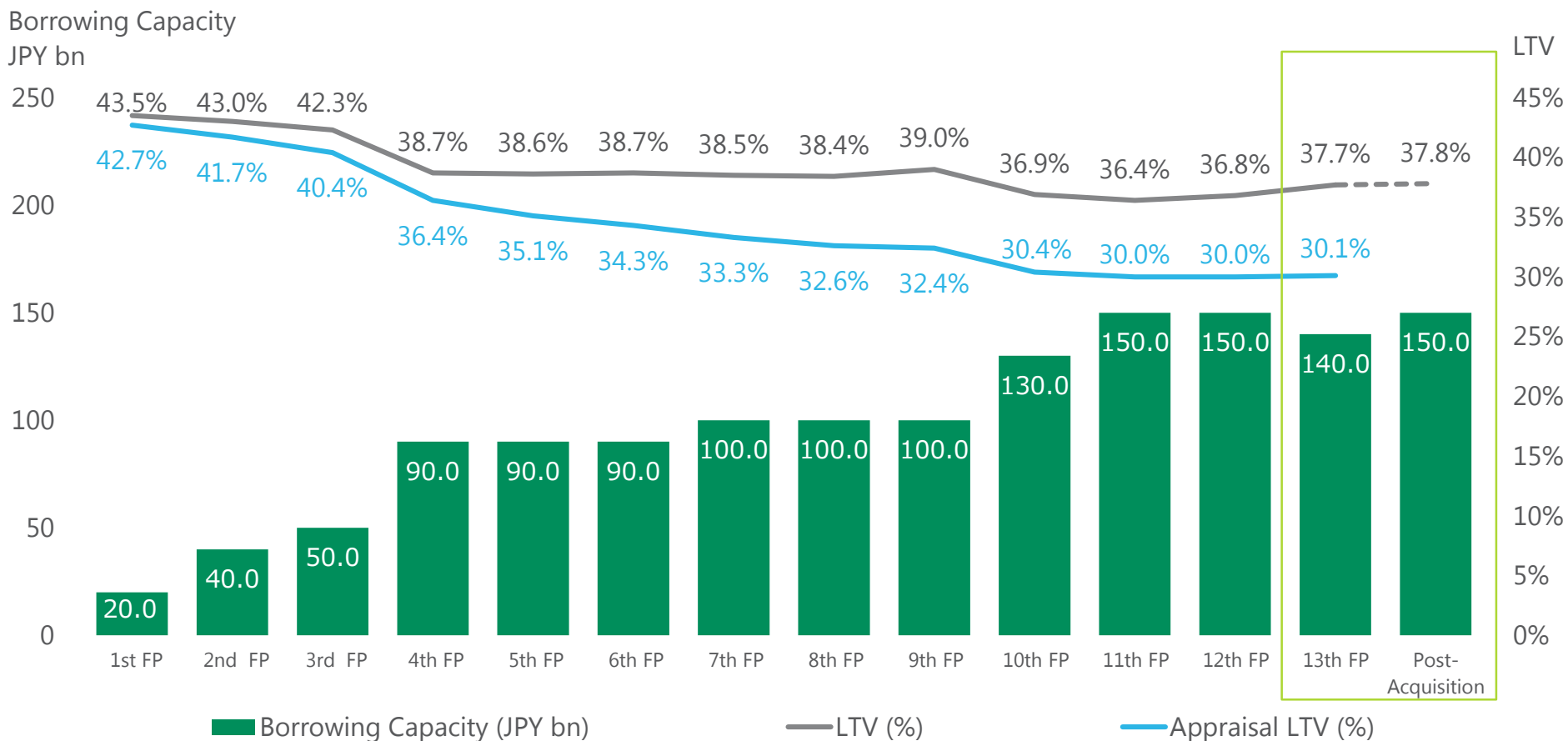


LTV • Borrowing Capacity



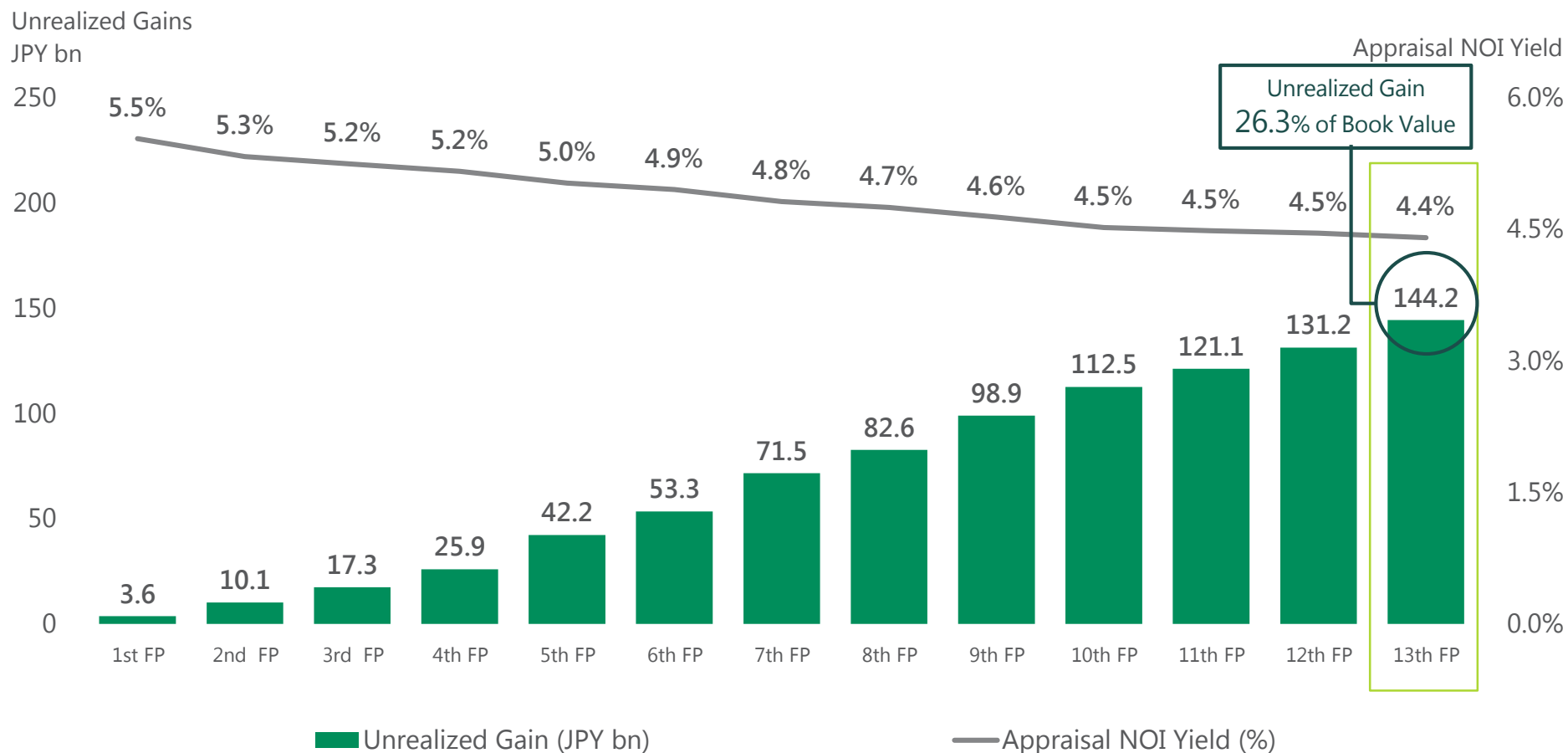
Maintained Strong Balance Sheet

LTV • APPRAISAL LTV ⁽¹⁾ • BORROWING CAPACITY



Cap Rate Trends and Increasing Asset Value

HISTORICAL APPRAISAL NOI YIELDS ⁽¹⁾ & UNREALIZED GAINS ⁽²⁾



Forecasts for Nov. 2019 and May 2020 Fiscal Periods

	May 2019 FP Results	Nov. 2019 FP Forecast	May 2020 FP Forecast
NOI	JPY 15,574 mn	JPY 17,017 mn	JPY 16,806mn
Average Occupancy Rate	99.0%	98.1%	97.7%
DPU ⁽¹⁾	JPY 4,502	JPY 4,503	JPY 4,454
LTV	37.7%	37.8%	37.9%
Extraordinary Factors in FP Ended May 2019	<ul style="list-style-type: none"> Recorded repair costs due to natural disaster ⁽²⁾ (JPY 716 mn) as extraordinary loss and its associated insurance proceeds as extraordinary income (JPY 759 mn) Deducted the difference between extraordinary income and extraordinary loss (JPY +41 mn) from surplus cash distributions 		



Prologis Park Higashimatsuyama

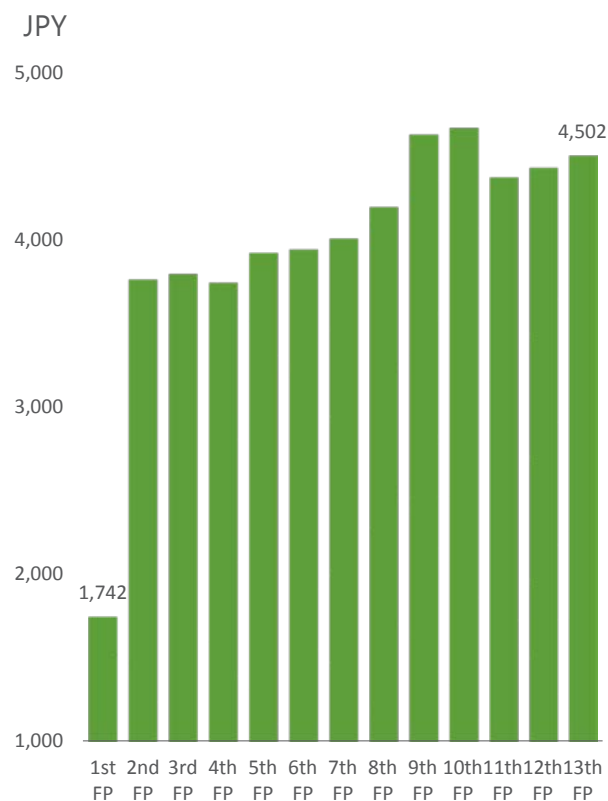
SECTION 02

Strategies and Future Growth

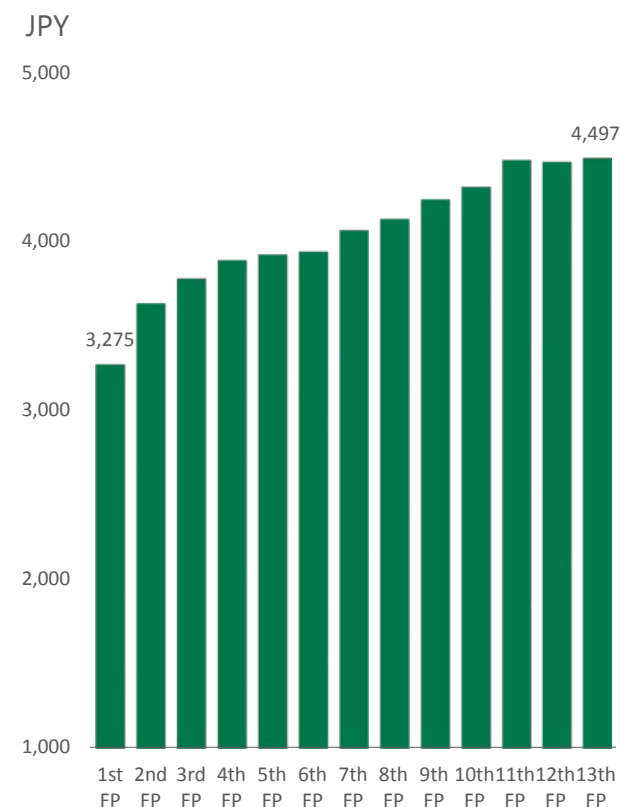
Enhancement of Unit Holder Value Continues

- 13th FP actual DPU : JPY 4,502 (+1.6% vs. forecast, +1.6% over previous FP)
- Increase in DPU (stabilized) by 37% and NAV per unit by 97% since IPO

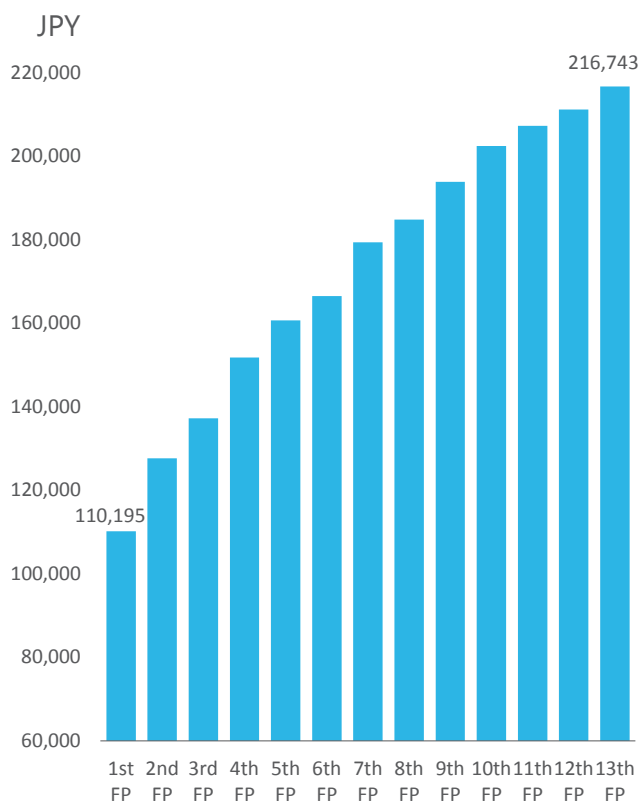
DPU (ACTUAL) ⁽¹⁾



DPU (STABILIZED) ⁽¹⁾⁽²⁾



NAV PER UNIT ⁽¹⁾⁽³⁾

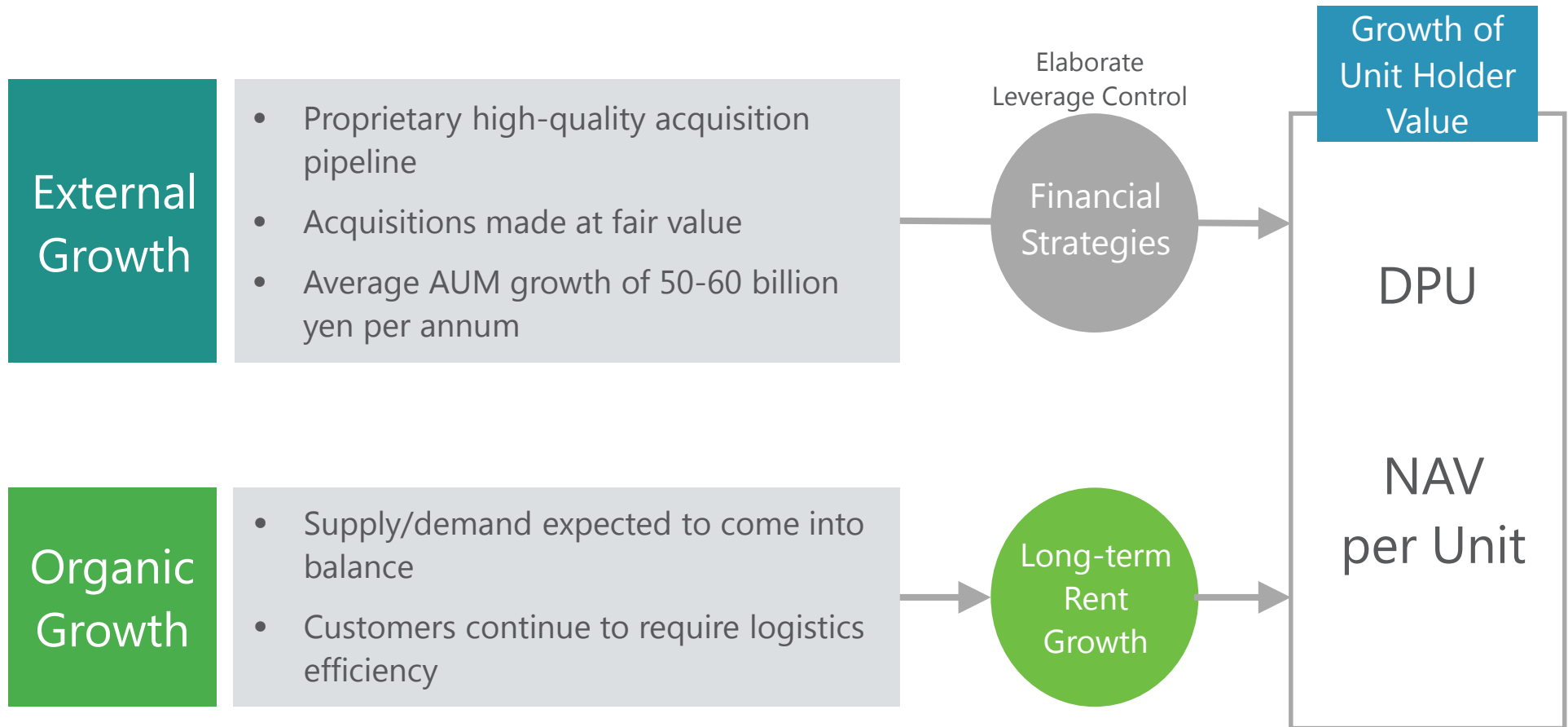


1. NPR split investment units on a 5-to-1 ratio on March 1, 2014 and figures before unit split are adjusted considering the split.

2. DPU (stabilized) is based on our constructed financial performance model excluding short-term impacts of NPR's various past activities and extraordinary items.

3. NAV per unit is calculated as {(net assets – surplus + appraisal based unrealized gain) / total number of investment units issued and outstanding}.

NPR's Consistent Growth Strategy

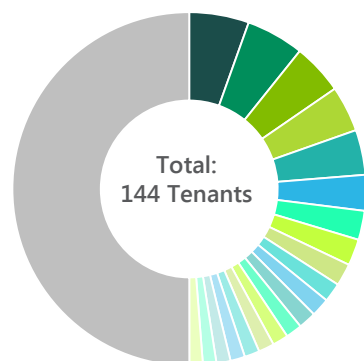


External Growth: Strong Sponsor Pipeline

	Status	Region / Area	Property Name	(Expected) Year Built	Property Type	(Expected) GFA (sqm)
Exclusive Negotiation Rights Granted	Completed	Kanto	Prologis Park Chiba New Town	Apr. 2016	Multi-Tenant	109,981
			Prologis Park MFLP Kawagoe (50% quasi co-ownership interests)	Oct. 2018	Multi-Tenant	117,337
	Under Development	Kanto	Prologis Park Chiba 1	Sep. 2019	Multi-Tenant	147,005
			Prologis Park Tsukuba 1-B	Sep. 2019	Build-to-Suit	71,595
Under Development or Planning	Future Development	Kanto	Prologis Park Tsukuba 2	Sep. 2020	BTS	111,826
			Prologis Park Chiba 2	Nov. 2020	Multi-Tenant	68,211
			Prologis Park Ebina 2	TBD	TBD	39,000
			Prologis Park Soka	TBD	TBD	151,000
		Kansai	Prologis Park Kobe 3	TBD	TBD	38,700
			Prologis Park Kobe 5	TBD	TBD	46,000
		Kyushu	Prologis Park Ogori	TBD	TBD	29,000
Future Projects		Kanto	Prologis Koga Project Phase 2	TBD	TBD	TBD
		Kansai	Prologis Inagawa Project	TBD	TBD	TBD

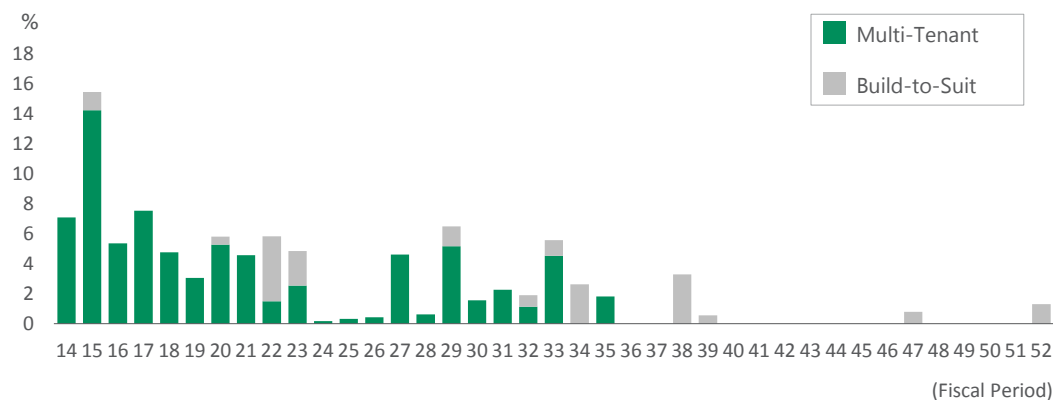
Internal Growth: Diversified Portfolio and Lease Maturities

TENANT DIVERSIFICATION (BASED ON SIZE OF LEASED AREA)



Nittsu Panasonic Logistics	5.5%	Hitachi Transport System West Japan	2.4%	Misumi	1.4%
ZOZO	5.3%	Lixil Viva	2.0%	Sankyu	1.4%
Nitori	4.7%	DIS Service & Support	1.7%	MonotaRO	1.3%
Rakuten	4.2%	Hamakyorex	1.7%	Mitsubishi Shokuhin	1.3%
Amazon Japan	4.1%	Hitachi Collabonext Transport System	1.6%	Yamato Transport	1.2%
Suzuken	3.3%	Japanet Holdings	1.5%	Alpen	1.2%
Nipro	2.7%	Sumisho Global Logistics	1.4%	Others	50.0%

WELL-STAGGERED LEASE EXPIRATION SCHEDULE ⁽²⁾ (BASED ON ANTICIPATED ANNUAL RENT)



OVERVIEW OF CONTRACT OF LEASE

Number of Tenants	Top 20 Tenants Leased Floor Area
144	50.0%
Fixed Term Lease ⁽³⁾	WALE ⁽⁴⁾
100.0%	4.6 years

- Based on lease agreements commenced as of May 31, 2019 for the current properties, and based on lease agreements executed as of March 31, 2019 for the four new properties (excluding lease agreements with a term of less than one year) including lease agreements which have not commenced as of March 31, 2019.
- Includes short-term lease agreements and office and store space.
- Excludes leases to which the Act on Land and Building Leases does not apply.
- WALE stands for Weighted Average Lease Expiry. Calculated based on anticipated annual rent.



Prologis Park Kyotanabe

SECTION 03

NPR at a Glance

Portfolio Composed of State-of-the-Art Facilities

Total Acquisition Price : JPY **641.3** bn ⁽¹⁾ / **46** Properties

Average Property Age : **7.1** years ⁽¹⁾

Average Occupancy Rate in 12th FP : **99.0**% ⁽²⁾

Average NOI Yield : **5.2**% ⁽¹⁾⁽³⁾ / **5.3**% ⁽¹⁾⁽⁴⁾

Unrealized Gain : JPY **144.2** bn ⁽²⁾

Portfolio PML : **1.2**% ⁽⁵⁾



M-01 Prologis Park Ichikawa1



M-04 Prologis Park Osaka 2



M-03 Prologis Park Kawajima
M-20 Prologis Park Kawajima 2



M-26 Prologis Park Ibaraki



M-09 Prologis Park Tokyo-Ohta



M-18 Prologis Park Osaka 4



M-29 Prologis Park Yoshimi



B-05 Prologis Park Narashino 4



M-02 Prologis Park Zama 1

M-10 Prologis Park Zama 2



M-31 Prologis Park Kyotanabe



M-05 Prologis Park Maishima3

1. Calculated including the four new properties through the June 2019 offering. The price of Prologis Park Kobe 4 is calculated based on anticipated acquisition price.

2. Based on total 42 existing assets as of May 31, 2019.

3. Appraisal NOI as of May 31, 2019 (as of March 31, 2019 for the four new properties) divided by total acquisition price (weighted average).

4. Annualized forecasted NOI excluding specific factors divided by total acquisition price (weighted average).

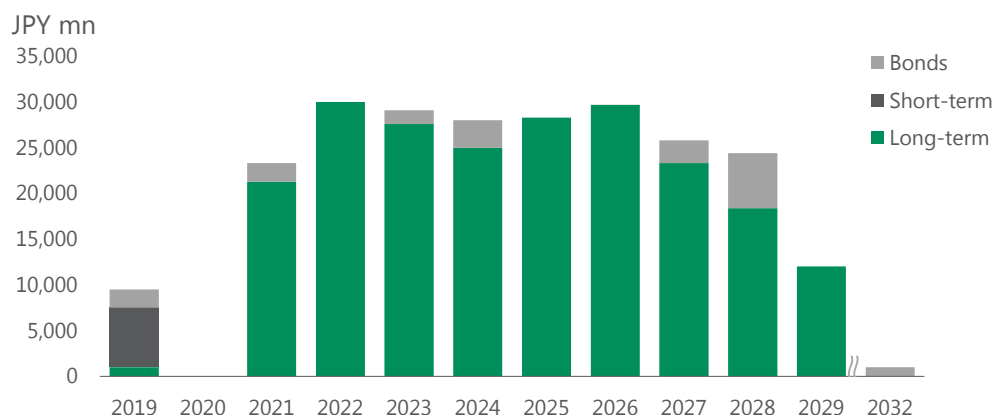
5. Calculated based on Portfolio Seismic Review Reports as of April 9, 2019 for the aggregate of 45 assets excluding Prologis Park Kobe 4.

Financial Structure Positioned for Strategic Future Optionality

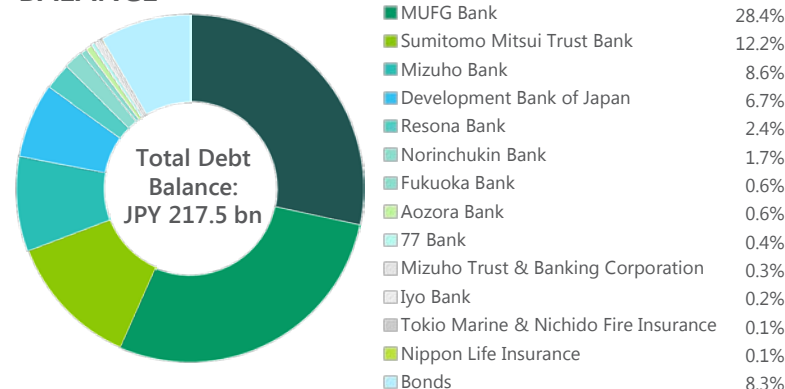
DEBT METRICS / FINANCIAL HIGHLIGHTS

Credit Rating	LTV	Appraisal LTV	Borrowing Capacity ⁽²⁾
JCR: AA (Stable)	37.7% (as of the end of 13th FP) 37.8% (as of the end of 14th FP Forecast)	30.1%	Approx. JPY 150 bn
Long-term Debt Ratio ⁽³⁾	Fixed Interest Ratio ⁽³⁾	Average Remaining Debt Term ⁽³⁾⁽⁴⁾	Average Debt Cost ⁽⁵⁾
97.3%	96.9%	5.1 years	0.6%

DEBT MATURITY SCHEDULE ⁽³⁾



OUTSTANDING LOAN BALANCE



1. As of May 31, 2019.

2. Borrowing capacity is calculated by assuming that we leverage up to 50% based on the estimated LTV as of the end of 14th FP.

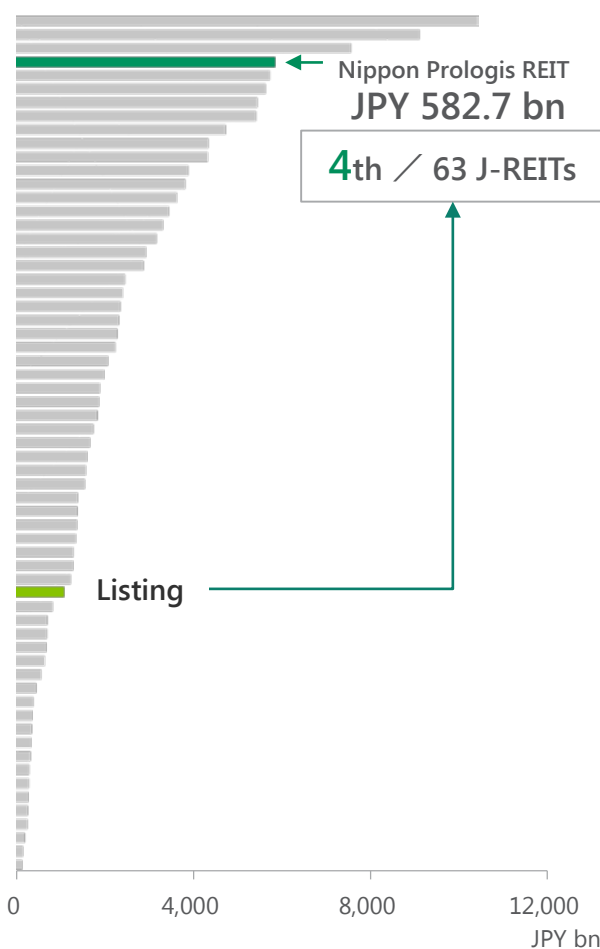
3. Calculated based on post acquisitions.

4. Average remaining debt term is calculated with the weighted average based on remaining debt (including bonds) balances.

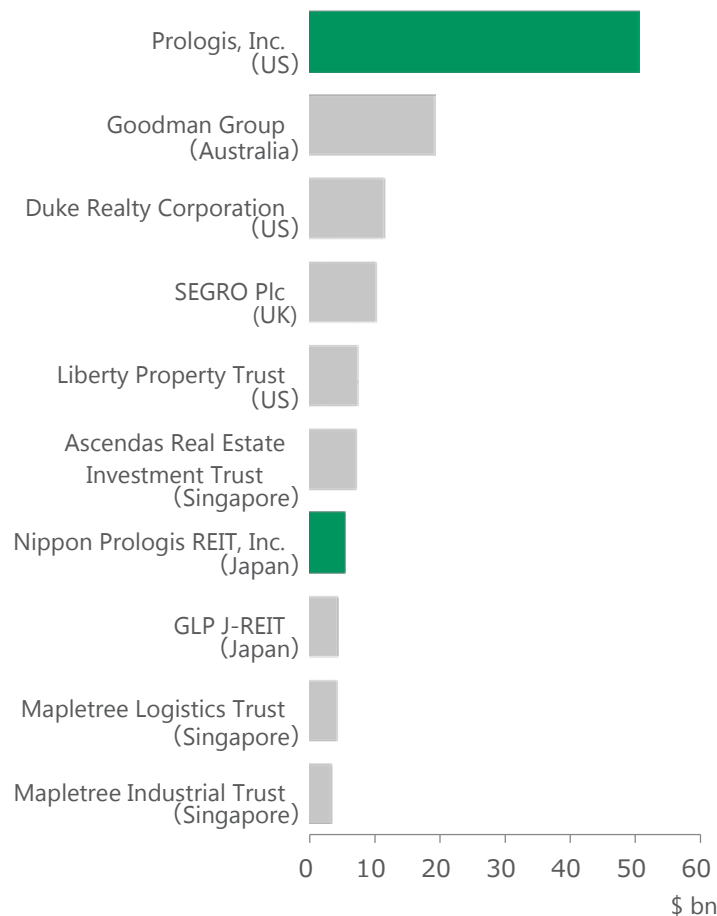
5. Including financing-related costs paid to the financial institutions and calculating with the weighted average based on borrowings or the face value of each bond.

Our Premier Global Position

MARKET CAP OF J-REITS



MARKET CAP AMONG GLOBAL PEERS



INCLUSION IN 11 MAJOR INDICES

- TSE REIT Index
- TSE REIT Core Index
- MSCI Global Standard Index
- MSCI Japan ESG Select Leaders Index
- FTSE EPRA / NAREIT Global Real Estate Index Series
- Dow Jones Sustainability Asia/Pacific Index
- S&P Global BMI Index
- S&P Global Property / REIT Index
- GPR / APREA Investable 100 Index
- Russell Global Index
- GPR 250 Index

NPR is Fully Committed to ESG

GLOBAL REAL ESTATE SUSTAINABILITY BENCHMARK (GRESB) SURVEY 2018



- Recognized as the Japanese Listed Sector Leader, and ranked the second out of 61 industrial participants globally
- Awarded the prestigious "5 Stars" for four consecutive years

MSCI JAPAN ESG SELECT LEADERS INDEX



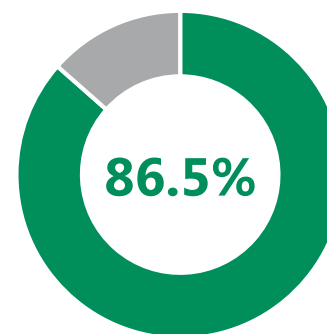
ESG Rating
A

DOW JONES SUSTAINABILITY ASIA/PACIFIC INDEX



- The only J-REIT included in the Index as of 2018

ELIGIBLE GREEN PROJECTS⁽¹⁾





Prologis Park Kyotanabe

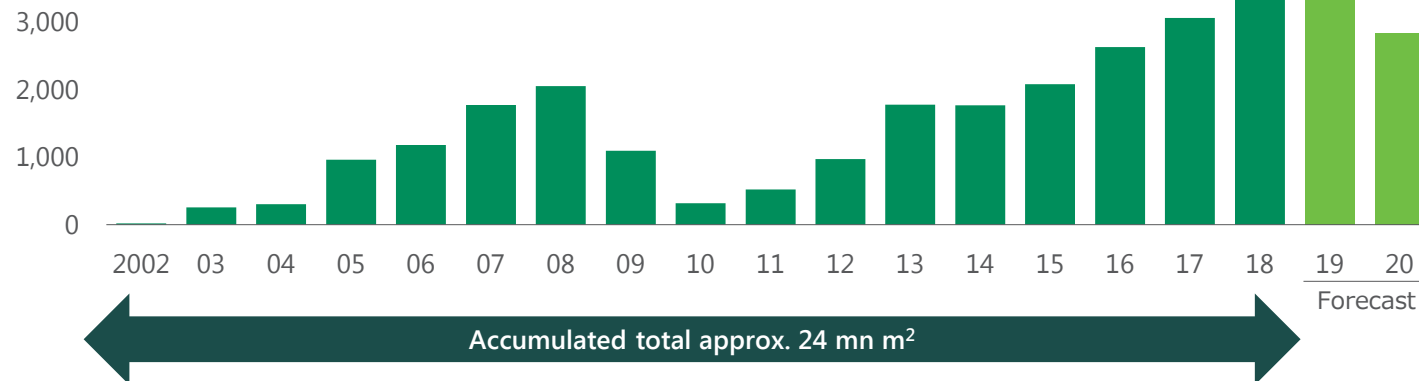
SECTION 04

Logistics Real Estate Market Fundamentals

Stock of High-Quality Logistics Facilities Remains Scarce

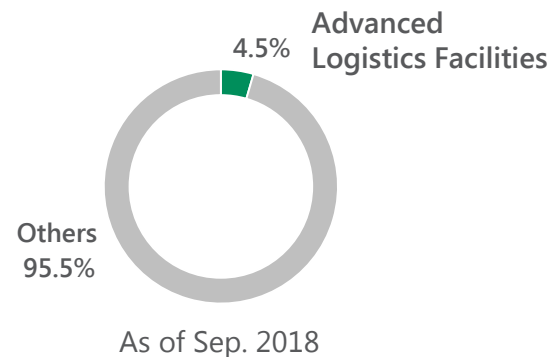
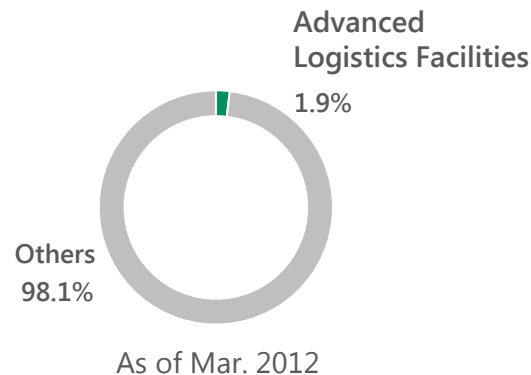
SUPPLY OF LARGE LOGISTICS FACILITIES ⁽¹⁾

thousand m²
4,000



- Total cumulative volume of supply of advanced logistics facilities in Japan through Dec. 2018 is approx. 24 mn m²

STOCK OF ADVANCED LOGISTICS FACILITIES ⁽²⁾



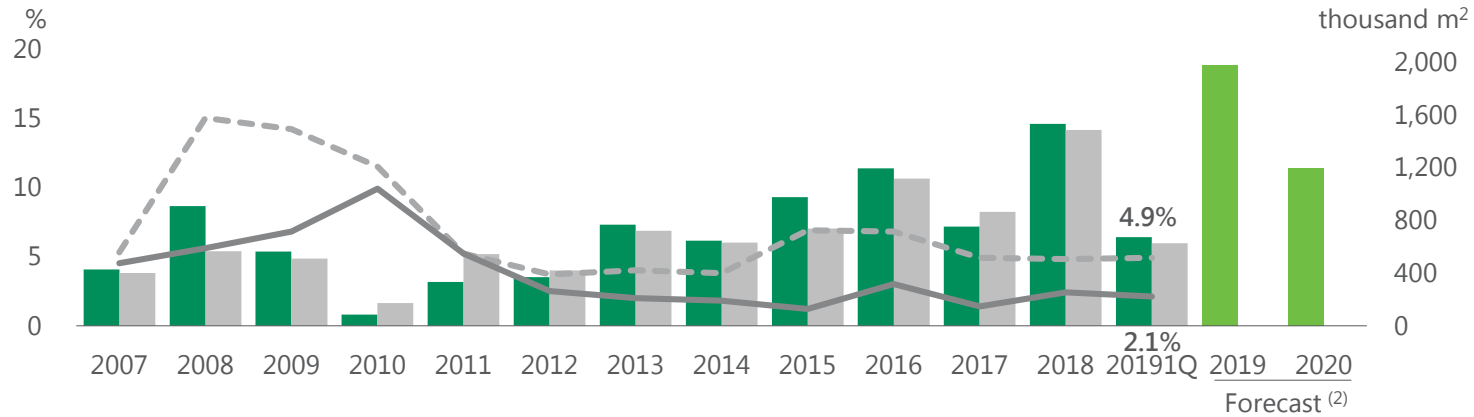
- Stock of advanced logistics facilities accounts for just 4.5% of total warehouse area in Japan, significantly lower compared to US and other developed countries

1. As of Dec. 2018. Survey data covers logistics facilities for lease held by corporations investing in real estate and real estate development companies with a gross floor area of 5,000 tsubo or more. The survey does not include logistics facilities owned by logistics companies and therefore did not cover all logistics facilities for lease having a gross floor area of 5,000 tsubo or more. The forecasted supply volume in 2019 and 2020 is based on data as of Dec. 2018 and may vary in the future.

2. As of Sep. 2018. Based on a survey conducted by CBRE at our and the Asset Manager's request. In calculating the proportion of advanced logistics facilities, the estimated total gross floor area is based on data as of March 31, 2018 and the gross floor area for advanced logistic facilities is based on data as of Sep. 30, 2018.

Strong Demand and Moderating Supply

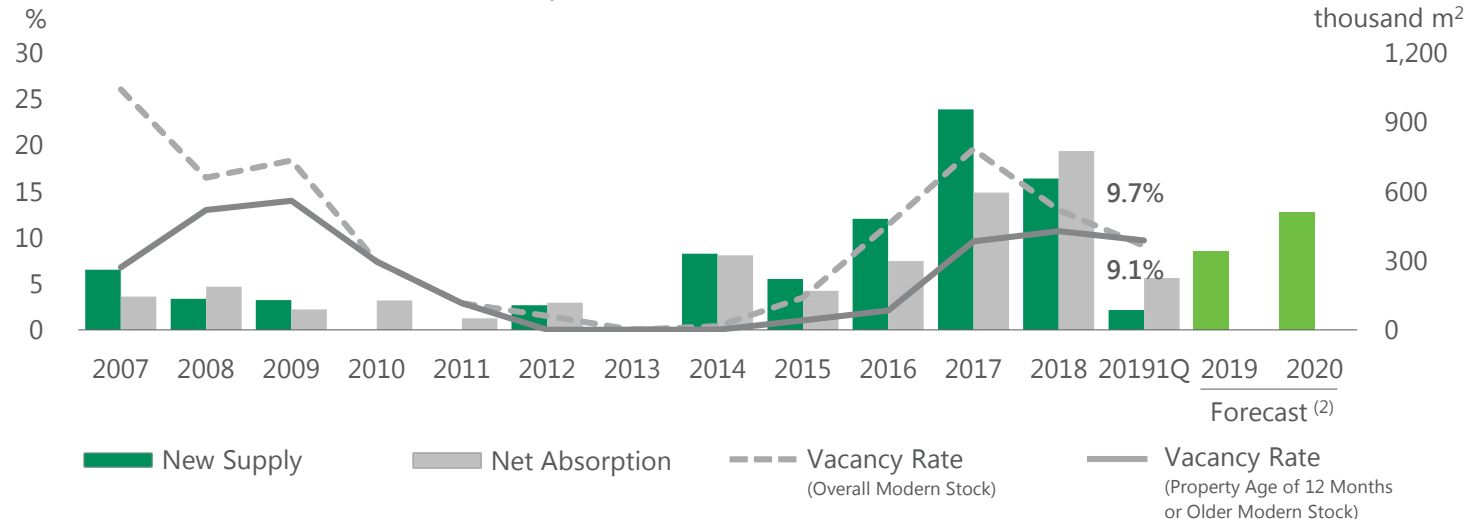
GREATER TOKYO AREA: NEW SUPPLY, NET ABSORPTION AND VACANCY RATES ⁽¹⁾



Greater Tokyo Area

- Vacancy rate as of March 31, 2019 was 4.9% (2.1% for properties which are one year old or more)
- Estimated supply for 2019 is approx. 1,970,000m²
Estimated supply for 2020 is approx. 1,190,000m²

GREATER OSAKA AREA: NEW SUPPLY, NET ABSORPTION AND VACANCY RATES ⁽¹⁾



Greater Osaka Area

- Vacancy rate as of March 31, 2019 was 9.1% (9.7% for properties which are one year old or more)
- Estimated supply for 2019 is approx. 330,000m²
Estimated supply for 2020 is approx. 500,000m²

1. Survey data covers logistics facilities for lease held by corporations investing in real estate and real estate development companies with a gross floor area of 10,000 tsubo or more.

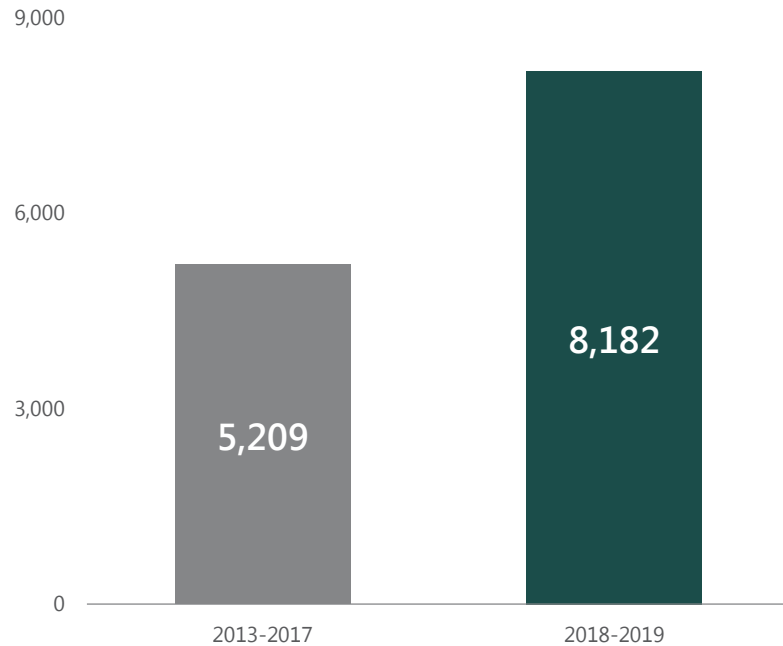
2. The forecasted supply volume in 2019 2Q-4Q and 2020 are based on data as of March 31, 2019 and may vary in the future.

Source: CBRE

Rate of Pre-Leasing is Increasing

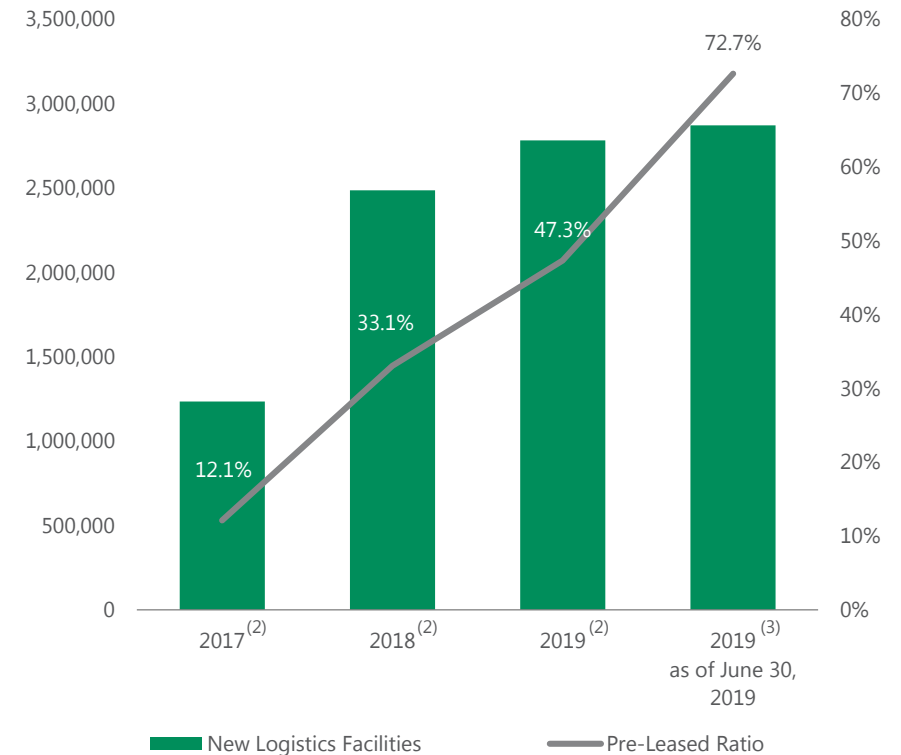
AVERAGE AREA OF LEASED FLOOR-SPACE ⁽¹⁾ BY CONTRACT
IN LARGE-SCALE MULTI-TENANT FACILITIES

tsubo



INCREASE IN PRE-LEASING FOR NEW LARGE SIZED
LOGISTICS FACILITIES IN THE GREATER TOKYO AREA

m²



1. Survey data covers logistics facilities for lease held by corporations investing in real estate and real estate development companies with a gross floor area of 10,000 tsubo or more.

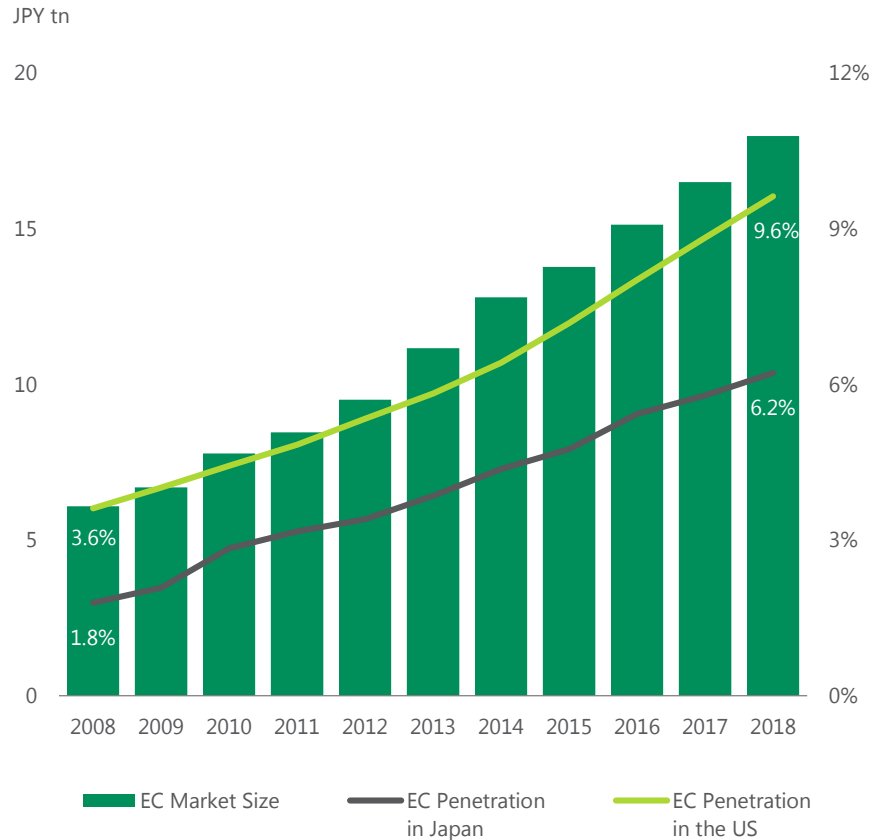
2. Estimated supply and pre-leased ratio as of the end of the previous year for new logistics facilities scheduled to complete during the indicated year.

3. Estimated supply and pre-leased ratio for 2019 as of June 30, 2019.

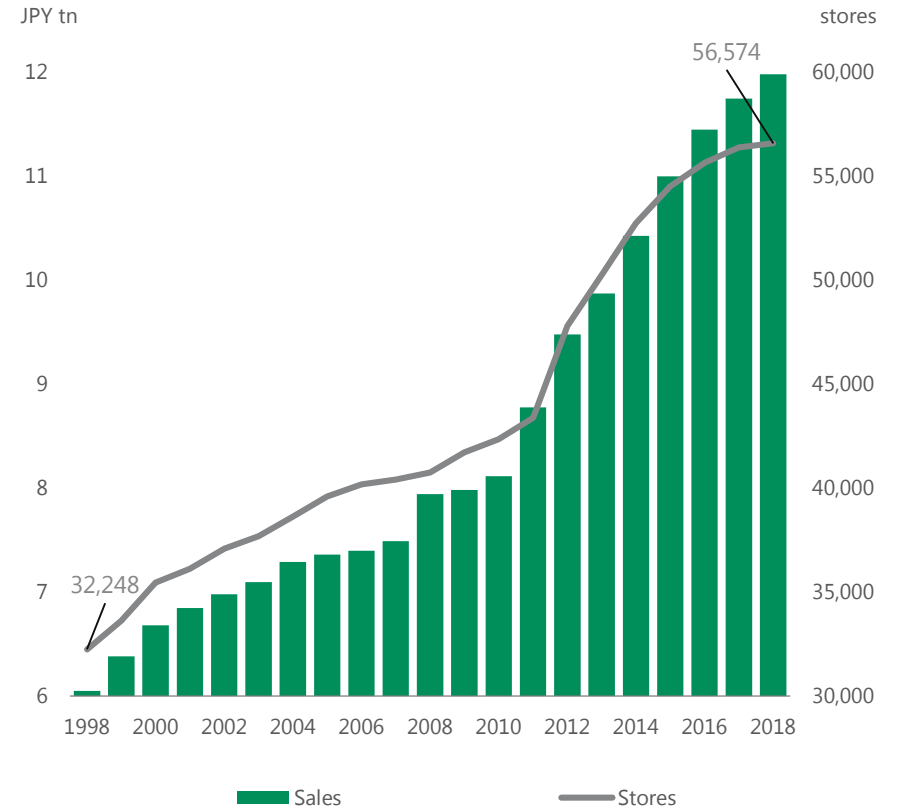
Source: CBRE, Japan Logistics Field Institute, Inc.

Positive Transformational Trends Driving Demand

MARKET SIZE & PENETRATION RATIO OF E-COMMERCE



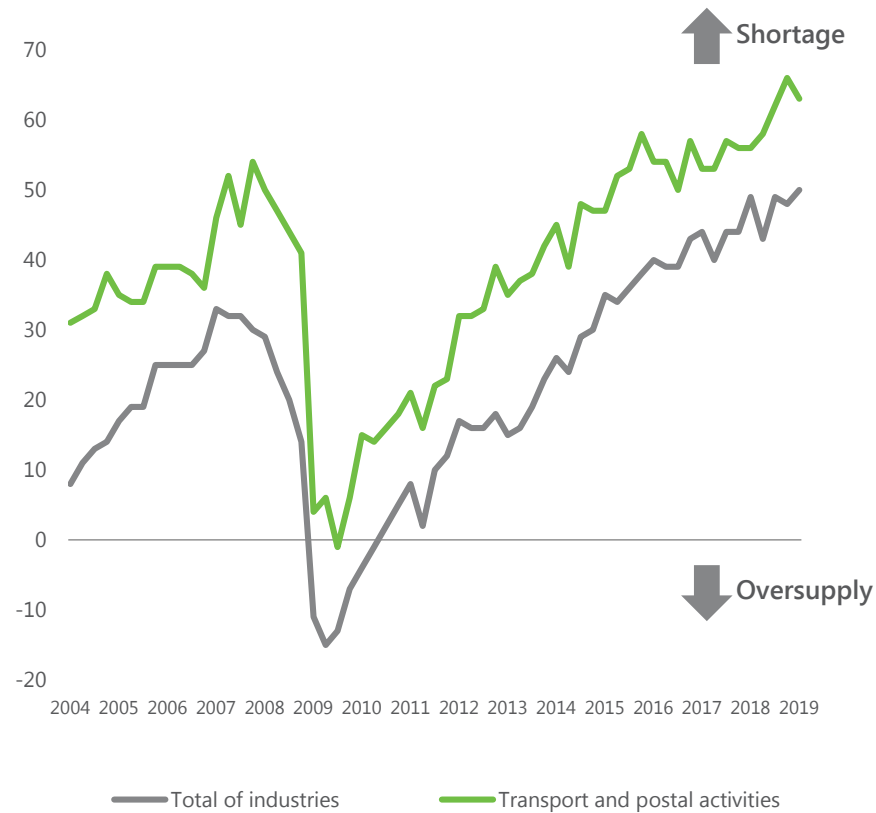
NUMBERS & SALES VOLUME OF CONVENIENT STORES



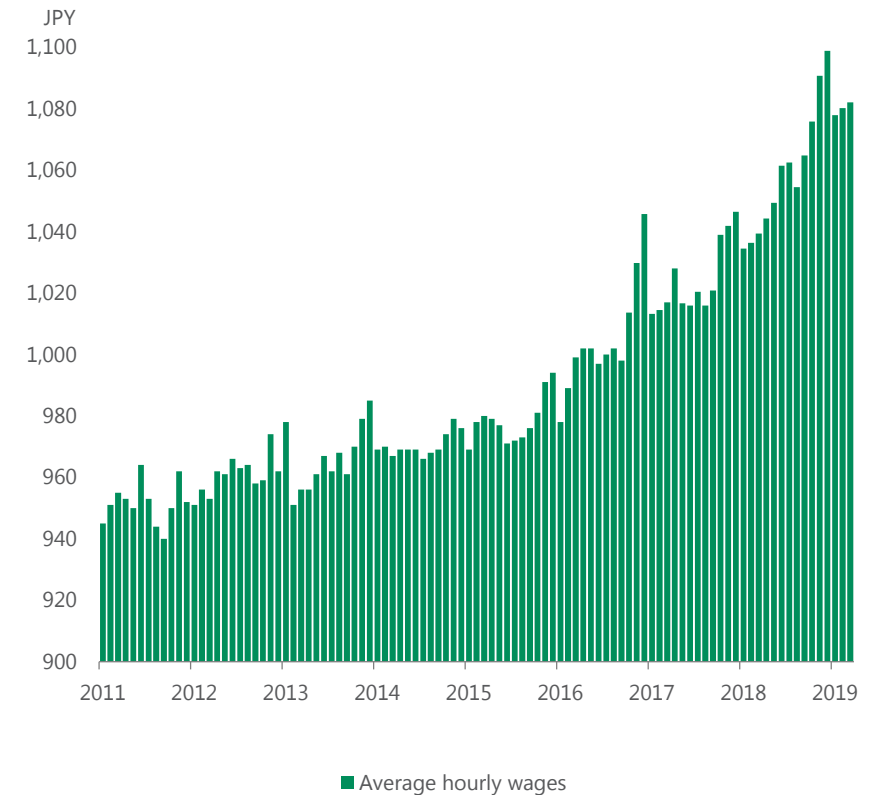
Source: METI "E-Commerce", "Retail Statistics", U.S Census Bureau

Labor Shortage is a Tailwind for Demand

DIFFUSION INDEX - LABOR



HOURLY WAGES OF LOGISTICS PART-TIMER
(TOKYO METROPOLITAN AREA)



Key Takeaways

- 1 Delivering strong performance both operationally and financially
- 2 Growth strategies backed by our sponsor pipeline, quality portfolio, operations and balance sheet
- 3 Improving Japanese logistics real estate market backed by the structural transformation of logistics industry



SECTION 05

Appendix

Summary of Nov. 2018 Fiscal Period Earnings

Asset	Equity	Debt
<ul style="list-style-type: none"> Portfolio Size JPY 578.6 bn Unrealized Gain ⁽²⁾ JPY 144.2 bn (Ratio 26.3%) NOI Yields Average Appraisal NOI Yield ⁽³⁾ 5.3 % 13th FP Actual NOI Yield ⁽⁴⁾ 5.4 % Occupancy Rate Average Occupancy Rate 99.0 % As of the end of Fiscal Period 99.7 % 	<ul style="list-style-type: none"> Market Cap ⁽¹⁾ JPY 582.7 bn DPU ⁽⁵⁾ 13th FP Result JPY 4,502 14th FP Forecast JPY 4,503 15th FP Forecast JPY 4,454 NAV per Unit ⁽⁶⁾ JPY 216,743 (+2.6% over previous FP) 	<ul style="list-style-type: none"> Total Debt Balance JPY 217.5 bn LTV 37.7 % ⁽⁷⁾ (Appraisal LTV 30.1 % ⁽⁸⁾) (14th FP Forecast 37.8 %) Borrowing Capacity approx. JPY 150 bn (14th FP Forecast) JCR Credit Ratings AA (Stable)

1. As of June 30, 2019.

2. Unrealized gain is the difference between appraisal value and book value as of end of 13th FP.

3. Appraisal NOI divided by total acquisition price (weighted average).

4. Annualized actual NOI of 13th FP excluding specific factors divided by total acquisition price (weighted average).

5. Including surplus cash distributions.

6. NAV per unit is calculated as {(net assets – surplus + appraisal based unrealized gain) / total number of investment units issued and outstanding}.

7. Calculated by dividing total interest-bearing debt by total assets as of May 31, 2019.

8. Calculated by dividing total interest-bearing debt by the sum of total assets and unrealized gain as of May 31, 2019.

Financial Highlights – May 2019 Fiscal Period

	13th Fiscal Period (May 31, 2019)		12th FP (Nov. 30, 2018)	
	Forecast (A) (as of January 18, 2019)	Actual (B)	(B) – (A)	Actual
Operating Results (JPY mn)				
Operating Revenues	20,245	19,771	-474	19,726
Operating Income	9,093	9,240	+146	9,379
Ordinary Income	8,404	8,559	+155	8,710
Net Income	8,403	8,601	+198	8,709
Distributions Per Unit (JPY)				
Distributions Per Unit (total)	4,431	4,502	+71	4,429
Distributions per unit (excl. SCD)	3,845	3,935	+90	3,984
Surplus Cash Distributions (SCD)	586	567	-19	445
Other Statistics (JPY mn)				
NOI	15,409	15,574	+164	15,516
LTV	37.6%	37.7%	+0.0%	36.8%
Total Assets	578,298	577,647	-651	572,680
Interest-Bearing Debt	217,500	217,500	0	211,000
CAPEX	762	768	+6	737
AFFO ⁽¹⁾	12,317	12,508	+190	12,440
AFFO Payout Ratio ⁽²⁾	78.6%	78.7%	+0.0%	77.8%

- Maintained high occupancy rates
 - Average occupancy during the period: 99.0%
 - Period-end occupancy: 99.7%
- Operating revenues technically declined because of recording insurance proceeds incurred by natural disaster as extraordinary income, which was included in operating revenues in the previous forecast
- Recorded repair costs due to natural disaster (JPY 716 mn) as extraordinary loss and its associated insurance proceeds as extraordinary income (JPY 759 mn)
- Deducted the difference between extraordinary income and extraordinary loss (JPY +41 mn) from surplus cash distributions

Factors of Variance in 13th FP Net Income Forecast vs. Actual Results

- Average Occupancy Rate
 - Forecast 98.2% → Actual 99.0%
- Change in NOI: JPY +164 mn

1. AFFO is calculated by deducting capital expenditures from FFO, and adding back financing-related non-cash expenses.

FFO is calculated by adding back non-cash expenses to net income.

2. AFFO payout ratio is calculated based on the distribution per unit including Surplus Cash Distributions.

Forecasts for Nov. 2019 and May 2020 Fiscal Periods

	13th FP (May 31, 2019)	14th Fiscal Period (Nov. 30, 2019)			15th FP (May 31, 2020)
	Actual (A)	Forecast (as of June 4, 2019)	Forecast (B)	(B) – (A)	Forecast
Operating Results (JPY mn)					
Operating Revenues	19,771	21,611	21,611	+1,840	21,400
Operating Income	9,240	10,027	10,030	+789	9,812
Ordinary Income	8,559	9,140	9,157	+597	9,029
Net Income	8,601	9,139	9,156	+554	9,028
Distributions Per Unit (JPY)					
Distributions Per Unit (total)	4,502	4,496	4,503	+1	4,454
Distributions per unit (excl. SCD)	3,935	3,890	3,898	-37	3,844
Surplus Cash Distributions (SCD)	567	606	605	+38	610
Other Statistics (JPY mn)					
NOI	15,574	17,017	17,017	+1,443	16,806
LTV	37.7%	37.6%	37.8%	+0.2%	37.9%
Total Assets	577,647	636,050	637,652	+60,005	636,104
Interest-Bearing Debt	217,500	240,300	241,100	+23,600	241,100
CAPEX	768	724	724	-44	684
AFFO ⁽¹⁾	12,508	13,599	13,615	+1,107	13,569
AFFO Payout Ratio ⁽²⁾	78.7%	77.7%	77.7%	-1.0%	77.1%

- Anticipate high occupancy rates
 - Average occupancy for 14th FP: 98.1%
 - Average occupancy for 15th FP: 97.7%

13th FP vs. 14th FP Variance Factors of Revenues & DPU

- Revenues
 - Revenues from the newly acquired assets (+)
- Expenses
 - Incurrence of costs related to FO (–)
- Distribution
 - No Reduction in regular surplus cash distributions (+)

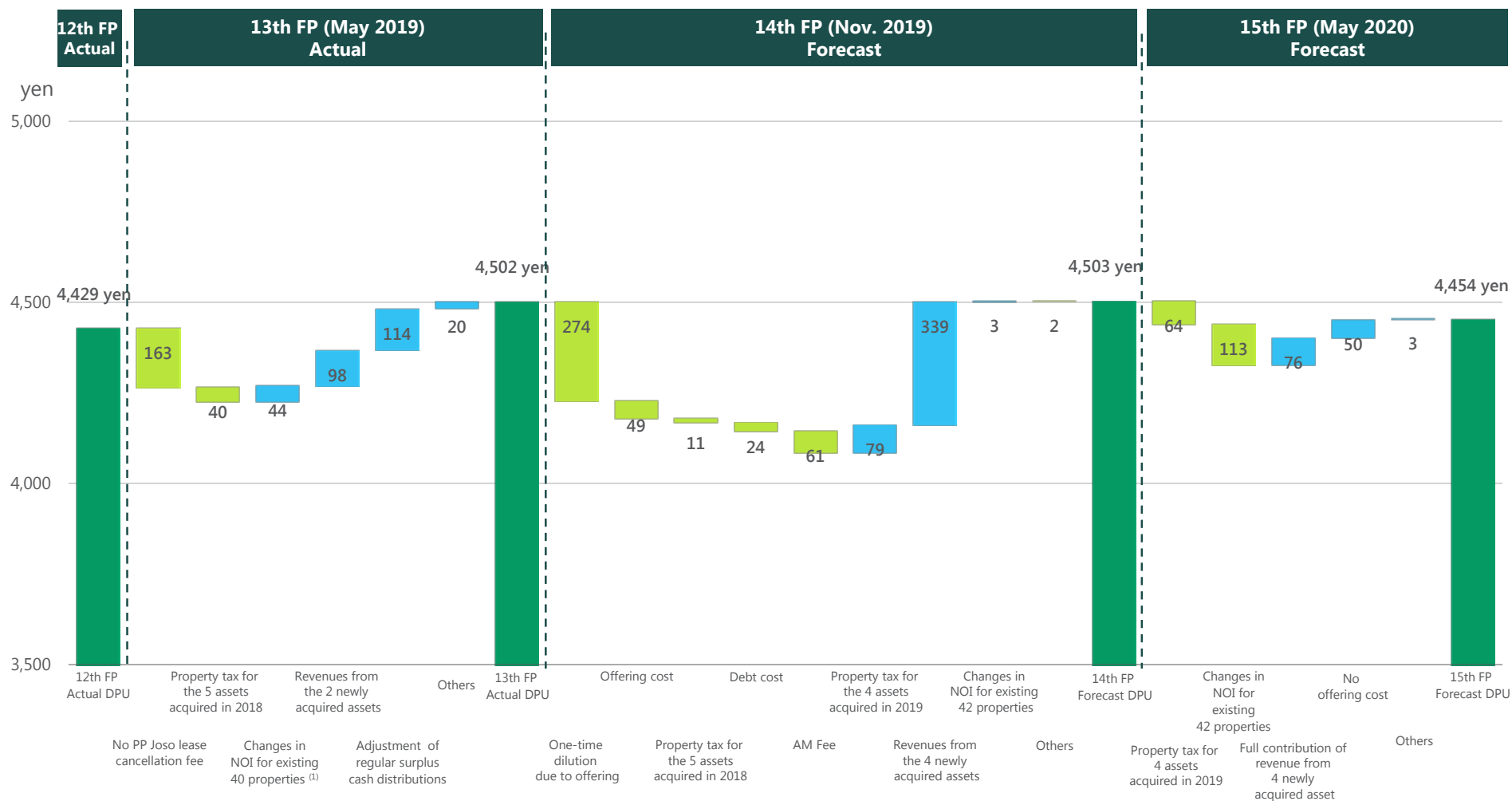
14th FP vs. 15th FP Variance Factors of Revenues & DPU

- Revenues
 - Revenues from the newly acquired assets (+)
 - Change in NOI based on assumed occupancy rate (–)
- Expenses
 - Absence of costs related to FO (+)
 - Property tax expensed on the newly acquired assets (–)

1. AFFO is calculated by deducting capital expenditures from FFO, and adding back financing-related non-cash expenses.
FFO is calculated by adding back non-cash expenses to net income.

2. AFFO payout ratio is calculated based on the distribution per unit including Surplus Cash Distributions.

DPU Variance Factors



May 2019 FP – Balance Sheet

Assets (JPY, thousands)	12th Fiscal Period (As of Nov. 30, 2018)	13th Fiscal Period (As of May 31, 2019)
I Current assets		
Cash and deposits	24,546,935	20,380,422
Cash and deposits in trust	4,569,560	4,336,217
Operating accounts receivable	1,520,049	1,373,710
Prepaid expenses	348,676	405,159
Consumption taxes receivable	-	338,417
Other current assets	18,254	130
Total current assets	31,003,476	26,834,057
II Fixed assets		
Property and equipment		
Buildings, net	6,502,576	6,417,601
Structures, net	141,411	132,126
Tools, furniture and fixtures, net	2,490	2,276
Land	3,834,204	3,834,204
Buildings in trust, net	304,596,230	312,558,107
Structures in trust, net	6,019,187	6,049,239
Machinery and equipment in trust, net	10,526	10,140
Tools, furniture and fixtures in trust, net	481,073	463,133
Other tangible assets in trust, net	0	0
Land in trust	218,446,593	219,810,580
Construction in progress in trust	3,779	16,687
Total property and equipment	540,038,074	549,294,096
Intangible assets		
Other intangible assets in trust	11,087	10,469
Total intangible assets	11,087	10,469
Investments and other assets		
Long-term prepaid expenses	1,535,142	1,422,231
Deferred tax assets	14	19
Security deposit	10,000	10,000
Other	400	400
Total investments and other assets	1,545,557	1,432,650
Total fixed assets	541,594,719	550,737,217
III Deferred assets		
Total deferred assets	82,479	75,739
Total assets	572,680,675	577,647,014

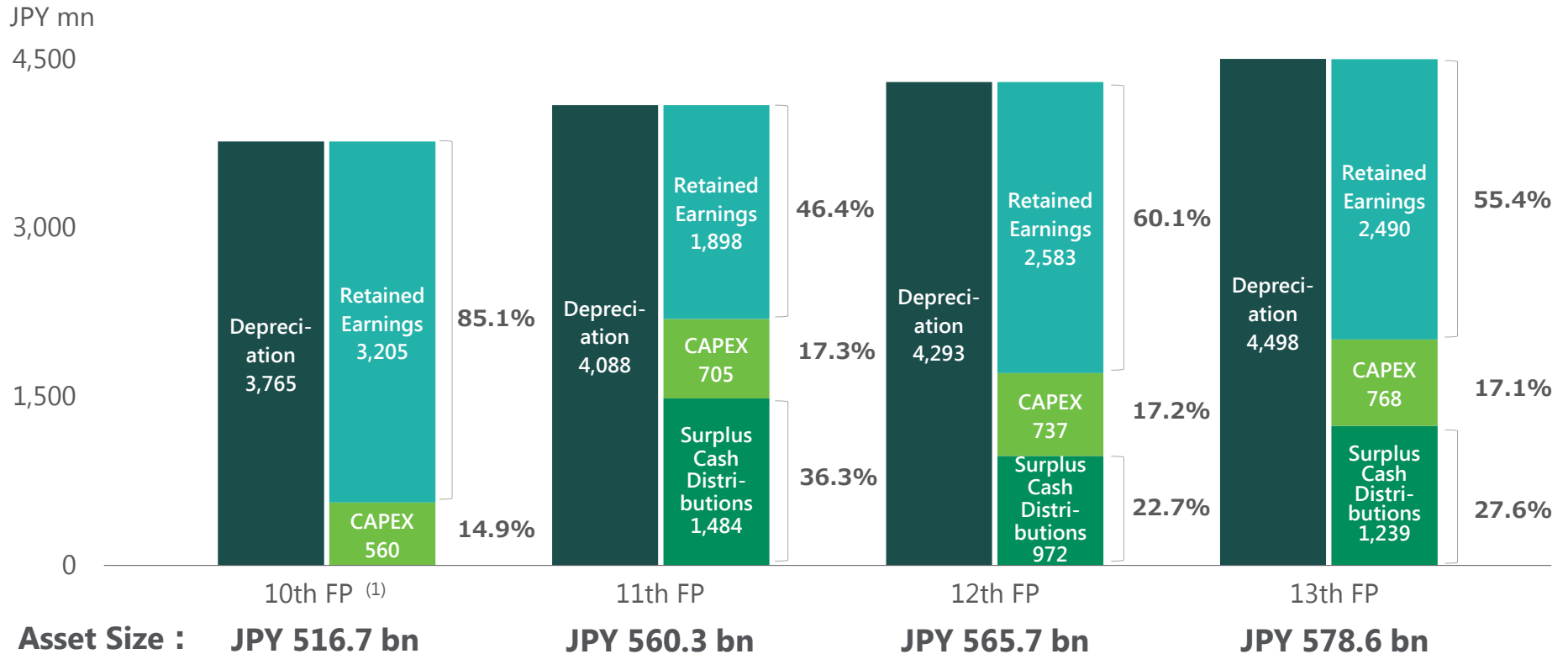
Liabilities (JPY, thousands)	12th Fiscal Period (As of Nov. 30, 2018)	13th Fiscal Period (As of May 31, 2019)
I Current liabilities		
Operating accounts payable	1,609,655	1,330,813
Short-term loans payable	-	6,500,000
Current portion of investment corporation bonds payable	2,000,000	2,000,000
Current portion of long-term loans payable	7,400,000	1,000,000
Accounts payable	589,610	578,082
Accrued expenses	1,925,584	1,923,071
Accrued consumption taxes	804,872	-
Income taxes payable	890	990
Advances received	3,336,839	3,381,118
Other current liabilities	81,218	94,779
Total current liabilities	17,748,670	16,808,855
II Non-current liabilities		
Investment corporation bonds payable	16,000,000	16,000,000
Long-term loans payable	185,600,000	192,000,000
Tenant leasehold and security deposits	247,773	247,773
Tenant leasehold and security deposits in trust	13,855,824	14,435,224
Other non-current liabilities	194	6,546
Total non-current liabilities	215,703,791	222,689,544
Total liabilities	233,452,462	239,498,399
Net assets (JPY, thousands)		
I Unit holders' equity		
Unit holders' capital		
Unit holders' capital, gross	338,516,767	338,516,767
Deduction of unit holders' capital	△7,999,392	△8,972,139
Unit holders' capital	330,517,375	329,544,627
Surplus		
Unappropriated retained earnings (undisposed loss)	8,710,838	8,603,987
Total surplus	8,710,838	8,603,987
Total unit holders' equity	339,228,213	338,148,614
Total net assets	339,228,213	338,148,614
Total liabilities and net assets	572,680,675	577,647,014

May 2019 FP – Income Statement

JPY, thousands	12th Fiscal Period	13th Fiscal Period
Operating revenues		
Operating rental revenues	17,855,150	18,470,266
Other rental revenues	1,870,554	1,300,995
Gain on sales of real estate properties	572	-
Total operating revenues	19,726,277	19,771,261
Operating expenses		
Expenses related to property rental business	8,503,051	8,695,897
Asset management fee	1,719,714	1,717,183
Asset custody fee	44,328	42,988
Directors' compensation	5,600	7,200
Audit fee	15,000	15,000
Other operating expenses	58,994	52,735
Total operating expenses	10,346,689	10,531,005
Operating income	9,379,588	9,240,255
Non-operating income		
Interest income	104	114
Reversal of distributions payable	555	587
Interest on refund of consumption taxes	751	-
Total non-operating income	1,411	701
Non-operating expenses		
Interest expense on loans payable	431,729	431,919
Interest expense on investment corporation bonds	43,155	51,378
Amortization of investment corporation bond issuance costs	6,015	6,740
Borrowing related expenses	189,515	191,061
Others	184	21
Total non-operating expenses	670,600	681,121
Ordinary income	8,710,398	8,559,835

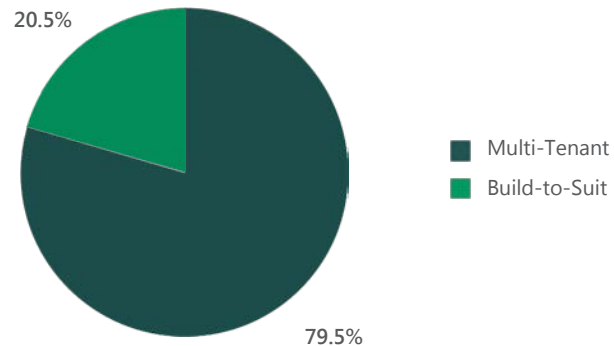
	12th Fiscal Period	13th Fiscal Period
Extraordinary income		
Insurance income	-	759,531
Total extraordinary income	-	759,531
Extraordinary losses		
Loss on disaster	-	716,390
Total extraordinary losses	-	716,390
Income before income taxes	8,710,398	8,602,976
Incomes taxes – current	906	1,007
Incomes taxes – deferred	13	△4
Total income taxes	920	1,002
Net Income	8,709,478	8,601,974
Retained earnings brought forward	1,359	2,013
Unappropriated retained earnings (undisposed loss)	8,710,838	8,603,987

Historical Uses of Surplus Cash

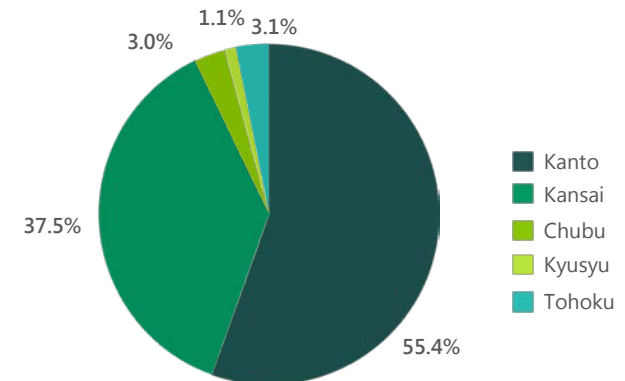


Best-in-Class Portfolio Focused Strategy

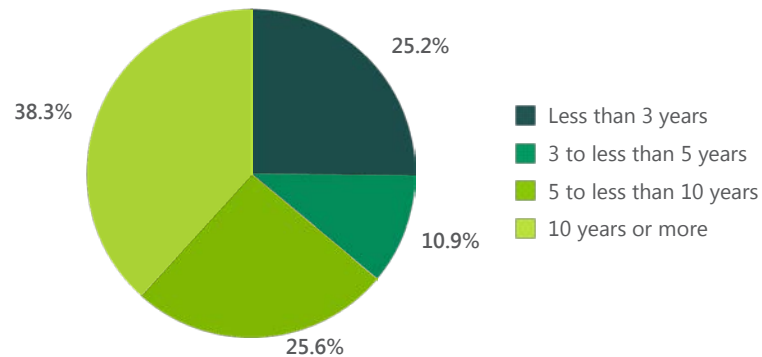
PROPERTY TYPE



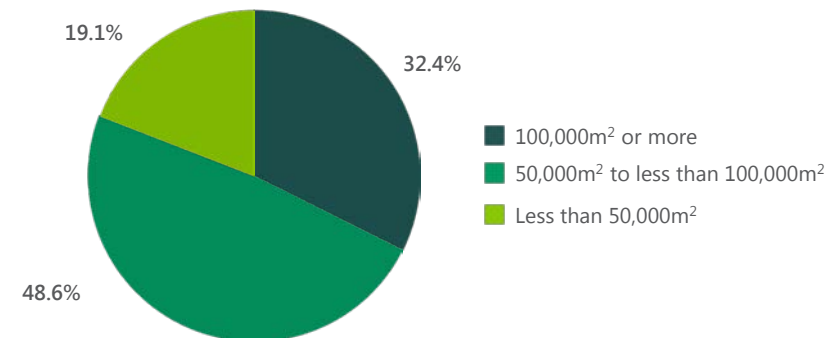
AREA



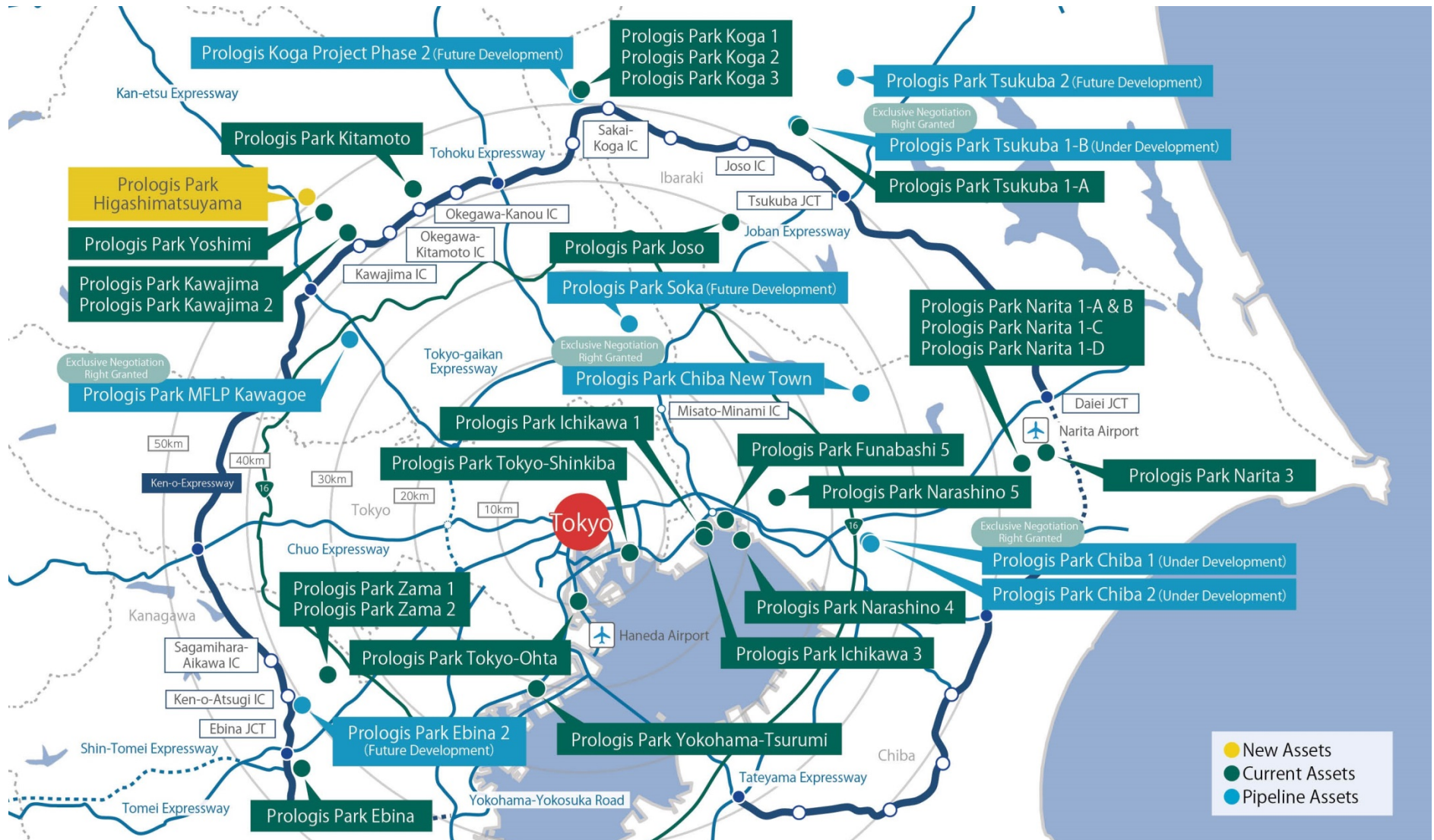
PROPERTY AGE



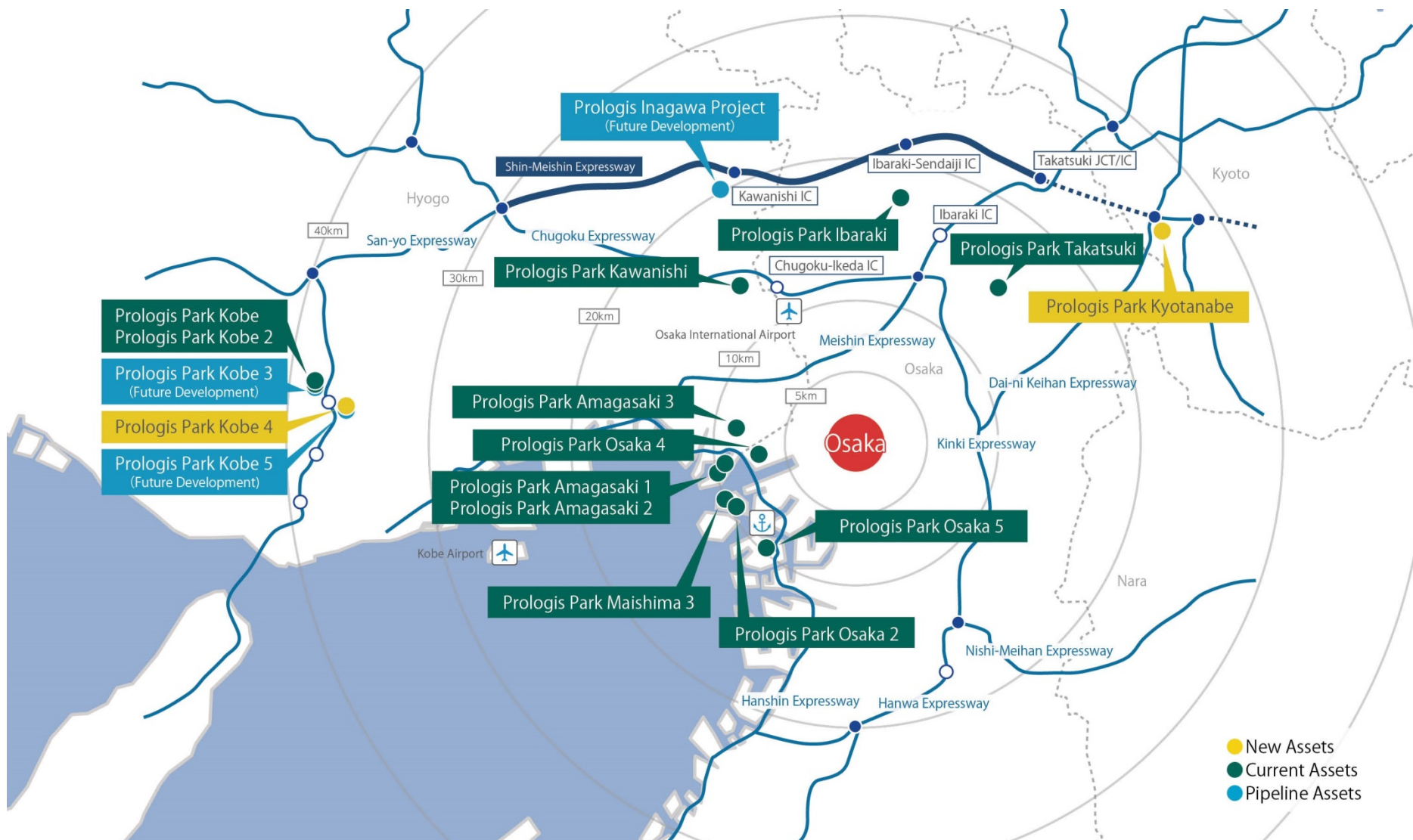
LEASABLE AREA



NPR Portfolio and Pipeline Properties – Tokyo Metropolitan Area



NPR Portfolio and Pipeline Properties - Osaka Metropolitan Area



Portfolio Summary

FP of Acquisition	No.	Property Name	Location	Acquisition Price (JPY mn)	Appraisal Value (JPY mn)	Leasable Area (m ²)	Share	Age (years)	Appraisal NOI Yield (%) ⁽²⁾	Actual NOI Yield (%) ⁽³⁾	Occupancy Rate	PML
1st FP	M-01	Prologis Park Ichikawa 1	Ichikawa, Chiba	33,900	43,700	125,026	5.9%	10.6	5.4%	5.5%	100.0%	0.6%
	M-02	Prologis Park Zama 1	Zama, Kanagawa	27,900	33,900	113,471	4.8%	10.0	5.3%	5.8%	99.8%	0.8%
	M-03	Prologis Park Kawajima	Hiki, Saitama	25,600	33,100	144,897	4.4%	8.0	6.0%	6.3%	99.1%	7.5%
	M-04	Prologis Park Osaka 2	Osaka, Osaka	25,000	32,800	130,553	4.3%	12.1	5.7%	5.9%	99.3%	0.8%
	M-05	Prologis Park Maishima 3	Osaka, Osaka	13,500	15,900	74,874	2.3%	11.3	5.4%	4.7%	98.2%	8.9%
	M-06	Prologis Park Kasugai	Kasugai, Aichi	12,500	18,000	91,455	2.2%	11.4	6.8%	6.1%	98.1%	3.9%
	M-07	Prologis Park Kitanagoya	Kitanagoya, Aichi	6,500	9,200	42,751	1.1%	10.0	6.6%	5.9%	100.0%	7.7%
	B-02	Prologis Park Takatsuki	Takatsuki, Osaka	4,410	5,350	19,898	0.8%	7.4	5.5%	5.7%	100.0%	5.3%
	B-03	Prologis Park Tosu 2	Tosu, Saga	3,030	3,870	21,778	0.5%	6.9	6.2%	6.2%	100.0%	0.5%
	B-04	Prologis Park Tosu 4	Tosu, Saga	3,810	4,870	28,765	0.7%	7.4	6.2%	5.8%	100.0%	0.6%
Sub-total / Average				156,150	200,690	793,472	27.0%	10.2	-	-	-	-
2nd FP	M-09	Prologis Park Tokyo-Ohta	Ota, Tokyo	29,500	38,200	73,115	5.1%	13.7	5.0%	5.1%	99.7%	3.6%
	M-10	Prologis Park Zama 2	Zama, Kanagawa	21,900	29,000	95,121	3.8%	6.8	5.6%	5.6%	100.0%	0.8%
	M-11	Prologis Park Funabashi 5 Annex	Funabashi, Chiba	11,000	14,000	56,556	1.9%	14.5	5.5%	6.0%	100.0%	4.3%
	M-12	Prologis Park Narita 1-A&B	Narita, Chiba	8,420	10,400	62,058	1.5%	14.3	6.2%	7.1%	97.6%	3.9%
	M-13	Prologis Park Narita 1-C	Narita, Chiba	4,810	5,900	32,230	0.8%	12.1	6.2%	7.0%	100.0%	3.9%
	M-14	Prologis Park Amagasaki 1	Amagasaki, Hyogo	17,600	21,200	91,446	3.0%	13.8	5.5%	5.2%	100.0%	4.6%
	M-15	Prologis Park Amagasaki 2	Amagasaki, Hyogo	19,200	22,300	91,399	3.3%	12.2	5.3%	5.5%	99.9%	4.4%
	B-05	Prologis Park Narashino 4	Narashino, Chiba	20,000	26,100	91,529	3.5%	5.9	5.2%	5.2%	100.0%	1.1%
Sub-total / Average				132,430	167,100	593,458	22.9%	11.2	-	-	-	-
3rd FP	M-16	Prologis Park Tokyo-Shinkiba	Koto, Tokyo	13,600	18,000	31,022	2.4%	12.0	4.9%	5.1%	97.1%	5.9%
	M-17	Prologis Park Yokohama-Tsurumi	Yokohama, Kanagawa	13,800	18,400	63,973	2.4%	11.1	5.5%	5.6%	99.4%	1.1%
	M-18	Prologis Park Osaka 4	Osaka, Osaka	21,000	25,600	106,135	3.6%	7.1	5.3%	5.5%	100.0%	2.7%
	M-19	Prologis Park Iwanuma 1	Iwanuma, Miyagi	5,670	7,880	40,520	1.0%	10.7	6.8%	6.0%	100.0%	3.2%
Sub-total / Average				54,070	69,880	241,651	9.3%	9.7	-	-	-	-
4th FP	M-20	Prologis Park Kawajima 2	Hiki, Saitama	8,180	9,640	42,005	1.4%	5.3	5.4%	5.9%	100.0%	9.0%
	B-06	Prologis Park Ebina	Ebina, Kanagawa	8,250	10,800	32,500	1.4%	9.2	5.3%	5.1%	100.0%	6.0%
	B-07	Prologis Park Kawanishi	Kawanishi, Hyogo	13,600	15,000	75,493	2.4%	5.5	5.0%	6.0%	100.0%	3.7%
	B-08	Prologis Park Amagasaki 3	Amagasaki, Hyogo	9,090	10,300	39,527	1.6%	5.7	5.1%	5.2%	100.0%	4.4%
	B-09	Prologis Park Kobe	Kobe, Hyogo	6,410	7,330	32,511	1.1%	5.5	5.6%	5.8%	100.0%	0.4%
Sub-total / Average				45,530	53,070	222,037	7.9%	6.2	-	-	-	-
7th FP	M-21	Prologis Park Kitamoto	Kitamoto, Saitama	12,600	13,800	69,432	2.2%	5.2	5.2%	5.4%	100.0%	3.6%
	M-22	Prologis Park Joso	Joso, Ibaraki	7,120	7,480	37,165	1.2%	4.6	5.0%	2.8%	98.8%	4.5%
	M-23	Prologis Park Osaka 5	Osaka, Osaka	17,600	19,200	78,087	3.0%	4.4	4.8%	5.0%	100.0%	3.5%
	B-10	Prologis Park Sendai Izumi	Sendai, Miyagi	4,820	5,390	26,353	0.8%	3.7	5.7%	5.9%	100.0%	1.4%
Sub-total / Average				42,140	45,870	211,038	7.3%	4.6	-	-	-	-
9th FP	M-24	Prologis Park Narita 3	Sambu, Chiba	9,240	10,500	52,982	1.6%	11.0	5.6%	5.7%	100.0%	0.3%
	B-11	Prologis Park Koga 1	Koga, Ibaraki	7,680	8,320	34,158	1.3%	2.6	5.3%	5.3%	100.0%	0.3%
	B-12	Prologis Park Kobe 2	Kobe, Hyogo	13,700	14,400	62,468	2.4%	2.6	5.1%	5.2%	100.0%	0.3%
Sub-total / Average				30,620	33,200	149,609	5.3%	5.2	-	-	-	-
10th FP	M-25	Prologis Park Narashino 5	Narashino, Chiba	13,600	15,000	58,159	2.4%	3.2	4.5%	4.8%	100.0%	4.6%
	M-26	Prologis Park Ibaraki	Ibaraki, Osaka	38,300	41,400	154,182	6.6%	2.7	4.6%	4.8%	100.0%	2.1%
	B-13	Prologis Park Koga 2	Koga, Ibaraki	3,930	4,020	19,699	0.7%	2.1	5.0%	5.1%	100.0%	3.5%
Sub-total / Average				55,830	60,420	232,041	9.6%	2.8	-	-	-	-
11th FP	M-27	Prologis Park Ichikawa 3	Ichikawa, Chiba	17,000	17,600	50,714	2.9%	1.5	4.2%	4.3%	100.0%	3.4%
	M-28	Prologis Park Narita 1-D	Narita, Chiba	5,260	5,350	27,960	0.9%	4.4	5.1%	5.4%	100.0%	3.5%
	M-29	Prologis Park Yoshimi	Hiki, Saitama	21,300	21,800	98,076	3.7%	3.5	4.7%	4.9%	100.0%	3.1%
Sub-total / Average				43,560	44,750	176,750	7.5%	2.8	-	-	-	-
12th FP	B-14	Prologis Park Koga 3	Koga, Ibaraki	5,440	5,550	29,196	0.9%	0.9	5.1%	4.9%	100.0%	4.6%
Sub-total / Average				5,440	5,550	29,196	0.9%	0.9	-	-	-	-
13th FP	B-15	Prologis Park Tsukuba 1-A	Tsukuba, Ibaraki	12,900	13,000	65,168	2.2%	0.7	4.8%	5.0%	100.0%	2.1%
Sub-total / Average				12,900	13,000	65,168	2.2%	0.7	-	-	-	-
Total / Average (42 properties)				578,670	693,550	2,714,425	100.0%	7.8	5.3%	5.4%	99.7%	1.2%

1. As of May 31, 2019.

2. Appraisal NOI divided by total acquisition price. Average appraisal NOI yield is a weighted average based on acquisition prices.

3. Actual NOI yield is calculated based on the annualized actual net operating income excluding specific factors. Average actual NOI yield is a weighted average based on acquisition prices.

4. Acquisition price of Prologis Park Zama1 does not reflect prices related to the partial acquisition and disposition of Land executed on Oct. 3, 2018.

Summary of Appraisals

		13th Fiscal Period End						12th Fiscal Period End		
No.	Property Name	Acquisition Price (JPY mn)	Appraisal Value (JPY mn)	Change from 12th FP	Direct Cap Rate	Change from 12th FP	Book Value (JPY mn)	Unrealized Gain (JPY mn)	Appraisal Value (JPY mn)	Direct Cap Rate
Properties Acquired during the 1st Fiscal Period										
M-01	Prologis Park Ichikawa 1	33,900	43,700	-100	4.0	0.0	31,928	11,771	43,800	4.0
M-02	Prologis Park Zama 1	27,900	33,900	-100	4.2	0.0	25,778	8,121	34,000	4.2
M-03	Prologis Park Kawajima	25,600	33,100	600	4.5	-0.1	23,099	10,000	32,500	4.6
M-04	Prologis Park Osaka 2	25,000	32,800	1,000	4.3	-0.1	22,880	9,919	31,800	4.4
M-05	Prologis Park Maishima 3	13,500	15,900	600	4.4	-0.1	12,198	3,701	15,300	4.5
M-06	Prologis Park Kasugai	12,500	18,000	800	4.6	-0.1	11,325	6,674	17,200	4.7
M-07	Prologis Park Kitanagoya	6,500	9,200	190	4.3	-0.1	5,871	3,328	9,010	4.4
B-02	Prologis Park Takatsuki	4,410	5,350	80	4.5	-0.1	4,132	1,217	5,270	4.6
B-03	Prologis Park Tosu 2	3,030	3,870	80	4.6	-0.1	2,751	1,118	3,790	4.7
B-04	Prologis Park Tosu 4	3,810	4,870	110	4.6	-0.1	3,502	1,367	4,760	4.7
	Sub-total / Average	156,150	200,690	3,260	-	-	143,468	57,221	197,430	-
Properties Acquired during the 2nd Fiscal Period										
M-09	Prologis Park Tokyo-Ohta	29,500	38,200	400	3.7	0.0	28,997	9,202	37,800	3.7
M-10	Prologis Park Zama 2	21,900	29,000	500	4.1	-0.1	20,373	8,626	28,500	4.2
M-11	Prologis Park Funabashi 5	11,000	14,000	100	4.1	0.0	10,455	3,544	13,900	4.1
M-12	Prologis Park Narita 1-A&B	8,420	10,400	0	4.9	0.0	7,900	2,499	10,400	4.9
M-13	Prologis Park Narita 1-C	4,810	5,900	0	4.9	0.0	4,589	1,310	5,900	4.9
M-14	Prologis Park Amagasaki 1	17,600	21,200	0	4.5	0.0	16,737	4,462	21,200	4.5
M-15	Prologis Park Amagasaki 2	19,200	22,300	0	4.5	0.0	18,359	3,940	22,300	4.5
B-05	Prologis Park Narashino 4	20,000	26,100	600	3.9	-0.1	18,524	7,575	25,500	4.0
	Sub-total / Average	132,430	167,100	1,600	-	-	125,937	41,162	165,500	-
Properties Acquired during the 3rd Fiscal Period										
M-16	Prologis Park Tokyo-Shinkiba	13,600	18,000	500	3.7	0.0	13,136	4,863	17,500	3.7
M-17	Prologis Park Yokohama-Tsurumi	13,800	18,400	500	4.0	-0.1	12,828	5,571	17,900	4.1
M-18	Prologis Park Osaka 4	21,000	25,600	600	4.3	-0.1	19,382	6,217	25,000	4.4
M-19	Prologis Park Iwanuma 1	5,670	7,880	370	4.8	-0.1	5,060	2,819	7,510	4.9
	Sub-total / Average	54,070	69,880	1,970	-	-	50,407	19,472	67,910	-
Properties Acquired during the 4th Fiscal Period										
M-20	Prologis Park Kawajima 2	8,180	9,640	210	4.5	-0.1	7,641	1,998	9,430	4.6
B-06	Prologis Park Ebina	8,250	10,800	300	4.0	-0.1	7,972	2,827	10,500	4.1
B-07	Prologis Park Kawanishi	13,600	15,000	100	4.4	-0.1	12,891	2,108	14,900	4.5
B-08	Prologis Park Amagasaki 3	9,090	10,300	0	4.4	0.0	8,643	1,656	10,300	4.4
B-09	Prologis Park Kobe	6,410	7,330	-10	4.8	0.0	5,988	1,341	7,340	4.8
	Sub-total / Average	45,530	53,070	600	-	-	43,138	9,931	52,470	-
Properties Acquired during the 7th Fiscal Period										
M-21	Prologis Park Kitamoto	12,600	13,800	0	4.7	0.0	12,097	1,702	13,800	4.7
M-22	Prologis Park Joso	7,120	7,480	-20	4.6	-0.1	6,798	681	7,500	4.7
M-23	Prologis Park Osaka 5	17,600	19,200	400	4.3	-0.1	16,982	2,217	18,800	4.4
B-10	Prologis Park Sendai Izumi	4,820	5,390	0	5.0	0.0	4,530	859	5,390	5.0
	Sub-total / Average	42,140	45,870	380	-	-	40,409	5,460	45,490	-
Properties Acquired during the 9th Fiscal Period										
M-24	Prologis Park Narita 3	9,240	10,500	100	4.7	0.0	9,000	1,499	10,400	4.7
B-11	Prologis Park Koga 1	7,680	8,320	-80	4.8	0.0	7,376	943	8,400	4.8
B-12	Prologis Park Kobe 2	13,700	14,400	0	4.8	0.0	13,221	1,178	14,400	4.8
	Sub-total / Average	30,620	33,220	20	-	-	29,598	3,621	33,200	-
Properties Acquired during the 10th Fiscal Period										
M-25	Prologis Park Narashino 5	13,600	15,000	400	4.0	-0.1	13,314	1,685	14,600	4.1
M-26	Prologis Park Ibaraki	38,300	41,400	800	4.2	0.0	37,769	3,630	40,600	4.2
B-13	Prologis Park Koga 2	3,930	4,020	10	4.8	0.0	3,818	201	4,010	4.8
	Sub-total / Average	55,830	60,420	1,210	-	-	54,901	5,518	59,210	-
Properties Acquired during the 11th Fiscal Period										
M-27	Prologis Park Ichikawa 3	17,000	17,600	-200	3.9	0.0	16,887	712	17,800	3.9
M-28	Prologis Park Narita 1-D	5,260	5,350	0	4.9	0.0	5,243	106	5,350	4.9
M-29	Prologis Park Yoshimi	21,300	21,800	400	4.5	-0.1	21,068	731	21,400	4.6
	Sub-total / Average	43,560	44,750	200	-	-	43,200	1,549	44,550	-
Properties Acquired during the 12th Fiscal Period										
B-14	Prologis Park Koga 3	5,440	5,550	30	4.8	0.0	5,405	144	5,520	4.8
	Sub-total / Average	5,440	5,550	30	-	-	5,405	144	5,520	-
Properties Acquired during the 13th Fiscal Period										
B-15	Prologis Park Tsukuba 1-A	12,900	13,000	100	4.6	-0.1	12,836	163	12,900	4.7
	Sub-total / Average	12,900	13,000	100	-	-	12,836	163	12,900	-
Total / Average (42 properties)		578,670	693,550	9,370	-	-	549,304	144,245	684,180	-

Summary of Interest Bearing Debt

	Lenders	Amount (JPY mn)	Interest Rate	Borrowing Date	Maturity Date ⁽²⁾	Collateral
Short-term Borrowings	Sumitomo Mitsui Banking Corporation, MUFG Bank, Ltd.	6,500	JBA 1-month TIBOR + 0.17% ⁽⁴⁾	Dec. 3, 2018	Nov. 29, 2019	
	Syndicate of lenders arranged by Sumitomo Mitsui Banking Corporation & MUFG Bank, Ltd.	1,000	JBA 3-month TIBOR + 0.24% ⁽⁵⁾	Nov. 27, 2014	Nov. 27, 2019	
	Sumitomo Mitsui Banking Corporation, MUFG Bank, Ltd.	14,000	0.5749% ⁽³⁾	Mar. 30, 2015	Mar. 31, 2022	
	Syndicate of lenders arranged by Sumitomo Mitsui Banking Corporation & MUFG Bank, Ltd.	7,300	0.0757% ⁽³⁾	Feb. 15, 2016	Feb. 15, 2021	
	Syndicate of lenders arranged by Sumitomo Mitsui Banking Corporation & MUFG Bank, Ltd.	6,000	0.1726% ⁽³⁾	Feb. 15, 2016	Feb. 15, 2022	
	Syndicate of lenders arranged by Sumitomo Mitsui Banking Corporation & MUFG Bank, Ltd.	10,000	0.39% ⁽³⁾	Feb. 15, 2016	Feb. 15, 2024	
	Syndicate of lenders arranged by Sumitomo Mitsui Banking Corporation & MUFG Bank, Ltd.	7,600	0.4129% ⁽³⁾	Mar. 15, 2016	Mar. 15, 2023	
	Syndicate of lenders arranged by Sumitomo Mitsui Banking Corporation & MUFG Bank, Ltd.	4,000	0.528% ⁽³⁾	Dec. 20, 2016	Dec. 20, 2024	
	Syndicate of lenders arranged by Sumitomo Mitsui Banking Corporation & MUFG Bank, Ltd.	9,400	0.7167% ⁽³⁾	Dec. 20, 2016	Dec. 18, 2026	
Long-term Borrowings	Syndicate of lenders arranged by Sumitomo Mitsui Banking Corporation & MUFG Bank, Ltd.	14,000	0.2236% ⁽³⁾	Apr. 28, 2017	Apr. 28, 2021	
	Syndicate of lenders arranged by Sumitomo Mitsui Banking Corporation & MUFG Bank, Ltd.	10,000	0.262% ⁽³⁾	Apr. 28, 2017	Apr. 28, 2022	
	Syndicate of lenders arranged by Sumitomo Mitsui Banking Corporation & MUFG Bank, Ltd.	20,000	0.3125% ⁽³⁾	Apr. 28, 2017	Apr. 28, 2023	
	Sumitomo Mitsui Banking Corporation, MUFG Bank, Ltd.	6,000	0.3725% ⁽³⁾	Apr. 28, 2017	Apr. 30, 2024	Unsecured and non-guaranteed
	Syndicate of lenders arranged by Sumitomo Mitsui Banking Corporation & MUFG Bank, Ltd.	23,300	0.4369% ⁽³⁾	Apr. 28, 2017	Apr. 28, 2025	
	Sumitomo Mitsui Banking Corporation, MUFG Bank, Ltd., Development Bank of Japan	13,900	0.524% ⁽³⁾	Apr. 28, 2017	Apr. 28, 2026	
	Syndicate of lenders arranged by Sumitomo Mitsui Banking Corporation & MUFG Bank, Ltd.	23,300	0.6327% ⁽³⁾	Apr. 28, 2017	Apr. 28, 2027	
	Syndicate of lenders arranged by Sumitomo Mitsui Banking Corporation & MUFG Bank, Ltd.	11,800	0.6198% ⁽³⁾	Mar. 13, 2018	Mar. 13, 2028	
	Syndicate of lenders arranged by Sumitomo Mitsui Banking Corporation & MUFG Bank, Ltd.	5,000	0.4483% ⁽³⁾	Oct. 1, 2018	Oct. 1, 2024	
	Syndicate of lenders arranged by Sumitomo Mitsui Banking Corporation & MUFG Bank, Ltd.	6,400	0.5138% ⁽³⁾	Dec. 3, 2018	Nov. 30, 2026	
	1st Unsecured Investment Corporation Bonds	2,000	0.338%	Nov. 27, 2014	Nov. 27, 2019	
	2nd Unsecured Investment Corporation Bonds	3,000	0.930%	Nov. 27, 2014	Nov. 27, 2024	
Investment Corporation Bonds	3rd Unsecured Investment Corporation Bonds	2,000	0.180%	Jun. 15, 2017	Jun. 15, 2021	
	4th Unsecured Investment Corporation Bonds	1,500	0.280%	Jun. 15, 2017	Jun. 15, 2023	
	5th Unsecured Investment Corporation Bonds	2,500	0.500%	Jun. 15, 2017	Jun. 15, 2027	
	6th Unsecured Investment Corporation Bonds	1,000	0.860%	Jun. 15, 2017	Jun. 15, 2032	
	7th Unsecured Investment Corporation Bonds	6,000	0.660%	Aug. 17, 2018	Aug. 17, 2028	
Total		217,500	-	-	-	

1. As of May 31, 2019. In addition, we have entered into a commitment line agreement of JPY 20 bn with Sumitomo Mitsui Banking Corporation, MUFG Bank, Ltd. and Mizuho Bank, Ltd..

2. The maturity date will be the immediately following business day in case such date falls on a day that is not a business day and the immediate preceding business day in case such date falls in the next calendar month.

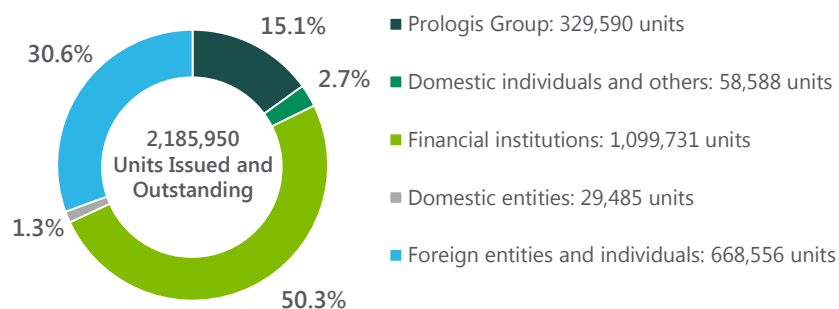
3. These borrowings are at floating interest rates. We have entered into interest rate swap agreements to hedge the risks of interest rate volatility. We are showing the interest rates including the effect of the swaps (i.e., fixed interest rates).

4. The base interest rate refers to the Japanese yen 1-month TIBOR (Tokyo Interbank Offered Rate). For the current rate, please refer to the Japanese Bankers Association's website.

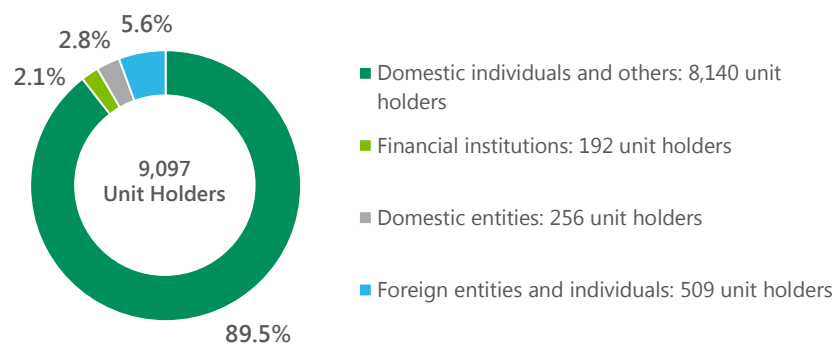
5. The base interest rate refers to the Japanese yen 3-month TIBOR (Tokyo Interbank Offered Rate). For the current rate, please refer to the Japanese Bankers Association's website.

Unit Holder Composition

BREAKDOWN BY UNITS



BREAKDOWN BY UNIT HOLDERS



MAJOR UNIT HOLDERS

No.	Name	Units Owned	% of Units Issued ⁽²⁾
1	Japan Trustee Services Bank, Ltd. (Trust Acct.)	342,960	15.68%
2	Prologis Property Japan SPC	327,590	14.98%
3	The Master Trust Bank of Japan, Ltd. (Trust Acct.)	294,837	13.48%
4	The Nomura Trust and Banking Company, Ltd. (Trust Acct.)	71,661	3.27%
5	STATE STREET BANK WEST CLIENTS-TREATY 505234	71,133	3.25%
6	Trust and Custody Services Bank, Ltd. (Securities Investment Trust Acct.)	55,218	2.52%
7	SSBTC CLIENT OMNIBUS ACCOUNT	31,317	1.43%
8	STATE STREET BANK AND TRUST COMPANY 505223	24,778	1.13%
9	Rakuten General Insurance Co., Ltd.	23,980	1.09%
10	STATE STREET BANK AND TRUST COMPANY 505103	23,667	1.08%
Total		1,267,141	57.96%

Prologis - Logistics Real Estate Leader in Japan and Globally

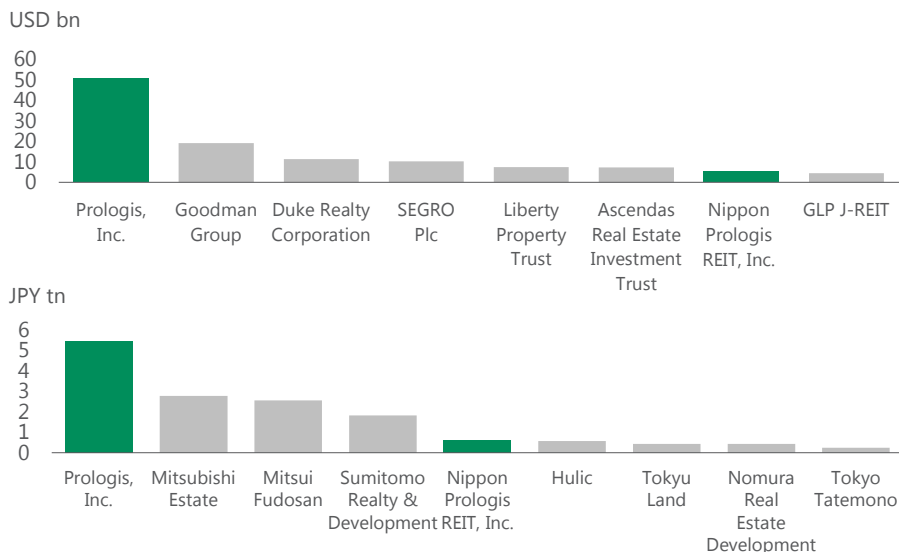
Prologis, Inc. World Largest Logistics Real Estate Company

- Listed on NYSE as US REIT specialized in logistics real estate (Founded in 1983, HQ: San Francisco)
- Developed/owned/operated 3,717 logistics facilities with total floor area of approx. 7,200 mn m² in 19 countries worldwide
- Serves approx. 5,100 customers
- Credit ratings ⁽¹⁾ : A3 (Moody's) / A- (S&P)

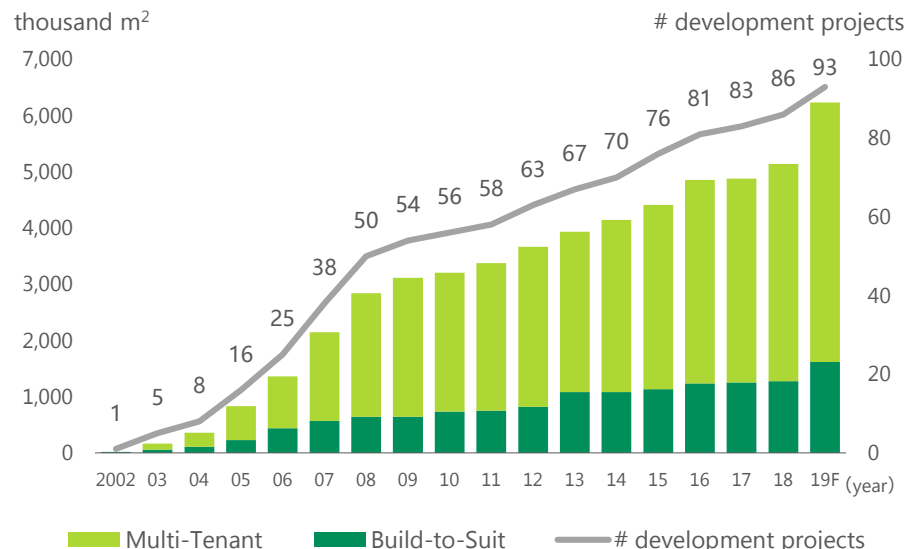
Prologis Japan Pioneer in Advanced Logistics Facilities

- Developed 93 logistics facilities, total floor space of approx. 6.2 mn m² ⁽²⁾ (during 2002 – May 2019)
- Provides one-stop service of development and operation of logistics real estate
- Committed to our customers' wellness and business continuity and supports for customers' employees by installing various amenities

LARGEST MARKET CAP AMONG PEERS ⁽³⁾



PROVEN DEVELOPMENT TRACK RECORD SINCE 2002



1. A securities rating is not a recommendation to buy, hold or sell securities and may be subject to revision or withdrawal at any time.
 2. Number of properties and total gross floor area of logistics facilities (incl. disposed properties) Prologis has developed or is developing.
 3. Market cap as of June 30, 2019.
 Exchange rate of US Dollar and Japanese Yen is based on TTM provided from The MUFG Bank, Ltd. as of June 30, 2019 (US\$=JPY 107.79).

Focus on Class-A Logistics Facilities

Features:

- Gross floor area of approximately 16,500 m² (177,600 ft²) or more
- Proximity to population clusters and transportation hubs such as expressway interchanges and major airports or seaports
- Large floor area exceeding approximately 5,000 m² (53,820 ft²) per level with a floor weight capacity of at least 1.5 t/m² (16.1 t/ft²), an effective ceiling height of at least 5.5 m (18 ft) and column spacing of at least 10 m (33 ft)
- Spiral ramps or slopes that allow trucks direct access to upper-floor distribution space
- Safety features such as seismic isolation and earthquake-proofing

Spiral Rampways



Large Loading Zones



Wide-Column Spacing



Renewable Energy



Restaurant



Convenience Store



24-Hour Security



Seismic Isolators



Automation/Robotic System in Implementation Stage



- Increasing labor shortage causing rise in wages in Japanese logistics industry
- Automation and robotics technology installation being accelerated to offset labor shortage
 - IoT technology
 - Integration of robotics system and AI for advanced supply chain management
- Modern logistics facilities can effectively accommodate automation/robotics
 - Large floor plate
 - High functionality
 - Versatility for future space expansion needs



Our Philosophy of ESG Builds upon Prologis Group

Prologis Statement of Purpose

We strive to be an exemplary corporate citizen, to minimize our environmental impacts and to maximize beneficial outcomes for our stakeholders.

Our Facilities Built to the Highest Standards

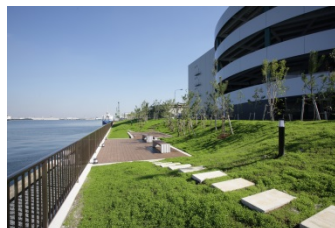
ENVIRONMENTAL STEWARDSHIP

- We continue to prevail our sustainability philosophy and ultimately contribute to the realization of low-carbon society
- We strive to reduce energy/water consumption and emission of green-house gas, which would contribute the prevention of global warming
- We will maximize the usage of renewable energy
- Prologis Group constructs logistics facilities that are highly friendly to environment and local community

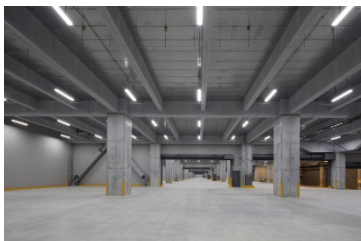
ENVIRONMENTAL FRIENDLY FACILITY DEVELOPMENTS



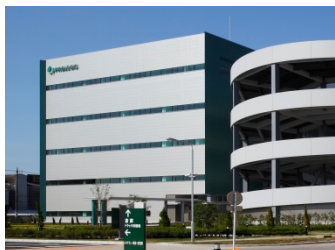
- Installation of large-scale solar panel on rooftops of 28 facilities nationwide as an initiative for renewable energy



- Greening efforts for roof tops and exterior walls



- Installation of LED lighting facilities
- Reduce environmental impact through electricity usage and GHG emission



- Installation of highly functional heat insulation materials on rooftops and facades of our facilities

Solar Panels Installed Generate Substantial Power

- Prologis Group has installed the total of 38.5 MW / 28 sites of Solar Power Facilities in Japan.



Prologis Park Kawajima
Prologis Park Kawajima 2



Prologis Park Yoshimi



Prologis Park Ichikawa 1



Prologis Park Osaka 4



Prologis Park Zama 1
Prologis Park Zama 2



Prologis Park Ibaraki



Prologis Park Amagasaki 1
Prologis Park Amagasaki 2



Prologis Park Osaka 5



Prologis Park Narashino 5



Prologis Park Ichikawa 3



Prologis Park Kitamoto



Prologis Park Joso



Prologis Park Ebina



Prologis Park Narita 1-D



Prologis Park Kasugai



Prologis Park Kawanishi



Prologis Park Amagasaki 3



Prologis Park Tosu 2



Prologis Park Narashino 4



Prologis Park Koga 2



Prologis Park Sendai Izumi 2



Prologis Park Tosu 4



Prologis Park
Kitanagoya



Prologis Park
Chiba New Town



Prologis Park Kyotanabe

Prologis Group Fully Committed to Social Wellness

SOCIAL RESPONSIBILITIES

- Our commitment to social responsibility extends to all our stakeholders, including employees, customers, communities, suppliers and investors
- We strive to be a good neighbor and to strengthen the communities where we work and live
- Our employees demonstrate their personal commitment by putting time and resources into welfare organizations that promote education and environmental and social well-being

OUR SOCIAL ACTIVITIES IN JAPAN



- Impact Day 2019 (Volunteer for inspection /packaging/ donation of children's used school bags)



- Educational field trip for elementary school students (Prologis Park Narita 3)



- Prologis staff volunteering for education of children



- Chair course at Waseda University hosted by Prologis

WELLNESS FOR OUR EMPLOYEES

- Launched Breakthrough, an internal network designed to attract, advance and retain women across the globe with leadership training, mentoring, networking and talent development.
- Updated its parental leave policy in the U.S. and deployed unconscious bias training globally
- Expanded its inclusion and diversity efforts to focus on building a culture of belonging in which all employees are engaged and comfortable expressing their individuality regardless of race, ethnicity, gender, age, sexual orientation, socioeconomic status, religious beliefs or physical ability.

PROLOGIS FOUNDATION

Established in 2001, the Prologis Foundation provides support to organization engaging in education, environment and human welfare.

- Matching gifts where we donate a gift the amount equivalent to total found raised from employees
- Dollars for Doers program where we donate according to employees volunteer time
- Grants to nonprofits

Sound Governance Structure Promotes Our Investor Value

ALIGNMENT OF INTERESTS BETWEEN UNIT HOLDERS AND SPONSOR PROLOGIS

Same Boat investment by Prologis Group

- Prologis Group maintains **15%** ownership of our outstanding units since our IPO to date

Performance-based Asset Management Fees

- Asset Management Fees payable to Prologis REIT Management K.K. are fully linked with our financial performance; the amount of cash flows/earnings being generated by our portfolio
- Structure of Asset Management Fees

Type 1 Management Fee

NOI X 7.5%

+

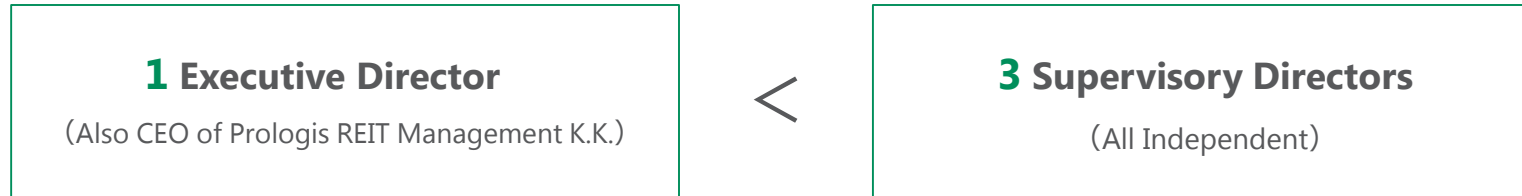
Type 2 Management Fee

Net Income X 6%

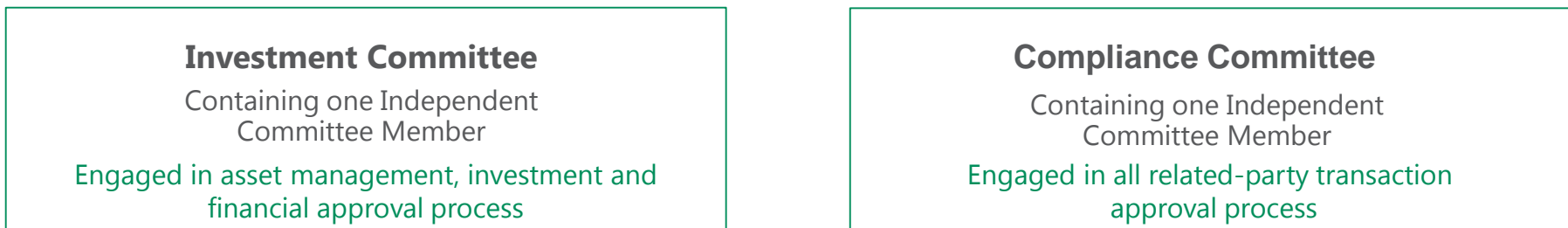
Sound Governance Structure Promotes Our Investor Value

NPR'S INDEPENDENT APPROVAL PROCESS

Structure of NPR's Board



All Governance Subject to Approvals by Independent Committee Members



This presentation includes forward-looking information that reflects the plans and expectations of Nippon Prologis REIT, Inc. and Prologis REIT Management K.K. Such forward-looking information is based on current assumptions and beliefs, and involves known and unknown risks, uncertainties, and other factors. Such risks, uncertainties and other factors may cause the actual results to be materially different from those expressed or implied by such forward-looking information.



Asset Manager: Prologis REIT Management K.K.
Financial Instruments Business License, Direct of the Kanto Finance Bureau (Kinsho): Registration No. 2667
Member of The Investment Trusts Association, Japan