

SEMIANNUAL REPORT

Fiscal Period Ended May 31, 2025



Prologis Park Narita 3

Balance Sheets

	Thousands of yen	
	As of	
	May 31, 2025	November 30, 2024
ASSETS		
Current assets:		
Cash and deposits	¥ 13,793,771	¥ 34,704,754
Cash and deposits in trust	7,498,947	7,369,845
Operating accounts receivable	2,025,916	2,084,986
Prepaid expenses	888,253	503,083
Income taxes receivable	2,014	111
Consumption taxes receivable	1,515,969	-
Other current assets	17,885	50,128
Total current assets	25,742,759	44,712,910
Property and equipment (Notes 3 and 8):		
Buildings	7,732,509	7,732,509
Structures	252,837	252,837
Tools, furniture and fixtures	5,434	5,434
Land	3,834,204	3,834,204
Buildings in trust	595,049,805	571,032,820
Structures in trust	15,385,641	14,969,153
Machinery and equipment in trust	444,121	444,261
Tools, furniture and fixtures in trust	1,699,162	1,608,510
Other tangible assets in trust	2,654	2,654
Land in trust	360,041,791	339,958,016
Construction in progress in trust	157,300	4,994
Less: accumulated depreciation	(114,726,822)	(107,932,800)
Total property and equipment	869,878,641	831,912,595
Intangible assets (Notes 3 and 8):		
Other intangible assets in trust	226,272	238,309
Total intangible assets	226,272	238,309
Investments and other assets:		
Long-term prepaid expenses	1,287,563	1,125,869
Deferred tax assets (Note 16)	29	25
Security deposit	10,000	10,000
Investment corporation bond issuance costs	161,382	175,053
Other	400	400
Total investments and other assets	1,459,375	1,311,349
Total Assets	¥ 897,307,049	¥ 878,175,165

The accompanying notes are an integral part of these financial statements.

Balance Sheets, continued

	Thousands of yen	
	As of	
	May 31, 2025	November 30, 2024
LIABILITIES		
Current liabilities:		
Operating accounts payable	¥ 1,889,452	¥ 2,807,922
Short-term loans payable (Note 14)	5,000,000	-
Current portion of long-term loans payable (Notes 6, 7 and 14)	24,900,000	32,300,000
Accounts payable	697,320	675,406
Accrued expenses	3,056,273	2,944,095
Consumption taxes payable	-	747,682
Income taxes payable	791	726
Advances received	5,502,581	5,275,901
Other current liabilities	643,373	970,153
Total current liabilities	41,689,793	45,721,888
Non-current liabilities:		
Investment corporation bonds payable (Notes 6 and 15)	42,800,000	42,800,000
Long-term loans payable (Notes 6, 7 and 14)	289,600,000	258,200,000
Tenant leasehold and security deposits	258,940	256,002
Tenant leasehold and security deposits in trust	23,735,636	22,651,280
Other non-current liabilities	3,382	1,091
Total non-current liabilities	356,397,960	323,908,373
Total Liabilities	398,087,754	369,630,262
NET ASSETS (Note 13)		
Unit holders' equity		
Unit holders' capital	483,778,259	495,995,431
Units authorized:		
10,000,000 units as of May 31, 2025 and November 30, 2024		
Units issued and outstanding:		
2,796,369 units as of May 31, 2025, and 2,838,900 units as of November 30, 2024		
Surplus		
Retained earnings	15,441,036	12,549,471
Total unit holders' equity	499,219,295	508,544,903
Total Net Assets	499,219,295	508,544,903
Total Liabilities and Net Assets	¥ 897,307,049	¥ 878,175,165

The accompanying notes are an integral part of these financial statements.

Statements of Income

Thousands of yen				
For the six-month periods ended				
	May 31, 2025		November 30, 2024	
Operating Revenues				
Operating rental revenues (Note 9)	¥	29,541,180	¥	28,398,797
Other rental revenues (Note 9)		2,419,677		2,654,797
Gain on exchange of real estate properties (Note 10)		2,596,948		-
Total operating revenues		34,557,806		31,053,594
Operating Expenses:				
Expenses related to property rental business (Note 9)		14,813,424		14,638,254
Asset management fee		2,672,921		2,574,497
Asset custody fee		57,336		56,356
Directors' compensation		7,200		7,200
Audit fee		16,000		16,000
Other operating expenses		88,271		78,160
Total operating expenses		17,655,154		17,370,469
Operating income		16,902,651		13,683,125
Non-operating Income:				
Interest income		16,057		3,460
Reversal of distributions payable		881		872
Gain on donation of fixed assets		-		28,383
Others		6		-
Total non-operating income		16,945		32,717
Non-operating Expenses:				
Interest expense on loans payable		1,047,625		852,130
Interest expense on investment corporation bonds		144,054		149,984
Amortization of investment corporation bond issuance costs		13,671		13,494
Borrowing related expenses		238,359		220,932
Others		35,156		131
Total non-operating expenses		1,478,867		1,236,672
Ordinary income		15,440,728		12,479,170
Extraordinary income:				
Subsidy income		-		70,420
Total extraordinary income		-		70,420
Income before income taxes		15,440,728		12,549,590
Income taxes – current (Note 16)		1,230		1,144
Income taxes – deferred (Note 16)		(4)		(20)
Total income taxes		1,226		1,124
Net income		15,439,502		12,548,465
Retained earnings brought forward		1,533		1,005
Retained earnings at end of period	¥	15,441,036	¥	12,549,471

	Yen			
	For the six-month periods ended			
	May 31, 2025		November 30, 2024	
Net income per unit (Note 17)	¥	1,821	¥	1,473

The accompanying notes are an integral part of these financial statements.

Statements of Changes in Net Assets

For the six-month periods ended May 31, 2025 and November 30, 2024

Thousands of yen					
	Number of units	Unit holders' capital	Retained earnings	Own investment units	Total net assets
Balance as of May 31, 2024	2,838,900	¥ 498,155,834	¥ 12,591,527	¥ -	¥ 510,747,361
Distributions of retained earnings	-	-	(12,590,521)	-	(12,590,521)
Distributions in excess of retained earnings	-	(2,160,402)	-	-	(2,160,402)
Net income	-	-	12,548,465	-	12,548,465
Balance as of November 30, 2024 (Note 13)	2,838,900	¥ 495,995,431	¥ 12,549,471	¥ -	¥ 508,544,903
Distributions of retained earnings	-	-	(12,547,938)	-	(12,547,938)
Distributions in excess of retained earnings	-	(2,217,180)	-	-	(2,217,180)
Net income	-	-	15,439,502	-	15,439,502
Acquisition of own investment units	-	-	-	(9,999,991)	(9,999,991)
Cancellation of own investment units	(42,531)	(9,999,991)	-	9,999,991	-
Balance as of May 31, 2025 (Note 13)	2,796,369	¥ 483,778,259	¥ 15,441,036	¥ -	¥ 499,219,295

The accompanying notes are an integral part of these financial statements.

Statements of Cash Flows

	Thousands of yen			
	For the six-month periods ended			
	May 31, 2025		November 30, 2024	
Cash Flows from Operating Activities:				
Income before income taxes	¥	15,440,728	¥	12,549,590
Depreciation		7,532,854		7,230,737
Amortization of investment corporation bond issuance costs		13,671		13,494
Interest income		(16,057)		(3,460)
Interest expense		1,191,679		1,002,114
Gain on donation of fixed assets		-		(28,383)
Decrease (increase) in operating accounts receivable		59,070		(148,360)
Decrease (increase) in consumption taxes receivable		(1,515,969)		-
Decrease (increase) in prepaid expenses		(385,169)		330,442
Decrease (increase) in long-term prepaid expenses		(161,693)		144,418
Increase (decrease) in operating accounts payable		(921,291)		985,476
Increase (decrease) in accounts payable		13,076		(27,223)
Increase (decrease) in accrued expenses		109,075		(3,695)
Increase (decrease) in consumption taxes payable		(747,682)		(1,486,461)
Increase (decrease) in advances received		226,680		75,377
Net increase in property and equipment in trust by exchange transaction		(2,278,631)		-
Others, net		63,775		(42,116)
Subtotal		18,624,117		20,591,948
Interest received		16,057		3,460
Interest paid		(1,188,577)		(992,283)
Income taxes paid		(3,069)		(1,227)
Net cash provided by operating activities		17,448,528		19,601,898
Cash Flows from Investing Activities:				
Purchases of property and equipment		(40,392)		(8,372)
Purchases of property and equipment in trust		(43,161,723)		(1,505,880)
Proceeds from tenant leasehold and security deposits		2,938		-
Proceeds from tenant leasehold and security deposits in trust		1,108,595		749,420
Repayments of tenant leasehold and security deposits in trust		(374,950)		(402,232)
Net cash provided by (used in) investing activities		(42,465,530)		(1,167,064)
Cash Flows from Financing Activities:				
Proceeds from short-term loans payable		11,000,000		-
Repayments of short-term loans payable		(6,000,000)		-
Proceeds from long-term loans payable		51,300,000		5,000,000
Repayments of long-term loans payable		(27,300,000)		(5,000,000)
Proceeds from issuance of investment corporation bonds		-		2,981,690
Redemption of investment corporation bonds		-		(3,000,000)
Payment of distributions of retained earnings		(12,547,756)		(12,588,808)
Payment of distributions in excess of retained earnings		(2,217,131)		(2,160,051)
Payment for acquisition of own investment units		(9,999,991)		-
Net cash provided by (used in) financing activities		4,235,121		(14,767,170)
Net increase (decrease) in cash and cash equivalents		(20,781,881)		3,667,664
Cash and cash equivalents at the beginning of period		42,074,600		38,406,936
Cash and cash equivalents at the end of period (Note 5)	¥	21,292,719	¥	42,074,600

The accompanying notes are an integral part of these financial statements.

Notes to Financial Statements

For the six-month periods ended May 31, 2025 and November 30, 2024

1. Organization and Basis of Presentation

a) Organization

Nippon Prologis REIT, Inc. (“NPR”) was established on November 7, 2012, based on the “Act on Investment Trusts and Investment Corporations” (hereinafter the “Investment Trust Law”) and was listed on the REIT Securities Market of the Tokyo Stock Exchange on February 14, 2013.

NPR has strategically focused on investment for Class-A logistics^{(*)1} facilities from its inception backed by the Prologis Group’s^{(*)2} strong sponsor support, and has aimed to maximize unit holders’ value by maintaining a portfolio that generates stable income. As a result of such investment management, NPR owned 61 properties (aggregate acquisition price^{(*)3}: 960,217 million yen), all of which are Class-A logistics facilities developed by the Prologis Group, as of May 31, 2025.

^{(*)1} “Class-A logistics facilities” are our target logistics properties that meet the demands of logistics companies and other end-users with respect to operational efficiency and fulfill certain criteria with respect to size, location, state-of-the-art equipment, convenience and safety.

^{(*)2} The Prologis Group is a group of Prologis, Inc. and its affiliates, which include Prologis K.K., a Japanese subsidiary.

^{(*)3} “Acquisition price” is represented by an amount of the purchase price stated in the sale and purchase agreement of trust beneficiary interest, and is rounded down to millions of yen. With respect to Prologis Park Zama 1, the acquisition price is as of the date of the initial acquisition and does not reflect the partial disposition and acquisition of land on October 3, 2018. With respect to Prologis Park Iwanuma, the acquisition price includes the acquisition price of its land and the construction cost of the building for its redevelopment project.

b) Basis of Presentation

The accompanying financial statements have been prepared in accordance with the provisions set forth in the Investment Trust Law, the Japanese Financial Instruments and Exchange Act and their related accounting regulations, and in conformity with accounting principles generally accepted in Japan (hereinafter the “Japanese GAAP”), which are different in certain respects as to application and disclosure requirements from International Financial Reporting Standards.

The accompanying financial statements have been reformatted and translated into English from the financial statements of NPR prepared in accordance with Japanese GAAP and filed with the appropriate Local Finance Bureau of the Ministry of Finance as required by the Financial Instruments and Exchange Act. In preparing these financial statements, certain reclassifications and modifications have been made to the financial statements issued domestically in order to present them in a format which is more familiar to readers outside Japan.

As permitted by the regulations under the Financial Instruments and Exchange Act of Japan, amounts of less than one thousand yen have been omitted. As a result, the totals shown in the accompanying financial statements do not necessarily agree with the sums of the individual amounts.

The fiscal period of NPR represents two six-month accounting periods: each period is from June 1 to November 30 or, from December 1 to May 31 of the following year.

2. Summary of Significant Accounting Policies

a) Cash and Cash Equivalents

Cash and cash equivalents consist of cash on hand and cash in trust, floating deposits, floating deposits in trust and short-term investments that are liquid and realizable with a maturity of three months or less when purchased, and that are subject to insignificant risks of changes in value.

b) Property and Equipment

Property and equipment are stated at cost, which includes the original purchase price and related acquisition costs and expenses. Depreciation of property and equipment, including property and equipment in trust, is calculated by the straight-line method over the estimated useful lives as follows:

Buildings	2-67 years
Structures	2-60 years
Machinery and equipment	8-17 years
Tools, furniture and fixtures	2-20 years

c) Intangible Assets

Intangible assets are stated at cost, which includes the original purchase price and related acquisition costs and expenses. Amortization of intangible assets, including intangible assets in trust, is calculated by the straight-line method over the estimated useful lives.

d) Taxes on Property and Equipment

With respect to property taxes, city planning taxes and depreciable asset taxes, of the tax amount assessed and determined, the amount corresponding to the relevant fiscal period is accounted for as rental expenses.

Of the amounts paid for the acquisitions of real estate properties or beneficiary rights in trust of real estate, the amount equivalent to taxes on property and equipment is capitalized as part of the acquisition cost of the relevant property instead of being charged as expenses. Capitalized taxes on property and equipment amounted to 42,548 thousand yen for the fiscal period ended May 31, 2025, and was not applicable for the fiscal period ended November 30, 2024.

e) Investment Unit Issuance Expenses

The full amount of investment unit issuance expenses is recorded as expenses at the time of expenditure.

f) Investment Corporation Bond Issuance Costs

Investment corporation bond issuance costs are amortized using the straight-line method over the respective terms of the bonds.

g) Revenue from Contracts with Customers

The content of main performance obligations related to revenue arising from contracts with customers of NPR and the normal timing for satisfying such performance obligations (the normal timing for recognizing revenue) are as follows:

(i) Sale of real estate property

NPR recognizes revenue from the sale of real estate properties when the purchaser, as the

customer, obtains control of the properties following the seller fulfilling its delivery obligations stipulated in the transaction agreement of the properties.

On the statement of Income, the presented amount is calculated by deducting the book value of the real estate sold and the direct expenses incurred for the sale from the sales price of the real estate.

For detail, please refer to “10. Gain on exchange of real estate properties .”

(ii) Utilities income

NPR supplies utilities services such as the electricity, water, etc. to the lessees as the customers and recognizes those income based on contracts with the customers.

h) Hedge Accounting

NPR enters into derivative transactions in order to hedge against risks defined in its Articles of Incorporation and in compliance with their general risk management policy. NPR uses interest rate swaps for the purpose of hedging its risk exposure associated with interests on variable rate loans payable. Where deferral accounting is generally adopted for hedge transactions, NPR applies the special accounting treatment to interest rate swaps which qualify for hedge accounting and meet the specific matching criteria. Under the special accounting treatment, interest rate swaps are not measured at fair value, but the differential paid or received under the swap agreements is recognized and included in interest expense.

Assessment of the hedge effectiveness has been omitted since all interest rate swaps meet the specific matching criteria under the special accounting treatment.

i) Beneficiary Rights in Trust

As to beneficiary rights in trust, all accounts of assets and liabilities for assets in trust as well as the related income generated and expenses incurred are recorded in the relevant balance sheet and statement of income accounts.

j) Consumption Taxes

Nondeductible consumption taxes on property and equipment are included in the acquisition cost of the respective assets.

3. Significant Accounting Estimates

Valuation of investment and rental properties

a) Book value of investment and rental properties and the impairment loss recorded

	Thousands of yen			
	As of			
	May 31, 2025		November 30, 2024	
Property and equipment	¥	869,878,641	¥	831,912,595
Intangible assets		226,272		238,309
Impairment loss		-		-

b) Information on the nature of significant accounting estimates for identified items

In accordance with the Accounting Standard for Impairment of Fixed Assets, NPR has adopted the accounting treatment to reduce the book value of investment and rental properties to a recoverable amount when the invested amount is deemed to be unrecoverable due to lowered profitability.

In adopting the accounting treatment, the respective properties owned by NPR are regarded as a single asset group, and judgment is made whether it is required to recognize impairment losses when indications of impairment are deemed to exist for the group due to continuous operating losses, a significant decline in the market value and significant deterioration of the business environment, etc.

Future cash flow estimates are used to determine whether or not to recognize impairment losses. When it is determined that impairment losses should be recognized, the book value is reduced to the recoverable amount based on the real estate appraisal values provided by external appraisers, and the reduced amount is recorded as impairment losses.

In estimating the future cash flow, the underlying rent, occupancy rate and real estate rental expenses, etc. are determined by comprehensively taking into account the market trends and transaction cases of similar properties, etc.

The performance and the market value of each property may be affected by the trends in the real estate rental market and real estate transaction market. Accordingly, when changes arise to the assumptions of the estimate, they may affect the financial position and results of operation of NPR in the following fiscal period.

4. Accounting Standards Issued but Not Yet Effective

“Accounting Standard for Leases” (ASBJ Statement No. 34, September 13, 2024)

“Implementation Guidance on Accounting Standard for Leases” (ASBJ Guidance No. 33, September 13, 2024), etc.

a) Overview

As part of efforts to make the Japanese GAAP internationally consistent, the Accounting Standards Board of Japan (ASBJ) has been considering to develop accounting standards for leases in which assets and liabilities are recognized for all leases of lessees, taking into account international accounting standards.

The basic policy is to base the accounting standards on the single accounting model of IFRS 16, by not adopting all the provisions of IFRS 16, but adopting only the main provisions, which will result in simple and convenient accounting standards that will basically not require any amendments even if a company that voluntarily adopts IFRS for its consolidated financial statements uses the provisions of IFRS 16 for its non-consolidated financial statements.

As for the accounting treatment of lessees, the single accounting model will be applied to the method of allocating lease expenses to lessees in which depreciation expenses for right-of-use assets and interest expenses for lease liabilities are recorded for all leases, regardless of whether the lease is a finance lease or an operating lease, same as IFRS 16.

The accounting treatment of lessors basically follows the provisions of the Accounting Standard for Lease Transactions (ASBJ Statement No. 13), etc., except for the provisions aiming at consistency with the Accounting Standard for Revenue Recognition (ASBJ Statement No. 29) and those for the definition and identification of a lease.

b) Schedule date of adoption

The accounting standard, etc. will be adopted from the beginning of the fiscal period ending November 2027.

c) The impact of adoption of the accounting standard, etc.

The amount of impact of adopting the “Accounting Standard for Leases”, etc. on the financial statements is being evaluated at present.

5. Cash and Cash Equivalents

a) Reconciliation of the cash and deposits to the cash and cash equivalents

The relationship between cash and cash equivalents in the statements of cash flows and accounts and amounts in the accompanying balance sheets are as follows:

	Thousands of yen			
	As of			
	May 31, 2025		November 30, 2024	
Cash and deposits	¥	13,793,771	¥	34,704,754
Cash and deposits in trust		7,498,947		7,369,845
Cash and cash equivalents	¥	21,292,719	¥	42,074,600

b) Significant non-cash transaction

(For the six-month period ended May 31, 2025)

NPR executed an exchange transaction of real estate properties on February 3, 2025. The non-cash component arising from this transaction is outlined below.

	Thousands of yen
Price of properties acquired through exchange	¥ (4,940,000)
Price of properties disposed through exchange	5,300,000
Received net difference on exchange transactions (Included in "Cash flows from operating activities")	¥ 360,000

(For the six-month period ended November 30, 2024)

None

6. Financial Instruments

a) Detailed Information on Financial Instruments

(i) Policy for Financial Instruments

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

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

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

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

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

Bank loans and investment corporation bonds are mainly made to procure funds for acquisition of properties, repayment of bank loans and redemption of investment corporation bonds. Although NPR is exposed to liquidity risks upon repayment and redemption, by diversifying the maturities and lending institutions, setting up commitment line agreements, securing liquidity of cash in hand and managing such liquidity risks by preparing and monitoring cash flows projection, such risks are maintained under control.

In addition, certain loans bear floating interest rates and are exposed to potential risk of rising interest rates. NPR attempts to mitigate the impact of such risks on its operations by maintaining a conservative loan to value ratio and increasing the ratio of long-term fixed interest rate loans.

(iii) Supplemental Explanation Regarding Fair Values of Financial Instruments

Since the fair value of financial instruments is calculated based on certain assumptions, the fair value could differ depending on the assumptions used. As for the contract amount and other conditions of derivative transactions indicated in " b) Estimated Fair Value of Financial Instruments" below, the contract

amount is not an indicator of the market risks related to such derivative transactions.

b) Estimated Fair Value of Financial Instruments

The book value, fair value and differences between the values as of May 31, 2025 and November 30, 2024 are as follows. The notes of "Cash and deposits", "Cash and deposits in trust" and "Short-term loans payable" are omitted because the book value of these instruments are deemed a reasonable approximation of their fair value due to the short maturities.

	Thousands of yen		
	As of May 31, 2025		
	Book value	Fair value	Difference
(1) Current portion of investment corporation bonds payable	¥ -	¥ -	¥ -
(2) Current portion of long-term loans payable	24,900,000	24,768,221	(131,778)
(3) Investment corporation bonds payable	42,800,000	37,375,920	(5,424,080)
(4) Long-term loans payable	289,600,000	281,026,563	(8,573,436)
Total liabilities	¥ 357,300,000	¥ 343,170,705	¥ (14,129,294)
(5) Derivative transactions	¥ -	¥ -	¥ -

	Thousands of yen		
	As of November 30, 2024		
	Book value	Fair value	Difference
(1) Current portion of investment corporation bonds payable	¥ -	¥ -	¥ -
(2) Current portion of long-term loans payable	32,300,000	32,222,241	(77,758)
(3) Investment corporation bonds payable	42,800,000	38,357,640	(4,442,360)
(4) Long-term loans payable	258,200,000	252,091,268	(6,108,731)
Total liabilities	¥ 333,300,000	¥ 322,671,150	¥ (10,628,849)
(5) Derivative transactions	¥ -	¥ (56,372)	¥ (56,372)

(* 1) Methods to estimate fair values of financial instruments and matters concerning derivative transactions

(1) Current portion of investment corporation bonds payable and (3) Investment corporation bonds payable
The reference statistical prices disclosed by the Japan Securities Dealers Association are used as the fair value.

(2) Current portion of long-term loans payable and (4) Long-term loans payable
The fair value of long-term loans payable is determined based on the present value of contractual cash flows discounted at the rates which would be applicable to new loans payable under the similar terms and conditions.

(5) Derivative transactions
Please refer to "7. Derivative Transactions."

(* 2) Repayment schedule of long-term loans payable and other interest-bearing debt after the closing date of the fiscal periods

As of May 31, 2025

Thousands of yen						
May 31, 2025						
	Due within one year	Due after one to two years	Due after two to three years	Due after three to four years	Due after four to five years	Due after five years
Investment corporation bonds payable	¥ -	¥ -	¥ 8,500,000	¥ 8,300,000	¥ 3,000,000	¥ 23,000,000
Long-term loans payable	24,900,000	44,100,000	29,800,000	42,200,000	63,820,000	109,680,000
Total	¥24,900,000	¥44,100,000	¥38,300,000	¥50,500,000	¥66,820,000	¥132,680,000

As of November 30, 2024

Thousands of yen						
November 30, 2024						
	Due within one year	Due after one to two years	Due after two to three years	Due after three to four years	Due after four to five years	Due after five years
Investment corporation bonds payable	¥ -	¥ -	¥ 5,500,000	¥11,300,000	¥ 3,000,000	¥ 23,000,000
Long-term loans payable	32,300,000	26,300,000	37,700,000	41,400,000	42,600,000	110,200,000
Total	¥32,300,000	¥26,300,000	¥43,200,000	¥52,700,000	¥45,600,000	¥133,200,000

7. Derivative Transactions

For the six-month periods ended May 31, 2025 and November 30, 2024 NPR only utilized interest rate swaps which qualified for hedge accounting and met the special matching criteria, as described below.

Thousands of yen						
As of May 31, 2025						
Hedge accounting method	Type of derivative transaction	Primary hedged item	Contract amount			
			Total	Due after one year	Fair value	Fair value measurement
Special treatment for interest rate swaps	Interest rate swaps Receive floating / Pay fix	Long-term loans payable	¥288,561,000	¥263,661,000	(*)	-

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

Thousands of yen						
As of November 30, 2024						
Hedge accounting method	Type of derivative transaction	Primary hedged item	Contract amount ^{(*)1}			
			Total	Due after one year	Fair value ^{(*)2}	Fair value measurement
Special treatment for interest rate swaps	Interest rate swaps Receive floating / Pay fix	Long-term loans payable	¥293,481,000	¥261,181,000	¥ (56,372)	(*)3

(*)1 “Contract amount” includes a notional amount of 18,000,000 thousand yen of interest rate swap entered on November 28, 2024. The effective date of the loan subject to the interest rate swap is December 2, 2024.

(*)2 As of November 30, 2024, the interest rate swap entered on November 28, 2024 is not deemed as an integral component of long term loan payable under the special accounting treatment since the corresponding loan designated as a hedged item has not yet started. Thus, the amount represents the fair value of the subject interest rate swap as of November 30, 2024. Other than that, interest rate swaps under the special accounting treatment are accounted for as the integral part of long-term loans payable designated as hedged items. Therefore, their fair value is included in (2) Current portion of long-term loans payable and (4) Long-term loans payable disclosed in the aforementioned “6. Financial Instruments, b) Estimated Fair Value of Financial Instruments”.

(*)3 Fair value is measured by the counterparty of the relevant transaction based on market rates.

8. Investment and Rental Properties

NPR owns logistics facilities for leasing for the purpose of earning rental income. The book value, changes during the reporting fiscal period and fair value of the properties are as follows:

	Thousands of yen	
	For the six-month periods ended	
	May 31, 2025	November 30, 2024
Book value		
Balance at the beginning of the period	¥ 832,145,910	¥ 837,954,714
Changes during the period ^(*2)	37,801,703	(5,808,803)
Balance at the end of the period	¥ 869,947,613	¥ 832,145,910
Fair value at the end of the period	¥ 1,223,504,000	¥ 1,179,050,000

(*1) Book value is calculated by deducting accumulated depreciation from acquisition cost.

(*2) As for the fiscal period ended November 30, 2024, the decrease was primarily a result of recognition of depreciation, which amounted to 7,230,737 thousand yen. As for the fiscal period ended May 31, 2025, the increase was primarily a result of acquisition of Prologis Park Yachiyo 1 and 28% co-ownership of Prologis Park Ichikawa 2, which amounted to 39,261,368 thousand yen and 7,777,979 thousand yen, respectively. The decrease was primarily a result of disposition of 50% co-ownership of Prologis Park Kitanagoya and recognition of depreciation, which amounted to 2,661,368 thousand yen and 7,532,854 thousand yen, respectively.

(*3) The fair value at the end of the period is determined based on appraised value provided by independent real estate appraisers.

Income and loss in connection with investment and rental properties are disclosed in “9. Property-related Revenues and Expenses.” and “10. Gain on exchange of real estate properties.”

9. Property-related Revenues and Expenses

The following table summarizes the revenues and expenses generated from property leasing activities for the six-month periods ended May 31, 2025 and November 30, 2024.

	Thousands of yen	
	For the six-month periods ended	
	May 31, 2025	November 30, 2024
(1) Property-related revenues		
Rental revenues		
Rental revenues	¥ 27,635,566	¥ 26,583,410
Common area charges	1,905,613	1,815,387
Total	¥ 29,541,180	¥ 28,398,797
Other rental revenues		
Utilities income	¥ 1,969,835	¥ 2,240,721
Others	449,841	414,075
Total	¥ 2,419,677	¥ 2,654,797
Total property-related revenues	¥ 31,960,858	¥ 31,053,594
(2) Property-related expenses		
Rental expenses		
Subcontract expenses	¥ 1,634,197	¥ 1,651,628
Utilities cost	2,021,152	2,263,839
Taxes and public dues	2,821,631	2,737,214
Non-life insurance premium	326,765	308,110
Repair and maintenance	430,037	404,246
Depreciation	7,532,854	7,230,737
Custodian fee	27,303	26,956
Other expenses	19,481	15,520
Total rental expenses	¥ 14,813,424	¥ 14,638,254
(3) Operating income from property leasing ((1)-(2))	¥ 17,147,433	¥ 16,415,340

10. Gain on exchange of real estate properties

Gain on exchange of real estate properties for the six-month periods ended May 31, 2025 and November 30, 2024 were as follows:

(For the six-month period ended May 31, 2025)

	Thousands of yen
Prologis Park Kitanagoya (50% co-ownership interest)	
Disposition price of real estate properties	¥ 5,300,000
Cost of real estate properties disposed	2,661,368
Other expenses related to disposition	41,683
Gain on exchange of real estate properties	¥ 2,596,948

(For the six-month period ended November 30, 2024)

None

11. Revenue from Contracts with Customers

a) Breakdown information on revenues from contracts with customers

(For the six-month period ended May 31, 2025)

For the breakdown information on revenues from contracts with customers, refer to “9. Property-related Revenues and Expenses” and “10. Gain on exchange of real estate properties.”

Note that the revenues described in “9. Property-related Revenues and Expenses” include revenues recognized in accordance with the Accounting Standard for Lease Transactions (ASBJ Statement No.13). The revenues from contracts with customers consist mainly of utilities income and disposition price of real estate properties.

(For the six-month period ended November 30, 2024)

For the breakdown information on revenues from contracts with customers, refer to “9. Property-related Revenues and Expenses.”

Note that the revenues described in “9. Property-related Revenues and Expenses” include revenues recognized in accordance with the Accounting Standard for Lease Transactions (ASBJ Statement No.13). The revenues from contracts with customers consist mainly of utilities income.

b) Information to understand the amounts of revenues for the current and subsequent fiscal periods

(For the six-month period ended May 31, 2025)

The transaction price allocated to the remaining performance obligations

The transaction price allocated to the remaining performance obligations related to the disposition of real estate as of May 31, 2025 pertains to the real estate for which exchange transactions were agreed on January 16, 2025. NPR expects to recognize revenue related to the remaining performance obligations upon the delivery of the relevant real estate as outlined below.

(i) Prologis Park Kitanagoya

Disposition date	Disposition price	Fiscal period for revenue recognition
August 1, 2025	5,300,000 thousand yen	Ending November 2025

(ii) Prologis Park Funabashi 5 (Including annex)

Planned disposition date	Assumed disposition price (*)	Fiscal period for revenue recognition
February 2, 2026	5,181,000 thousand yen	Ending May 2026
August 3, 2026	5,181,000 thousand yen	Ending November 2026
February 1, 2027	5,338,000 thousand yen	Ending May 2027

(*) The disposition price will be determined by the end of January 2026 using the calculation method stipulated by the trust beneficiary interests exchange agreement with the buyer. Therefore, the “Assumed disposition price” are subject to change.

(For the six-month period ended November 30, 2024)

None

12. Leases

The future minimum rental revenues from tenants subsequent to each fiscal period end under non-cancellable operating leases of properties are as follows:

	Thousands of yen			
	As of			
	May 31, 2025		November 30, 2024	
Due within one year	¥	54,538,230	¥	53,684,293
Due after one year		178,280,263		183,777,484
Total	¥	232,818,493	¥	237,461,777

13. Net Assets

a) Stated Capital

NPR issues only non-par value units in accordance with the Investment Trust Law, and all issue amounts of new units are designated as stated capital. NPR maintains at least 50,000 thousand yen as the minimum net assets required by Article 67, Paragraph 4 of the Investment Trust Law.

b) Unit holders’ capital

Unit holders’ capital as of May 31, 2025 and November 30, 2024 consists of the following items:

	Thousands of yen			
	As of			
	May 31, 2025		November 30, 2024	
Unit holders’ capital, gross	¥	525,397,439	¥	525,397,439
Deduction from unit holders’ capital;				
Accumulated distributions in excess of retained earnings		(31,619,189)		(29,402,008)

Accumulated cancellation of own investment units	(9,999,991)	-
Unit holders' capital	¥ 483,778,259	¥ 495,995,431

c) Distributions

Distributions related to each period but declared and paid after the balance sheet date are summarized as follows:

		Yen			
		For the six-month periods ended			
		May 31, 2025		November 30, 2024	
		Total	Per unit	Total	Per unit
I	Unappropriated retained earnings	¥ 15,441,036,646		¥ 12,549,471,948	
II	Distributions in excess of retained earnings				
	Deduction from unit holders' capital	813,743,379		2,217,180,900	
III	Distributions				
	Distributions of retained earnings	15,438,753,249	¥5,521	12,547,938,000	¥4,420
	Distributions in excess of retained earnings	813,743,379	¥291	2,217,180,900	¥781
	Total distributions	16,252,496,628	¥5,812	14,765,118,900	¥5,201
IV	Retained earnings carried forward	¥ 2,283,397		¥ 1,533,948	

Pursuant to the "Policy on the Distribution of Funds" as defined in Article 39, Paragraph 1, Item 2 of the Articles of Incorporation, the amount of distributions shall be the amount which does not exceed the amount of profits but exceeds 90% of the distributable profit as defined in Article 67-15 of the Special Taxation Measures Act. The distribution amounts were equivalent to the integral of multiples of number of investment units issued and outstanding as of the end of each fiscal period, in which the unit holders' burdens of income taxes could be minimized.

Additionally, based on the distribution policy as defined in Article 39, Paragraph 2 of the Articles of Incorporation, NPR shall make Surplus Cash Distributions ("SCD"), defined as distributions in excess of retained earnings, each fiscal period on a continuous basis as Regular Surplus Cash Distributions. Furthermore, NPR is permitted to distribute One-time Surplus Cash Distributions for the purpose of maintaining stable distributions per unit in the event that its distributions per unit is expected to temporarily dilute by a certain degree. NPR may also conduct surplus cash distributions in case of Allowance for Temporary Difference Adjustments ("ATA", collectively with the Regular Surplus Cash Distributions and the One-time Surplus Cash Distributions, "SCD" or "SCDs") according to laws and regulations (including rules stipulated by The Investment Trusts Association, Japan) as ATA-based Surplus Cash Distributions.

Based on these policies, NPR declared distributions as follows:

- For the six-month period ended May 31, 2025, NPR declared distribution amounts of 15,438,753,249 yen and Regular Surplus Cash Distributions of 813,743,379 yen which was the amount equivalent to approximately 32% of depreciation expense of 7,532,854,685 yen, excluding the amount of a portion of the gain on exchange of real estate properties.
- For the six-month period ended November 30, 2024, NPR declared distribution amounts of 12,547,938,000

yen and Regular Surplus Cash Distributions of 2,217,180,900 yen which was the amount equivalent to approximately 32% of depreciation expense of 7,230,737,838 yen, excluding the amount of the extraordinary income and one-time non-operating income.

14. Short-term and Long-term Loans Payable

Short-term and long-term loans payable consisted of bank borrowings under loan agreements. The following table summarizes the short-term and long-term loans payable as of May 31, 2025 and November 30, 2024.

	Thousands of yen			
	As of			
	May 31, 2025		November 30, 2024	
0.63993% unsecured short-term loans due 2025 ^(**)	¥	-	¥	-
0.68751% unsecured short-term loans due 2025		5,000,000		-
Total short-term loans payable	¥	5,000,000	¥	-
0.52800% unsecured long-term loans due 2024 ^(*)	¥	-	¥	4,000,000
0.43690% unsecured long-term loans due 2025 ^(*)		-		23,300,000
0.71670% unsecured long-term loans due 2026 ^(*)		9,400,000		9,400,000
0.52400% unsecured long-term loans due 2026 ^(*)		6,100,000		6,100,000
0.52400% unsecured long-term loans due 2026 ^(*)		5,200,000		5,200,000
0.52400% unsecured long-term loans due 2026 ^(*)		2,600,000		2,600,000
0.63270% unsecured long-term loans due 2027 ^(*)		23,300,000		23,300,000
0.61980% unsecured long-term loans due 2028 ^(*)		11,800,000		11,800,000
0.51380% unsecured long-term loans due 2026 ^(*)		6,400,000		6,400,000
0.36520% unsecured long-term loans due 2028 ^(*)		6,600,000		6,600,000
0.43000% unsecured long-term loans due 2029 ^(*)		12,000,000		12,000,000
0.18770% unsecured long-term loans due 2025 ^(*)		5,000,000		5,000,000
0.49700% unsecured long-term loans due 2029 ^(*)		6,500,000		6,500,000
0.49800% unsecured long-term loans due 2029 ^(*)		3,000,000		3,000,000
0.24470% unsecured long-term loans due 2027 ^(*)		5,000,000		5,000,000
0.34460% unsecured long-term loans due 2029 ^(*)		4,100,000		4,100,000
0.29700% unsecured long-term loans due 2028 ^(*)		6,000,000		6,000,000
0.40490% unsecured long-term loans due 2030 ^(*)		6,300,000		6,300,000
0.47600% unsecured long-term loans due 2031 ^(*)		7,300,000		7,300,000
0.30350% unsecured long-term loans due 2028 ^(*)		5,000,000		5,000,000
0.40040% unsecured long-term loans due 2030 ^(*)		9,000,000		9,000,000
0.29170% unsecured long-term loans due 2027 ^(*)		7,000,000		7,000,000
0.45820% unsecured long-term loans due 2031 ^(*)		7,000,000		7,000,000
0.47250% unsecured long-term loans due 2029 ^(*)		2,000,000		2,000,000
0.63650% unsecured long-term loans due 2032 ^(*)		4,000,000		4,000,000

0.39750% unsecured long-term loans due 2026 ^(*)	6,000,000	6,000,000
0.57660% unsecured long-term loans due 2029 ^(*)	4,000,000	4,000,000
0.57660% unsecured long-term loans due 2029 ^(*)	4,000,000	4,000,000
0.57900% unsecured long-term loans due 2029 ^(*)	4,000,000	4,000,000
0.66680% unsecured long-term loans due 2030 ^(*)	6,000,000	6,000,000
0.65300% unsecured long-term loans due 2032	2,000,000	2,000,000
1.00490% unsecured long-term loans due 2031 ^(*)	9,000,000	9,000,000
0.94210% unsecured long-term loans due 2030 ^(*)	7,600,000	7,600,000
0.79300% unsecured long-term loans due 2030 ^(*)	12,000,000	12,000,000
0.88700% unsecured long-term loans due 2031 ^(*)	5,000,000	5,000,000
0.94800% unsecured long-term loans due 2032 ^(*)	12,500,000	12,500,000
1.14500% unsecured long-term loans due 2032	2,000,000	2,000,000
0.42275% unsecured long-term loans due 2028	3,000,000	3,000,000
0.47775% unsecured long-term loans due 2030	4,500,000	4,500,000
0.96690% unsecured long-term loans due 2030 ^(*)	6,481,000	6,481,000
0.92740% unsecured long-term loans due 2030	3,519,000	3,519,000
1.20900% unsecured long-term loans due 2032 ^(*)	3,000,000	3,000,000
1.20900% unsecured long-term loans due 2032 ^(*)	3,000,000	3,000,000
0.77200% unsecured long-term loans due 2028 ^(*)	5,000,000	5,000,000
1.26050 % unsecured long-term loans due 2032 ^(*)	10,000,000	-
1.34870% unsecured long-term loans due 2033 ^(*)	8,000,000	-
1.14350% unsecured long-term loans due 2031 ^(*)	2,580,000	-
1.06361% unsecured long-term loans due 2029	1,020,000	-
1.06361% unsecured long-term loans due 2029	400,000	-
1.37960% unsecured long-term loans due 2030 ^(*)	2,000,000	-
1.58550% unsecured long-term loans due 2033 ^(*)	2,000,000	-
1.20125% unsecured long-term loans due 2029	7,700,000	-
1.20125% unsecured long-term loans due 2029	1,800,000	-
1.29210% unsecured long-term loans due 2031 ^(*)	13,800,000	-
1.40350% unsecured long-term loans due 2031 ^(*)	2,000,000	-
Less: current portion	(24,900,000)	(32,300,000)
Total long-term loans payable, less current portion	¥ 289,600,000	¥ 258,200,000

The stated interest rate is the weighted average interest rate during the fiscal period ended May 31, 2025.

For certain loans (*) for which NPR uses interest rate swaps to hedge their interest rate risk exposure, the effective interest rate which includes the effect of the interest rate swap is stated.

The redemption schedules for long-term loans subsequent to May 31, 2025 and November 30, 2024 are disclosed in “6. Financial Instruments”.

For the short-term loans (**) with the principal amounts of 6,000,000 thousand yen, 4,000,000 thousand yen was partially prepaid on March 12, 2025, and the remaining 2,000,000 thousand yen was prepaid on May 1, 2025.

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

	Thousands of yen			
	As of			
	May 31, 2025		November 30, 2024	
Total amount of committed line of credit	¥	20,000,000	¥	20,000,000
Borrowings drawn down		-		-
Balance of unused committed line of credit	¥	20,000,000	¥	20,000,000

15. Investment Corporation Bonds Payable

The investment corporation bonds payable would be redeemed on a lump-sum basis at their contractual maturity dates. The following table summarizes the investment corporation bonds payable as of May 31, 2025 and November 30, 2024.

	Issued date	Maturity date	Interest rate	Thousands of yen			
				As of			
				May 31, 2025		November 30, 2024	
5th unsecured bond	June 15, 2017	June 15, 2027	0.500%	¥	2,500,000	¥	2,500,000
6th unsecured bond	June 15, 2017	June 15, 2032	0.860%		1,000,000		1,000,000
7th unsecured bond	August 17, 2018	August 17, 2028	0.660%		6,000,000		6,000,000
8th unsecured bond	April 17, 2020	April 17, 2040	0.900%		5,000,000		5,000,000
9th unsecured bond	April 17, 2020	April 15, 2050	1.000%		5,000,000		5,000,000
10th unsecured bond	May 31, 2021	May 30, 2031	0.470%		7,000,000		7,000,000
11th unsecured bond	May 31, 2021	May 30, 2036	0.730%		5,000,000		5,000,000
12th unsecured bond	June 22, 2022	June 22, 2027	0.300%		3,000,000		3,000,000
13th unsecured bond	August 17, 2022	August 17, 2028	0.430%		2,300,000		2,300,000
14th unsecured bond	April 4, 2023	April 4, 2028	0.600%		3,000,000		3,000,000
15th unsecured bond	September 18, 2024	September 18, 2029	0.880%		3,000,000		3,000,000
Total				¥	42,800,000	¥	42,800,000

16. Income Taxes

NPR is subject to Japanese corporate income taxes on its taxable income. The tax effects of temporary differences that give rise to a significant portion of the deferred tax assets and liabilities as of May 31, 2025 and November 30, 2024:

	Thousands of yen	
	As of	
	May 31, 2025	November 30, 2024
Enterprise tax payable	¥ 29	¥ 25
Total deferred tax assets	29	25
Net deferred tax assets	¥ 29	¥ 25

Reconciliations of major items that caused differences between the statutory tax rate and effective tax rate with respect to pre-tax income reflected in the accompanying statements of income for the six-month periods ended May 31, 2025 and November 30, 2024 are as follows:

	For the six-month periods ended	
	May 31, 2025	November 30, 2024
Statutory tax rate	31.46%	31.46%
Adjustments:		
Deductible cash distributions	(31.46%)	(31.46%)
Other	0.00%	0.00%
Actual effective income tax rate	0.01%	0.01%

NPR has a policy of making cash distributions of earnings in excess of 90% of distributable income as defined in the Special Taxation Measures Act for the fiscal period to qualify for conditions, as set forth in the Special Taxation Measures Act, to achieve a deduction of cash distributions for income tax purposes. Based on this policy, NPR treated the cash distributions of earnings as a tax deductible distribution as defined in the Special Taxation Measures Act.

17. Per Unit Information

The following table summarizes per unit information for the six-month periods ended May 31, 2025 and November 30, 2024.

	Yen	
	For the six-month periods ended	
	May 31, 2025	November 30, 2024
Net income per unit		
Basic net income per unit ^(*1)	¥ 1,821	¥ 1,473
Weighted average number of units outstanding	8,477,069	8,516,700

	Yen	
	As of	
	May 31, 2025	November 30, 2024
Net assets per unit	¥ 59,508	¥ 59,711

- (*1) Basic net income per unit is based on the weighted average number of units issued and outstanding during the period. Diluted earnings per unit and related information are not disclosed as no dilutive units were outstanding.
- (*2) NPR conducted a 3-for-1 investment unit split with May 31, 2025 as the record date and June 1, 2025 as the effective date. All of the amounts presented in the table are calculated based on the assumption that the said investment unit split was conducted at the beginning of the six-month period ended November 30, 2024.

18. Transactions with Related Parties

a) Transactions and Account Balances with the Parent Company and Major Unit Holders

There were no transactions and account balances for all periods presented.

b) Transactions and Account Balances with Affiliates

There were no transactions and account balances for all periods presented.

c) Transactions and Account Balances with Companies under Common Control and others

(For the six-month period ended May 31, 2025)

Classification	Name of the company	Address	Stated capital (Thousands of yen)	Type of business	Percentage of voting rights owned	Relation		Type of transaction	Transaction amount (Thousands of yen)	Account	Ending balance (Thousands of yen)
						Common board member	Business relationship				
Subsidiary of an affiliate	Prologis REIT Master Lease GK ^(*)2)	Chiyoda-ku, Tokyo	¥ 2,100	Real estate leasing business other	-	-	Lessee	Lease of properties in trust	¥ 30,251,890	Operating accounts receivable	¥ 1,809,253
										Advances received	5,184,910
								Proceeds of tenant leasehold and security deposits in trust	1,107,935	Tenant leasehold and security deposits in trust	23,104,801
								Repayments of tenant leasehold and security deposits in trust	374,950		
Subsidiary of an affiliate	Akagi Special Purpose Company	Chiyoda-ku, Tokyo	100,000	Real estate business	-	-	Seller	Acquisition of beneficiary right in trust	39,000,000	-	-
Subsidiary of an affiliate	Ichikawa 2 Special Purpose Company (*3)	Chiyoda-ku, Tokyo	600	Real estate business	-	-	Seller	Acquisition of beneficiary right in trust	2,744,000	-	-
Subsidiary of an affiliate	Prologis REIT Management K.K.	Chiyoda-ku, Tokyo	100,000	Investment management business	-	Executive Director of NPR and President & CEO of the Asset Manager	Asset Manager	Payment of asset management fee	(*4) 2,957,541	Accrued expenses	2,940,214

(*1) The terms and conditions of these transactions were executed based on market practices.

(*2) With respect to 54 of the 61 properties held by NPR, NPR leases space to Prologis REIT Master Lease GK based on a pass-through type master lease agreement, and Prologis REIT Master Lease GK subleases the space to tenants.

(*3) As of March 6, 2025, Ichikawa 2 Special Purpose Company changed its company name to “Edo Special Purpose Company”.

(*4) The asset management fee above includes acquisition fees of 258,120 thousand yen, which was capitalized as part of the book value of each property, and disposition fees of 26,500 thousand yen, which was included in the calculation of gain on exchange of real estate properties.

(For the six-month period ended November 30, 2024)

Classification	Name of the company	Address	Stated capital (Thousands of yen)	Type of business	Percentage of voting rights owned	Relation		Type of transaction	Transaction amount (Thousands of yen)	Account	Ending balance (Thousands of yen)
						Common board member	Business relationship				
Subsidiary of an affiliate	Prologis REIT Master Lease GK ^(*)2)	Chiyoda-ku, Tokyo	¥ 2,100	Real estate leasing business other	-	-	Lessee	Lease of properties in trust	¥ 29,370,944	Operating accounts receivable	¥ 1,827,683
										Advances received	4,958,953
								Proceeds of tenant leasehold and security deposits in trust	700,603	Tenant leasehold and security deposits in trust	22,371,815
								Repayments of tenant leasehold and security deposits in trust	350,940		
Subsidiary of an affiliate	Prologis REIT Management K.K.	Chiyoda-ku, Tokyo	100,000	Investment management business	-	Executive Director of NPR and President & CEO of the Asset Manager	Asset Manager	Payment of asset management fee	2,574,497	Accrued expenses	2,831,947

(*1) The terms and conditions of these transactions were executed based on market practices.

(*2) With respect to 52 of the 59 properties held by NPR, NPR leases space to Prologis REIT Master Lease GK based on a pass-through type master lease agreement, and Prologis REIT Master Lease GK subleases the space to tenants.

d) Transactions and Account Balances with Directors and Major Individual Unit Holders

There were no transactions and account balances for all periods presented.

19. Segment and Related Information

Description is omitted as NPR's operating segment consists of a single segment for all periods.

Related Information

(For the six-month period ended May 31, 2025)

a) Information by Geographic Region

(i) Operating Revenues

Substantially all of NPR's operating revenue is generated in Japan.

(ii) Property and Equipment

Substantially all of NPR's property and equipment is located in Japan.

b) Information by Major Customers

Customers	Operating revenue	Related segment
Prologis REIT Master Lease GK	30,251,890 thousand yen	The real estate leasing business

(*) With respect to 54 properties out of 61 properties held by NPR, NPR leases space to Prologis REIT Master Lease GK based on a pass-through type master lease agreement, and Prologis REIT Master Lease GK subleases the space to tenants.

(For the six-month period ended November 30, 2024)

a) Information by Geographic Region

(i) Operating Revenues

Substantially all of NPR's operating revenue is generated in Japan.

(ii) Property and Equipment

Substantially all of NPR's property and equipment is located in Japan.

b) Information by Major Customers

Customers	Operating revenue	Related segment
Prologis REIT Master Lease GK	29,370,944 thousand yen	The real estate leasing business

(*) With respect to 52 properties out of 59 properties held by NPR, NPR leases space to Prologis REIT Master Lease GK based on a pass-through type master lease agreement, and Prologis REIT Master Lease GK subleases the space to tenants.

20. Subsequent Events

Split of Investment Units

NPR conducted a 3-for-1 basis investment unit split (the "Split") with May 31, 2025 as the record date and June 1, 2025 as the effective date.

a) Rationale for the Split

Considering the growing penetration of the new Nippon Individual Savings Account ("New NISA"), which was launched in January 2024, NPR implemented the Split to establish a more accessible investment environment for investors, aiming to further expand the investor base, particularly individual investors, and to enhance the liquidity of NPR's investment units.

b) Detail of the Split

(i) Method of the Split

As of May 31, 2025 as the record date, each of NPR's investment units owned by unitholders who were registered or recorded in the latest register of unitholders was divided on a 3-for-1 basis.

(ii) Number of investment units increased through the Split etc.

Total number of Investment units issued and outstanding before the Split	2,796,369 units
Total number of Investment units increased through the Split	5,592,738 units
Total number of Investment units issued and outstanding after the Split	8,389,107 units
Total number of authorized Investment units after the Split	30,000,000 units

21. Additional information

Exchange of Assets

NPR signed the following two trust beneficiary interests exchange agreements on January 16, 2025. Additionally, below exchange transactions of Prologis Park Kitanagoya and 36% co-ownership of Prologis Park Ichikawa 2 were completed on February 3, 2025 and August 1, 2025, respectively.

a) Trust beneficiary interests exchange agreement (Prologis Park Kitanagoya)

< Assets disposed in exchange >

Property name	Prologis Park Kitanagoya
Disposition date	A) February 3, 2025 (50% co-ownership) B) August 1, 2025 (50% co-ownership)
Disposition price	A) 5,300 million yen B) 5,300 million yen
Difference between disposition price and book value upon disposition	A) 2,638 million yen B) 2,630 million yen (anticipated)
Buyer	Japan Logistics Fund, Inc.



Independent auditor's report

To the Board of Directors of Nippon Prologis REIT, Inc.:

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Nippon Prologis REIT, Inc. (“the Company”), which comprise the balance sheets as at May 31, 2025 and November 30, 2024, the statements of income, changes in net assets and cash flows for the six-month periods then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at May 31, 2025 and November 30, 2024, and its financial performance and its cash flows for the six-month periods then ended in accordance with accounting principles generally accepted in Japan.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Japan, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

The other information comprises the information included in the Semiannual Report, but does not include the financial statements and our auditor's report thereon. Management is responsible for the preparation and presentation of the other information. Supervisory directors are responsible for overseeing the executive director's performance of his duties with regard to the design, implementation and maintenance of the reporting process for the other information.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

< Assets acquired in exchange >

Property name	Prologis Park Ichikawa 2
Acquisition date	A) February 3, 2025 (18% co-ownership) B) August 1, 2025 (18% co-ownership)
Acquisition Price	A) 4,940 million yen B) 4,940 million yen
Seller	Japan Logistics Fund, Inc.

b) Trust beneficiary interests exchange agreement (Prologis Park Funabashi 5)

< Assets to be disposed in exchange >

Property name	Prologis Park Funabashi 5 (Including annex)
Planned disposition date	A) February 2, 2026 (33% co-ownership) B) August 3, 2026 (33% co-ownership) C) February 1, 2027 (34% co-ownership)
Assumed disposition price (*)	A) 5,181 million yen B) 5,181 million yen C) 5,338 million yen
Difference between assumed disposition price and anticipated book value upon disposition (assumed) (*)	A) 1,962 million yen B) 1,990 million yen C) 2,074 million yen
Buyer	Japan Logistics Fund, Inc.

(*) The disposition price will be determined by the end of January 2026 using the calculation method stipulated by the trust beneficiary interests exchange agreement with the Buyer. Therefore, the “Assumed disposition price” and the “Difference between assumed disposition price and anticipated book value upon disposition (assumed)” are subject to change.

< Assets to be acquired in exchange >

Property name	Prologis Park Ichikawa 2
Planned acquisition date	A) February 2, 2026 (18% co-ownership) B) August 3, 2026 (18% co-ownership) C) February 1, 2027 (18% co-ownership)
Assumed acquisition price (*)	A) 4,940 million yen B) 4,940 million yen C) 4,940 million yen
Seller	Japan Logistics Fund, Inc.

(*) The acquisition price will be determined by the end of January 2026 using the calculation method stipulated by the trust beneficiary interest exchange agreement with the Seller. Therefore, the “Assumed acquisition price” are subject to change.

Responsibilities of Management and Supervisory Directors for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in Japan, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern and disclosing, as applicable, matters related to going concern in accordance with accounting principles generally accepted in Japan.

Supervisory directors are responsible for overseeing the executive director's performance of his duties with regard to the design, implementation and maintenance of the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with auditing standards generally accepted in Japan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of our audit in accordance with auditing standards generally accepted in Japan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, while the objective of the audit is not to express an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate whether the presentation and disclosures in the financial statements are in accordance with accounting standards generally accepted in Japan, the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the executive director regarding, among other matters, the planned scope and timing of the audit, significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the executive director with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with him all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

Fee-related Information

Fees paid or payable to our firm and to other firms within the same network as our firm for audit and non-audit services provided to the Company for the six-month period from December 1, 2024 to May 31, 2025 are 16,000 thousand yen and 7,291 thousand yen, respectively.

Interest required to be disclosed by the Certified Public Accountants Act of Japan

We do not have any interest in the Company which is required to be disclosed pursuant to the provisions of the Certified Public Accountants Act of Japan.

/S/Koichiro Nojima

Designated Engagement Partner

Certified Public Accountant

/S/Tadashi Naito

Designated Engagement Partner

Certified Public Accountant

KPMG AZSA LLC

Tokyo Office, Japan

August 28, 2025

Notes to the Reader of Independent Auditor's Report:

This is a copy of the Independent Auditor's Report and the original copies are kept separately by the Company and KPMG AZSA LLC.

Periodic disclosure for financial products referred to in Article 8(1) of Regulation (EU) 2019/2088 and Article 6 of Regulation (EU) 2020/852

Product name: Nippon Prologis REIT, Inc.
Legal Entity Identifier: 353800PHBMSDLAFURY41

Environmental and/or social characteristics

Did this financial product have a sustainable investment objective?	
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
<input type="checkbox"/> It made sustainable investments with an environmental objective: ____%	<input type="checkbox"/> It promoted Environmental/Social (E/S) characteristics and while it did not have as its objective a sustainable investment, it had a proportion of ____% of sustainable investments
<input type="checkbox"/> in economic activities that qualify as environmentally sustainable under the EU Taxonomy	<input type="checkbox"/> with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
<input type="checkbox"/> in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	<input type="checkbox"/> with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
<input type="checkbox"/> It made sustainable investments with a social objective: ____%	<input type="checkbox"/> with a social objective
	<input checked="" type="checkbox"/> It promoted E/S characteristics, but did not make any sustainable investments

To what extent were the environmental and/or social characteristics promoted by this financial product met?

The Prologis Group, including Nippon Prologis REIT, Inc. (“NPR”) and Prologis REIT Management. K.K. (the “Asset Manager”), conducts sustainable corporate activities with goals of protecting the environment, contributing to society, and maintaining corporate ethics and governance, as a good corporate citizen. We aim to minimize the impact of the Prologis Group’s business activities on the environment and to maximize the benefit of all stakeholders.

NPR functions as a long-term real estate holding vehicle for the Prologis Group’s business in Japan. The Prologis Group conducts its global business through one common operating platform that covers all entities in the Prologis Group, including NPR. For environmental, social and governance (“ESG”) initiatives, the Prologis Group uses its scale to provide one common ESG platform (ESG objectives, principles, policies, goals and monitoring systems) that covers NPR. In addition, NPR, as a separate public entity, also has distinct and independent ESG management systems especially for its governance.

Our ESG initiatives, especially environmental stewardship, include the following

activities at our properties:

- *Reducing energy consumption at our properties.* We aim to reduce energy consumption and contribute to low-carbon society by installing energy saving equipment such as LED lighting and sensor lighting at our properties. As of June 30, 2025, LED lighting was installed at 94% of our portfolio based on leasable area, which is the same as 94% as of Dec. 31, 2024. Also, as of May 31, 2025, 64.6MW of solar panel was installed on the rooftops of our properties, as compared to 64.2MW as of Dec. 31, 2024.
- *Procuring renewable energy and aiming to achieve net zero.* We proactively introduce green energy for our portfolio for the one way to reduce our carbon footprint. As of May 31, 2025, the percentage of floor area which has net zero emissions of GHG which was achieved by introduce of green energy was 23.2% of our portfolio based on leasable area, as compared to 18.3% as of Nov. 30, 2024. We aim to achieve net zero across our entire portfolio by 2040 mainly by accelerating the procurement of renewable energy.
- *Water conservation.* We have installed rainwater recycling systems and irrigation timers to reduce water usage at two of our properties. At Prologis Park Narita 1, rainwater is collected and kept for general service water in the event of water or power outages by connecting to the emergency generator. Prologis Park Osaka 4 uses industrial water for landscaping.
- *Promoting wall greening and rooftop greening.* We build green walls and rooftops at our properties. Taking into account the rich natural environment that surrounds Prologis Park Kawajima, the facility’s landscaping was designed to include a variety of plants and trees, such as evergreens and deciduous trees, conical trees, trees of different heights, and ground cover plants. Also, by installing rooftop greenery at Prologis Park Tokyo-Shinkiba, we have reduced and mitigated the urban heat-island effect. Additionally, we have built a road and a park on site of Prologis Park Tokyo-Shinkiba for the local community to further enhance the safety of the property and improve the surrounding environment.
- *Pollution and waste management.* We have installed water-retentive blocks, which are made of recycled products, at the entrance and approach to our buildings to help to reduce the urban heat-island effect. Also, in partnership with Fukuvi Chemical Industry Co., Ltd., we have developed and filed a patent application for a plastic forklift guard for use at logistics facilities and warehouses; though made out of plastic, these guards can last decades and can be recycled into pallets.
- *Including “Green Lease” provisions in our agreements.* We aim to include environmental provisions, which we refer to as “Green Lease” provisions, in the lease contracts with our tenants. Our Green Lease provisions include clauses requiring our tenants to collaborate with us in implementing various measures, including actions for energy savings and disclosure of their environmental data to us. As of June 30, 2025, 72.4% of our leases (based on leasable area) with our tenants contained such Green Lease provisions, as compared to 72.5% as of Dec. 31, 2024.

Social initiatives at our properties including the following.

- *Developing worker-friendly facilities for tenants and their employees.* We adopt various approaches in designing and upgrading facilities to benefit tenants and their employees. Such facilities include a self-checkout convenience store at Prologis Park Ichikawa 3, a modern cafeteria at many of our multi-tenant facilities, and shuttle bus services and free Wi-Fi connections provided at many of our multi-tenant facilities.
- *Supporting local communities and logistics industry.* We sponsor the Waseda University Graduate School of Commerce's Logistics/Supply Chain Management (SCM) Course, and offer internship programs for junior high school students and educational field trips for junior high and elementary school students. We also hold various events for our customers and local communities such as a summer festival at Prologis Park Ichikawa 1 and social events in the cafés at Prologis Park Zama and Prologis Park Tokyo-Ohta. Since 2022, we have expanded the scope of and increased the number of such customer events, setting up an annual program called "Customer Appreciation Month." Every May, we also host the "IMPACT Day," when the entire Japan-based Prologis Group spends a full day volunteering with charities in our local communities such as engaging in forest conservation and agricultural activities with the intellectually disabled, donating schoolbags for children in Afghanistan, supporting a children's orphanage and conducting a survey of sea life in Osaka Bay.
- *Prologis Foundation.* The Prologis Foundation was established in the United States in 2001, and established its local foundation in Japan in 2019. Our grant-making focuses on education, the environment and human welfare. The Japan-based foundation provides grants to nonprofits and scholarship programs to support undergraduate students raised at orphanages. Also, as Prologis' employees make donations to national/international casualties arising from various natural disasters as well as certain geopolitical events such as a war in Ukraine, the Prologis Foundation typically matches such donations to holistically increase the size of our social contributions.
- *Providing support for employees.* The Asset Manager focuses on inclusion and diversity to create an environment in which every employee feels that they can contribute freely to the conversation that drives the success of the organization. The Asset Manager provides all employees with the opportunity to better understand our industry and is ensuring ongoing enrichment for those involved in real estate operations, including supporting employees to acquire specific qualifications and credentials by subsidizing examination fees and providing learning programs/materials.
- ***How did the sustainability indicators perform?***

We use the following indicators to measure the attainment of the environmental,

social and governance characteristics we promote:

- *Environmental certification of individual properties:* To track the environmental performance of our properties, we rely on certifications issued by third-party organizations such as the Comprehensive Assessment System for Built Environment Efficiency ("CASBEE") certification, Building Energy-efficiency Labeling System ("BELS") certification, the Development Bank of Japan's Green Building Certification ("DBJGB") and other equivalent certifications. We call our property that receives any such certifications an "Eligible Green Project". With respect to CASBEE, we consider a property to have a sufficient environmental certification if it received B+ Rank or higher out of the CASBEE ranking system featuring Rank S (excellent), Rank A (very good), Rank B+ (good), Rank B- (slightly inferior) and Rank C (inferior). With respect to BELS (2016 standard), we consider a property to have a sufficient environmental certification if it received four stars or higher out of BELS' five-star ranking system. With respect to BELS (2024 standard), we consider a property to have a sufficient environmental certification if (1) it received level 4 or higher out of 6 levels (for non-residential) or (2) it received level 3 or higher out of 6 levels (for housing with renewable energy equipment) or (3) it received level 3 or higher out of 4 levels (for housing without renewable energy equipment). With respect to DBJGB, we consider a property to have a sufficient environmental certification if it received four stars or higher out of DBJGB's five-star ranking system. As of May 31, 2025, 97.9% of our properties were Eligible Green Projects based on acquisition price, as compared to 97.8% as of Nov. 30, 2024 (as for CASBEE, in case of not certified by a third-party but assessed based on self-reporting, we treat such properties as Eligible Green Projects only within three years from the date of completion of the building).
- *Climate change initiatives:* We aim to lead the real estate industry toward a low-carbon society by implementing various measures to reduce emissions of greenhouse gas and coordinating with other companies to reduce long-distance transportation and minimize the impact of our business toward the environment. In our stakeholder outreach programs, we listen to our stakeholders' needs. Investors and other stakeholders identified the Task Force on Climate-related Financial Disclosures ("TCFD") as a guiding framework for companies to show how they are responding to climate change. In response, Prologis and the Asset Manager has signed on as an official supporter of TCFD and provided disclosure on our alignment with TCFD's four core elements: governance, strategy, risks & opportunities and targets & metrics.
- *Social initiatives – tenants:* We have adopted the Net Promoter Score (NPS), a metric used to measure the quality of services provided by the Prologis Group to our customers as well as our customer loyalty to the Prologis Group. NPS is used by the world's leading brands to gauge how companies perform relative to customer expectations. We use NPS to inquire our customers how they evaluate their overall experiences with us. NPS results are based on customer responses to a single question: *How likely are you to recommend Prologis to a colleague or friend and why?* In 2024, 78% of our customers in properties under Prologis

Group’s management in Japan responded that they were satisfied with their experience as customers.

- *Social initiatives – employees*: Employees of the Asset Manager receive bilateral performance feedback three times a year: initial, interim and final reviews to discuss their targets, progress, next steps and achievements. The evaluation is conducted comprehensively, including with respect to ESG. In order to secure the fairness and transparency, the final evaluation is reviewed by the Human Resources/Compensation Committee, which is utilized for the determination of each employee’s compensation and promotion.
- *Social initiatives – compliance*: The Asset Manager has established the Compliance Basic Policy to promote compliance pertaining to our asset management activities. The Asset Manager complies strictly with applicable laws and regulations related to its business, carries out sound corporate activities in good faith, and has established a system to ensure the soundness of management based on self-discipline. In order to promote compliance, the Compliance Officer has established and maintains the Compliance Manual as a code of conduct for officers and employees of the Asset Manager. In addition, the Compliance Officer plans and implements guidance and training for the officers and employees on a regular basis and as necessary based on compliance needs.

These indicators are monitored continuously and formally reviewed on an annual basis, with key KPI results reported on a semi-annual basis in periodic disclosures. The ESG Committee of the Asset Manager reviews the progress against these KPIs, and selected data points are subject to external verification.

• **...and compared to previous periods?**

Performance is tracked on a semi-annual basis, and NPR discloses year-on-year changes (e.g., LED coverage, renewable energy capacity, environmental certification rates).

• **What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?**

Not applicable.

• **How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?**

Not applicable, as no sustainable investments were made. Nevertheless, NPR ensures that no investment significantly harms environmental or social objectives by excluding assets that violate the Japanese Soil Contamination Countermeasures Act, conducting due diligence on historical land use and hazardous substances, and applying compliance audits under the Asset Manager’s governance framework.

How did this financial product consider principal adverse impacts on sustainability factors?

We collect on an ongoing basis select information on our existing portfolio regarding the principal adverse impact (PAI) indicators, including exposure to fossil fuels through investment assets, exposure to energy-inefficient investment assets and energy consumption intensity. We aim to manage the risk connected to principal adverse impacts from our investment decisions in several ways, including general screening criteria and due diligence such as investigation on harmful substances in the soil.

We believe that investment decisions that negatively affect climate or other environment-related resources, or have negative implications for society, can have a significant impact on risks and value creation for our unitholders. To this end, we consider the principal adverse impacts of our investment decisions on the above sustainability factors throughout all major steps of the investment decision and management process throughout the lifecycle of the properties in our portfolio.

Additional disclosures on PAI indicators:

- Greenhouse Gas (GHG) Emissions: Scope 1 & 2 emissions were 7,815 t-CO₂e in 2024 (up from 7,428 t-CO₂e in 2023), Scope 3 emissions were 68,723 t-CO₂e in 2024 (up from 64,877 t-CO₂e in 2023). GHG intensity was 0.0166 t-CO₂e/m² in 2024 (up from 0.0160 in 2023).
- Energy consumption intensity: NPR’s energy consumption intensity was 0.0442 MWh/m² in 2024, compared to 0.0432 MWh/m² in 2023.
- Water consumption intensity: NPR discloses portfolio-wide water consumption intensity. In 2024, water consumption intensity was 0.089 m³/m², compared to 0.087 m³/m² in 2023.
- Exposure to energy-inefficient properties: As of May 31, 2025, 2.1% of properties were not classified as “Eligible Green Projects” (based on acquisition price).
- Hazardous waste: Quantitative disclosure of hazardous and non-hazardous waste is not yet available. NPR promotes waste reduction through recycled construction materials and durable facility components.

What were the top investments of this financial product?

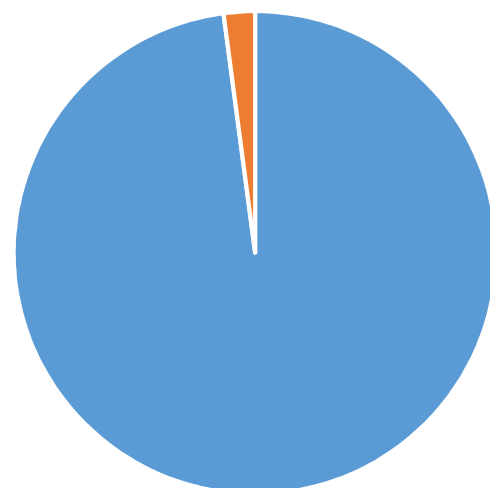
Largest investments	Sector	% Assets	Country
Logistics facilities	Real estate	100%	Japan

What was the proportion of sustainability-related investments?

As of May 31, 2025, 97.9% of the properties in the portfolio were Eligible Green Projects, and 2.1% were nonqualified assets based on the acquisition prices of our properties, as compared to 97.8% as of Nov. 30, 2024 (as for CASBEE, in case of not certified by a third-party but assessed based on self-reporting, we treat such properties as Eligible Green Projects only within three years from the date of completion of the building). Our target is to continue to maintain the percentage of Eligible Green Projects at 95% or more.

- **What was the asset allocation?**

Investments of NPR



■ #1 Aligned with E/S (#1B Other E/S characteristics) ■ #2 Other

● ***In which economic sectors were the investments made?***

Our 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. We are strategically focused on Class A logistics facilities in Japan's key logistics hubs to capitalize on the ongoing fundamental reconfiguration of Japan's supply chain, the increasing importance of advanced logistics which require advanced logistics facilities and the obsolescence of a majority of Japan's existing logistics stock. These factors are driving strong and stable demand for what we call Class A logistics facilities.

To what extent were the sustainable investments with an environmental objective aligned with the EU Taxonomy?

Not applicable, as no sustainable investments were made.

● ***What was the share of investments made in transitional and enabling activities?***

Not applicable, as no sustainable investments were made.

● ***How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?***

Not applicable. Current disclosure covers only eligible assets.

What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy?

Not applicable, as no sustainable investments were made.

What was the share of socially sustainable investments?

Not applicable, as no sustainable investments were made.

What investments were included under "other", what was their purpose and were there any minimum environmental or social safeguards?

As of May 31, 2025, 2.1% of our properties were not Eligible Green Projects based on acquisition price. We have invested in such properties in accordance with our investment guidelines. In those cases, due to certain nature of uses of our properties by our customers, there were circumstances that prevented us from obtaining environmental certifications prior to our acquisitions, and we will do our best to obtain appropriate environmental certifications in due course. We investigate the presence/absence of harmful substances, the history of past land usages and the environment of the soil when investing in properties. We do not invest in properties on which do not meet the standards for the Soil Contamination Countermeasures Act of Japan and other environmental laws and ordinances.

What actions have been taken to meet the environmental and/or social characteristics during the reference period?

Our ESG initiatives, especially environmental stewardship, include the following activities at our properties:

- Procurement of renewable energy and reducing energy consumption at our properties, achieving net zero GHG emissions.
- Water conservation.
- Promoting wall greening and rooftop greening.
- Pollution and waste management.
- Including "Green Lease" provisions in our agreements.

Social initiatives at our properties including the following:

- Developing worker-friendly facilities for tenants and their employees.
- Supporting local communities and logistics industry.
- Scholarship and philanthropic programs by Prologis Foundation.
- Providing support for employees.

How did this financial product perform compared to the reference benchmark?

Not applicable.

- ***How does the reference benchmark differ from a broad market index?***

Not applicable. Instead, NPR monitors performance against internal sustainability indicators, including the percentage of assets with green building certifications, GHG emissions intensity, renewable energy adoption, and Green Lease coverage.

- ***How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?***

Not applicable.

- ***How did this financial product perform compared with the reference benchmark?***

Not applicable.

- ***How did this financial product perform compared with the broad market index?***

Not applicable. NPR will continue to follow developments in ESG benchmarks for real estate to ensure its disclosures remain consistent with best practice.