

## SUMMARY OF FINANCIAL RESULTS (REIT) For the 16th Fiscal Period Ended Nov. 30, 2020

January 20, 2021

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

Name of Asset Manager: Prologis REIT Management K.K.  
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Scheduled Date of Filing of Securities Report: Feb. 25, 2021

Scheduled Date for Commencement of Distributions Payments: Feb. 15, 2021

Supplementary Materials for Financial Results:  Yes • No

Investors & Analysts Meeting:  Yes • No

### 1. Financial Results for the Fiscal Period ended Nov. 30, 2020 (16th Fiscal Period) (June 1, 2020 to Nov. 30, 2020)

(Values are rounded down to the nearest million yen)

#### (1) Operating Results

(Percentages indicates percentage change from the previous period)

Period ended	Operating revenues		Operating income		Ordinary income		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Nov. 30, 2020	23,610	4.2	11,240	5.9	10,428	7.1	13,937	132.0
May 31, 2020	22,655	4.5	10,617	4.6	9,734	4.4	6,008	(35.6)

Period ended	Net income per unit	Return on unit holders' equity	Ratio of ordinary income to total assets	Ratio of ordinary income to operating revenues
	Yen	%	%	%
Nov. 30, 2020	5,652	3.5	1.5	44.2
May 31, 2020	2,476	1.5	1.5	43.0

#### (2) Distributions

Period ended	Distributions per unit (including SCD)	Distributions per unit (excluding SCD)	SCD per unit	Total of distributions (including SCD)	Total of distributions (excluding SCD)	Total of SCD	Payout ratio	Ratio of distributions to net assets
	Yen	Yen	Yen	Millions of yen	Millions of yen	Millions of yen		
Nov. 30, 2020	4,860	4,131	729	11,984	10,186	1,797	73.1	2.5
May 31, 2020	4,645	2,437	2,208	11,453	6,009	5,444	100.0	1.5

\* “SCD” stands for the “Surplus Cash Distributions”.

(Note 1) From a Japanese taxation standpoint, the total SCD for the fiscal period ended Nov. 2020 entirely falls under the distributions through the reduction in unit holders' capital. Similarly, the total of SCD for the fiscal period ended May 31, 2020 consists of 3,750 million yen of allowance of temporary difference adjustments (“ATA”) and another distribution which falls under the distributions through the reduction in unit holders' capital.

(Note 2) The ratios of net asset value attributable to a reduction in unit holders' paid-in capital for the fiscal periods ended Nov. 30, 2020 and May 31, 2020, are both 0.005. The payment of SCD is deemed a return of capital excluding ATA-based distributions. This calculation methodology is pursuant to Article 23, Paragraph 1, Item 4 of the Act on Special Measures Concerning Taxation.

(Note 3) The payout ratio for the fiscal period ended Nov. 2020 results in 100.0% after considering the reversal of ATA.

(3) Financial Position

	Total assets	Net assets	Ratio of unit holders' equity to total assets	Net asset per unit
Period ended	Millions of yen	Millions of yen	%	Yen
Nov. 30, 2020	693,019	404,344	58.3	163,977
May 31, 2020	691,751	401,861	58.1	162,970

(4) Cash Flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at the end of the fiscal period
Period ended	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Nov. 30, 2020	24,207	(425)	(15,253)	34,651
May 31, 2020	15,429	(58,929)	45,111	26,122

2. Earnings Forecasts for the Fiscal Period ending May 31, 2021 (17th Fiscal Period) (from Dec. 1, 2020, to May 31, 2021) and Nov. 30, 2021 (18th Fiscal Period) (from June 1, 2021, to Nov. 30, 2021)

(Percentages indicate change from the previous period)

Period ending	Operating revenues		Operating income		Ordinary income		Net income		Distributions per unit (including SCD)	Distributions per unit (excluding SCD)	SCD
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen	Yen	Yen
May 31, 2021	24,437	3.5	11,384	1.3	10,377	(0.5)	10,426	(25.2)	4,777	4,038	739
Nov. 30, 2021	25,408	4.0	11,802	3.7	10,836	4.4	11,015	5.7	4,931	4,267	664

(Reference) Forecasted Net income per unit for the fiscal period ending May 31, 2021: 4,103 yen  
Forecasted Net income per unit for the fiscal period ending Nov. 30, 2021: 4,266 yen

3. Other

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

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

(2) Number of Investment Units Issued and Outstanding

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

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

Number of treasury units at end of period:

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

**\* The Implementation Status of Statutory Audit**

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

**\* Special Note**

The forward-looking statements in this material are based on information currently available to us and on certain assumptions that we believe are reasonable. Actual operating performance may differ substantially due to various factors. Furthermore, those statements shall not be deemed a guarantee or any commitment of the amount of future distributions and surplus cash distributions. Please refer to "Assumptions for the forecasts for the fiscal periods ending May 31, 2021 (17th Fiscal Period) and Nov. 30, 2021 (18th Fiscal Period)" on page 8 for assumptions regarding forward-looking statements.

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## 1. Results of Operations

### (1) Results of Operations

#### (I) Overview of the 16th Fiscal Period ended Nov. 30, 2020

##### (i) Major Operational Results of NPR

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

NPR has strategically focused on investment for Class-A logistics facilities from its inception backed by the Prologis Group’s<sup>(\*1)</sup> strong sponsor support, and has increased unit holders’ value by maintaining a portfolio that generates stable income. As a result of such investment management, NPR owned 49 properties (aggregate acquisition price<sup>(\*2)</sup> : 696,149 million yen), all of which are Class-A logistics facilities<sup>(\*3)</sup> developed by the Prologis Group, as of the end of the reporting fiscal period<sup>(\*4)</sup> <sup>(\*5)</sup>.

(\*1) The Prologis Group is a group of Prologis, Inc. and its affiliates, which include ProLogis K.K., a Japanese subsidiary, and various special purpose vehicles or joint ventures where the ownership of the Prologis Group may be less than a majority. The global parent company, Prologis, Inc., is a real estate investment trust headquartered in the United States and listed on the New York Stock Exchange (NYSE: PLD).

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

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

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

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

##### (ii) Operational Results of the 16th Fiscal Period ended Nov. 30, 2020

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

Meanwhile, due to the current COVID-19 pandemic, the global capital market continues to be highly volatile and the outlook of global macroeconomy is unclear. At the same time, people’s lifestyles and consumption behaviors are significantly affected. On the other hand, the growth of E-commerce related consumption has been further accelerated under the environment where people’s movement is restricted, which is resulting in the more solid demand for modern logistics facilities. As a result, the vacancy rate of large multi-tenant logistics properties in the greater Tokyo market recorded historical low of 0.5% <sup>(\*1)</sup> as of the end of Sep. 30, 2020. We believe that the impact of spread of COVID-19 on the modern logistics real estate leasing market will likely be relatively limited, and in the long-term, the importance of logistics real estate facilities as fundamental infrastructure that supports our lives will continue to grow.

Under these circumstances, the occupancy rate of NPR’s portfolio remained significantly high, at 99.7 percent as of the end of the reporting fiscal period, backed by the competitive advantages of our portfolio and the strong leasing support from the sponsor, the Prologis Group.

During the reporting fiscal period, the demolition work of the building wreckage of PP Iwanuma is proceeding as scheduled, and at the same time, Prologis REIT Management K.K., our asset management company (the “Asset Manager”), has determined a plan to redevelop PP Iwanuma. According to the plan, we will conduct the redevelopment on our own balance sheet so as to maximize the

pro-forma asset value of PP Iwanuma, which would optimize our unit holders' value.

(\*1) Source: CBRE

(iii) Overview of Financing

(a) Borrowings

NPR prepaid the short-term borrowings in the amount of 3,800 million yen on Sep. 30, 2020 with proceeds from refunds of consumption taxes previously paid in connection with the acquisitions of the three new properties (Prologis Park Chiba 1, Prologis Park MFLP Kawagoe (50% co-ownership interest) and Prologis Park Tsukuba 1-B) in the 15th Fiscal Period (the "Acquisitions in the 15th Fiscal Period") and cash on hand. As a result, the ending balance of NPR's interest-bearing debt was 260,200 million yen, out of which bank borrowings accounted for 234,200 million yen and investment corporation bonds accounted for 26,000 million yen as of the end of the reporting fiscal period. NPR's loan-to-value ratio (the ratio of aggregate balance of interest-bearing debt, including bank loans and the outstanding balance of long-term and short-term investment corporation bonds to NPR's total assets, hereinafter "LTV" ) was 37.5 percent as of the end of the reporting fiscal period.

(b) Credit Rating

NPR's credit ratings as of the end of the reporting fiscal period (Nov. 30, 2020) were as follows:

Rating Agency	Rating Object	Rating	Outlook
Japan Credit Rating Agency, Ltd.	Long-term issuer rating	AA	Stable
	Ratings on bonds	AA	-

(iv) Overview of Financial Results and Distributions

As a result of activities, including the aforementioned investments and financings, NPR generated operating revenues of 23,610 million yen, operating income of 11,240 million yen and ordinary income of 10,428 million yen. In addition, NPR recorded an extraordinary income of (i) 4,019 million yen from the fire insurance payment (the "Fire Insurance Payment") for the losses from the Fire recorded in the 15th Fiscal Period (the "Fire Losses"), (ii) 174 million yen, which NPR collected from a customer of PP Iwanuma as a part of the demolition cost (the "Compensation Income"), and (iii) 111 million yen from the insurance payment (the "Typhoon Insurance Payment") for repair expenses, etc. caused by the damage from the typhoons which hit Japan in 2019 (the "Typhoon Repair Expenses"). On the other hand, NPR recorded an extraordinary loss of (i) 696 million yen due to the demolition work of the building wreckage of PP Iwanuma (the "Demolition Work Expenses"), and (ii) 100 million yen due to the Typhoon Repair Expenses. As a result of these series of events, NPR generated net income of 13,937 million yen for the reporting fiscal period. However, since the full amount of Allowance for Temporary Difference Adjustment ("ATA") of 3,750 million yen, which was recorded as a tax/distribution treatment for the Fire Losses in the 15th Fiscal Period, was counter-recorded from unappropriated retained earnings as a result of the receipt of the Fire Insurance Payment in the reporting fiscal period, the amount of NPR's distributions for the reporting period was 10,186 million yen, being determined to distribute all unappropriated retained earnings, deducting the amount of ATA, for the reporting period, excluding fractions less than 1 yen. Consequently, the distributions per unit (excluding SCD) for the reporting fiscal period was 4,131 yen.

In addition, NPR intends to regularly distribute cash in excess of the amount of retained earnings ("Regular Surplus Cash Distributions") in each fiscal period in accordance with a distribution policy set forth in its articles of incorporation of NPR (\*1). Furthermore, to maintain the stability of NPR's distributions per unit ("DPU") in the event that DPU is expected to decline to a certain degree as a result of financing activities, such as the issuance of new investment units, etc., which may cause NPR to incur short-term dilution of investment units and/or substantial increases in financing-related costs, as well as, certain inevitable and one-time events such as repair expenses and capital losses due to damages caused by natural disasters (e.g., earthquakes), accidents/incidents (e.g., fire), and/or other one-time expenses such as litigation settlements and capital losses from property dispositions, etc., NPR may make distributions as one-time surplus cash distributions ("One-time Surplus Cash Distributions") (\*2).

For the reporting fiscal period, the total amount of NPR's Regular Surplus Cash Distributions was 1,558 million yen, approximately equivalent to 28.5 percent of NPR's depreciation expense of 5,470 million yen for the reporting fiscal period. NPR will distribute One-time Surplus Cash Distributions of 239 million yen, equivalent to the Demolition Work Expenses, deducting the total amount of (i) the difference between the Fire Insurance Payment and the amount of ATA, (ii) the Compensation Income, and (iii) the difference between the Typhoon Insurance Payment and the Typhoon Repair Expenses. Consequently, the total amount of SCD per unit for the reporting fiscal period was determined at 729 yen; 632 yen from Regular Surplus Cash Distributions, 97 yen from One-time Surplus

Cash Distributions (\*3).

- (\*1) In general, NPR intends to distribute Regular Surplus Cash Distributions on a regular basis in an amount no higher than 60 percent (However, if the result, calculated based on the rules of The Investment Trusts Association, Japan, etc, indicates lower amount, the amount should be adopted) of its depreciation expense for an applicable fiscal period, while pursuing other uses of capital such as maintenance expenses, capital expenditures, repayment of borrowings and funding of new acquisitions. In the meantime, NPR intends to regularly distribute approximately 30 percent of depreciation expense for an applicable fiscal period. However, NPR may adjust, reduce, or suspend the amount of SCD for a particular fiscal period, as a whole or partially, with considerations toward a level of NPR's profitability for a particular fiscal period which reflects the NPR's net income and one-time profits arising as capital gains from asset disposition and/or penalties received from lease contract cancellations, etc., the total amount of distributions which include SCD, NPR's LTV ratio, credit rating, and financial conditions, as well as, macroeconomic, real estate market conditions.
- (\*2) In general, NPR intends to maintain the maximum amount of the sum of the Regular Surplus Cash Distributions and the One-time Surplus Cash Distributions, in an amount no higher than 40 percent of its depreciation expense for an applicable fiscal period.
- (\*3) NPR estimates that the total amount of anticipated semi-annual average of imminent or short-term repair and maintenance expenses and medium- to long-term repair and maintenance expenses is 548 million yen except for PP Iwanuma. This assessment was conducted in the engineering report for each property prepared by Earth-Appraisal Co., Ltd and Tokio Marine & Nichido Risk Consulting Co., Ltd. NPR determines the amount of SCD, and distributes SCD, while focusing on maintaining its financial stability in addition to factors such as the current economic and real estate market environment, NPR's LTV and potential impacts on NPR's credit rating. Please note that the amount of SCD will be deducted from the balance of NPR's unit holders' equity upon payment.

(II) Outlook for Next Fiscal Period

(i) Future Management Policies and Issues

(a) Basic Policies

NPR, along with the Asset Manager, will continue to aim to maximize NPR's unit holder value through focused investments in and operations of our Class-A logistics facilities. To achieve our external and internal growth objectives, NPR and the Asset Manager intend to fully utilize the sponsor support agreement entered into with the Prologis Group. NPR and the Asset Manager expect to generate future growth by taking advantage of a strong pipeline support from the Prologis Group and its global customer network, operational expertise and other management resources.

(b) External Growth Strategies

Pursuant to the sponsor support agreement, as of Dec. 31, 2020, NPR held exclusive negotiation rights granted from the Prologis Group for five properties (except for Prologis Park Chiba New Town, Prologis Park Chiba 2 and Prologis Park Tsukuba 2 to be acquired on Feb. 8, 2021 (collectively, the "New Properties"), the details of which are described in "(ii) Significant Subsequent Events, (b) Acquisition of Asset"). The Prologis Group will continue to develop new assets of approximately 40 to 60 billion yen every year in Japan, and as of Dec. 31, 2020, there were development plans for eight properties and significant multi-property plans for one future development project that have been publicly announced. NPR is entitled to receive exclusive negotiation rights for logistics facilities that will be developed, owned or operated by the Prologis Group once these facilities achieve stabilization to the extent that those facilities qualify for NPR's investment criteria. All acquisitions are subject to the related party transaction guidelines of the Asset Manager to ensure appropriate terms and conditions.

Properties with Exclusive Negotiation Rights

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

Property name	Location	Exclusive Negotiation Rights Granted Date	GFA
Prologis Park Kobe 5	Kobe, Hyogo	Dec. 11, 2020	45,321 m <sup>2</sup>

Properties under development or under planning by the Prologis Group

Property name	Location	GFA
Prologis Park Yachiyo 1	Yachiyo, Chiba	159,700 m <sup>2</sup>
Prologis Park Yachiyo 2	Yachiyo, Chiba	113,000 m <sup>2</sup>
Prologis Park Tsukuba 3	Tsukuba, Ibaraki	156,000 m <sup>2</sup>
Prologis Park Kobe 3	Kobe, Hyogo	38,700 m <sup>2</sup>
Prologis Tokai Otagawa Project	Tokai, Aichi	164,000 m <sup>2</sup>
Prologis Park Ogori	Ogori, Fukuoka	29,000 m <sup>2</sup>
Prologis Urban Tokyo-Adachi 1	Adachi, Tokyo	5,171 m <sup>2</sup>
Prologis Urban Tokyo-Adachi 2	Adachi, Tokyo	6,430 m <sup>2</sup>
Prologis Koga Project Phase 2	Koga, Ibaraki	TBD

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

(c) Internal Growth Strategies

All leases for NPR's portfolio are in the form of fixed-term lease contracts. Consistent with NPR's investment strategy, approximately 80 percent (based on acquisition price) of NPR's portfolio comprises multi-tenant logistics facilities that have basic lease terms of five years with diversified multiple tenants, resulting in a well diversified lease maturity schedule.

With the staggered lease maturities and a diversified tenant base, NPR is able to gradually increase profitability as leases are renewed and re-tenanted in an improving macroeconomy and market environment while we mitigate tenant credit concentration risks and lease-up risks at lease maturities. Recently, as new entrants to Japanese logistics real estate development business continued, the number and volume of new developments and completions is increasing. However, we believe we would be able to minimize potential impact from such supply on our existing portfolio by closely monitoring the status of the supply/demand balance and leveraging the collaboration between the Asset Manager and the Prologis Group to conduct organized proactive leasing activities.

For build-to-suit logistics facilities, lease terms are typically 10 to 15 years. NPR and the Asset Manager believe that building a portfolio by blending the two different property types—multi-tenant and build-to-suit—will maximize both cash flow stability and portfolio diversity.

(d) Financial Strategies

NPR and the Asset Manager intend to implement strategic and flexible financial strategies to maximize NPR's medium- to long-term profitability, steady growth of its portfolio/value and stability/efficiency of asset management.

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

(ii) Significant Subsequent Events

(a) Issuance of New Investment Units

NPR's board of directors made a resolution regarding the issuance of new investment units (the "Offering") on Jan. 20, 2021. The issue price per unit shall be determined at the board of directors meeting to be held on the date of the issue price determination.

Issuance of New Investment Units through the Public Offering

Number of units to be issued 110,480 units

Issuance of New Investment Units through the Third-Party Allotment

Number of units to be issued 5,520 units

Allottee SMBC Nikko Securities, Inc.

(b) Acquisition of New Properties

As resolved by the board of directors on Jan. 20, 2021, in line with the investment guidelines defined in its Articles of Incorporation, NPR is scheduled to acquire the properties described below on Feb. 8, 2021, with the net proceeds from the issuance of new investment units described in "(a) Issuance of New Investment Units" above, the new borrowings (the "Borrowings") (details of the Borrowings will be announced once a decision is made) and cash on hand.

Property name		Prologis Park Chiba New Town
Location		2, 1 chome, Izumino, Inzai, Chiba 313-8, 1 chome, Izumino, Inzai, Chiba
Class of assets		Real estate trust beneficiary interests
Anticipated Acquisition date		Feb. 8, 2021
Anticipated Acquisition price		26,300 million yen
Land	Ownership form	Proprietary
	Land area	55,100.94 m <sup>2</sup>
Building	Ownership form	Proprietary
	Gross floor area	109,981.80 m <sup>2</sup>
	Date of construction	Apr. 21, 2016
	Purpose	Warehouse / Office
Structure/No. of stories		SRC, 5-story building

Property name		Prologis Park Chiba 2
Location		210-28, Roppo-Cho, Inage Ward, Chiba, Chiba 210-28, Roppo-Cho, Inage Ward, Chiba, Chiba
Class of assets		Real estate trust beneficiary interests
Anticipated Acquisition date		Feb. 8, 2021
Anticipated Acquisition price		15,000 million yen
Land	Ownership form	Proprietary
	Land area	30,176.41 m <sup>2</sup>
Building	Ownership form	Proprietary
	Gross floor area	60,327.19m <sup>2</sup>
	Date of construction	Nov. 12, 2020
	Purpose	Warehouse / Office
Structure/No. of stories		SRC, 4-story building

Property name		Prologis Park Tsukuba 2
Location		25-3, Sakuranomori, Tsukuba, Ibaraki 25-3, Sakuranomori, Tsukuba, Ibaraki
Class of assets		Real estate trust beneficiary interests
Anticipated Acquisition date		Feb. 8, 2021



Anticipated Acquisition price		20,900 million yen
Land	Ownership form	Proprietary
	Land area	49,586.84 m <sup>2</sup>
Building	Ownership form	Proprietary
	Gross floor area	98,920.31 m <sup>2</sup>
	Date of construction	Aug. 21, 2020
	Purpose	Warehouse / Office
Structure/No. of stories		S, 4-story building

(iii) Earnings Forecast

	Operating revenues (Millions of yen)	Operating income (Millions of yen)	Ordinary income (Millions of yen)	Net income (Millions of yen)	Distributions per unit (including surplus cash distributions) (yen)	Distributions per unit (excluding surplus cash distributions) (yen)	Surplus cash distributions per unit (yen)
Period ending May 31, 2021 (17th period)	24,437	11,384	10,377	10,426	4,777	4,038	739
Period ending Nov. 30, 2021 (18th period)	25,408	11,802	10,836	11,015	4,931	4,267	664

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

Assumptions for the forecasts for the fiscal periods ending May 31, 2021 (17th Fiscal Period) and Nov. 30, 2021 (18th Fiscal Period)

Item	Assumption
Accounting period	<ul style="list-style-type: none"> <li>● Fiscal period ending May 31, 2021 (17th Fiscal Period) (from Dec. 1, 2020 to May 31, 2021) (182 days)</li> <li>● Fiscal period ending Nov. 30, 2021 (18th Fiscal Period) (from June 1, 2021 to Nov. 30, 2021) (183 days)</li> </ul>
Assets under management	<ul style="list-style-type: none"> <li>● It is assumed that, in addition to its 49 properties held as of today, there will be no change (including acquisition of new properties and dispositions of existing properties) in the operational status of the properties until Nov. 30, 2021, other than the acquisition of the New Properties scheduled on Feb. 8, 2021. For PP Iwanuma, since the building and other ancillary facilities excluding the land in trust were burned down due to the Fire in the fiscal period ended May 31, 2020 (15th Fiscal Period), only the land of PP Iwanuma is included in the calculation of the assets under management.</li> <li>● Results may change due to the acquisition of new properties other than above or the disposition of existing properties, etc.</li> </ul>
Operating revenues	<ul style="list-style-type: none"> <li>● Operating revenues account for factors such as market trends and the competitiveness of each property, and are estimated to be 24,437 million yen and 25,408 million yen for the fiscal periods ending May 31, 2021, and Nov. 30, 2021, respectively. The expected average occupancy rates of the properties in the portfolio are estimated to be 98.9% and 98.7% for the fiscal periods ending May 31, 2021 and Nov. 30, 2021, respectively.</li> <li>● Rent revenues from the New Properties are calculated based on the lease agreements that are executed as of today and information about the New Properties provided by the current owner of each property. The terms and conditions of the lease agreements may be changed later.</li> <li>● For operating rent revenues, it is assumed that tenants will pay rents without delinquency or withholding.</li> </ul>
Operating expenses	<ul style="list-style-type: none"> <li>● Operating rental expenses except depreciation are calculated from variable factors, and are assumed to be 4,958 million yen and 5,229 million yen for the fiscal periods ending May 31, 2021, and Nov. 30, 2021, respectively.</li> <li>● Depreciation expenses are calculated using the straight-line method in relation to the (anticipated) acquisition price including ancillary costs and are assumed to be 5,825 million yen and 6,018 million yen for the fiscal periods ending May 31, 2021, and Nov. 30, 2021, respectively.</li> <li>● In general, in case of real estate sales/purchases, property taxes and city planning taxes are included in the purchase price of properties on a pro-rated basis of a calendar year and start to be expensed from the next calendar year. Accordingly, property taxes and city planning taxes for the New Properties will be expensed from the fiscal period ending May 31, 2022. The total amount of property taxes and city planning taxes included in the purchase price of the Acquisitions in the 15th Fiscal Period, and in the purchase price of the New Properties are assumed to be 31 million yen (equivalent to expenses for 31 days) and 113 million yen (equivalent to expenses for 113 days) for the fiscal period ending May 31, 2021, respectively. The total amount of property taxes and city planning taxes included in the purchase price of the New Properties is assumed to be 182 million yen (equivalent to expenses for 183 days) for the fiscal period ending Nov. 30, 2021.</li> <li>● Regarding building repair expenses, the amount assumed to be necessary for each property is based on the repair and maintenance plans of the Asset Manager. However, repair expenses may differ substantially due to unexpected factors.</li> </ul>
Non-operating expenses	<ul style="list-style-type: none"> <li>● It is assumed NPR will recognize 112 million yen as total expenses incurred in relation to the Offerings in the fiscal period ending May 31, 2021.</li> <li>● It is assumed that 4 million yen will be incurred in the fiscal period ending May 31, 2021, as debt-related expenses in association with the acquisition of the New Properties.</li> <li>● As for interest expenses and other debt-related costs, 861 million yen and 902 million yen are expected to be incurred for the fiscal periods ending May 31, 2021, and Nov.30, 2021, respectively. The non-cash expenditure, which is included in debt-related expenses, is expected to be 207 million yen and 205 million yen for the fiscal periods ending May 31, 2021, and Nov. 30, 2021, respectively.</li> </ul>
Extraordinary Income	<ul style="list-style-type: none"> <li>● It is assumed that, in the fiscal period ending both May 31, 2021 and Nov. 30, 2021, the insurance payment from the business interruption insurance which is covering PP Iwanuma (the "Profit Insurance Income") of 180 million yen shall be recorded as extraordinary income.</li> </ul>

<p>Extraordinary Losses</p>	<ul style="list-style-type: none"> <li>It is assumed that, in the fiscal period ending May 31, 2021, an anticipated part of the Demolition Work Expenses of 130 million yen shall be recorded as extraordinary losses (“the Extraordinary Losses in the 17th Fiscal Period”).</li> </ul>
<p>Interest-bearing Debt</p>	<ul style="list-style-type: none"> <li>The outstanding balance of NPR’s interest-bearing debt on its balance sheet as of today is 260,200 million yen, which consists of the balance of borrowings and investment corporation bonds.</li> <li>It is assumed that NPR will obtain the Borrowings along with the Offerings. The balance of NPR’s interest-bearing debt after the Borrowings is assumed to be 282,500 million yen. The actual amount of balance of interest-bearing debt may differ considerably from this assumption, depending on the actual number of new investment units to be issued in the Offerings and the final issue price of such units.</li> <li>It is assumed that NPR will refinance all of the borrowings and investment corporation bonds which are due by the end of the fiscal period ending Nov. 30, 2021.</li> <li>LTV was 37.5% as of Nov. 30, 2020, and is estimated to be 37.7% after the Borrowings. For LTV calculation, please refer to the following formula:   <math display="block">\text{LTV}(\%) = \text{interest-bearing debt} / \text{total assets} \times 100(\%) \text{ (as of Nov. 30, 2020)}</math> <math display="block">\text{LTV}(\%) \text{ after the Borrowings} = \text{Estimated total of interest-bearing debt after the Borrowings} / \text{total assets after the Borrowings} \times 100(\%)</math> <math display="block">\text{Estimated total of interest-bearing debt after the Borrowings} = \text{total interest-bearing debt as of November 30, 2020} + \text{estimated total of interest-bearing debt related to the Borrowings (Note 1)}</math> <math display="block">\text{Total assets after the Borrowings} = \text{total assets as of Nov. 30, 2020} + \text{net proceeds from the Offering (Note 2)} + \text{net proceeds from the Third-party Allotment (Note 2)} + \text{estimated total of interest-bearing debt related to the Borrowings}</math> </li> </ul> <p>(Note 1) Represents the anticipated amount of interest-bearing debt related to the Borrowings to be obtained on the acquisition date of the New Properties as of today. The anticipated amount of interest-bearing debt related to the Borrowings is based on the assumed net proceeds from the Offerings, which is calculated on a pro forma basis based on the closing price for ordinary trading of an investment unit of NPR on the Tokyo Stock Exchange as of Dec. 25, 2020. The actual borrowing amounts may vary depending on the total net proceeds from the Offerings. Therefore, the amount of estimated total of interest-bearing debt related to the Borrowings may not necessarily correspond to an actual amount. NPR will announce details of the Borrowings once they are determined.</p> <p>(Note 2) The net proceeds from the Offering and the Third-party Allotment are calculated on a pro forma basis, based on the closing price for ordinary trading of an investment unit of NPR on the Tokyo Stock Exchange as of Dec. 25, 2020. Also, it is assumed that the domestic underwriter will apply to purchase the whole number of investment units of the Third-party Allotment and pay to NPR the total issue amount of the Third-party Allotment. If the net proceeds from the Offering and the Third-party Allotment differ from the estimated amount, or if the Third-party Allotment does not take place in whole or in part, this may result in different LTV from the one aforementioned.</p>
<p>Investment units</p>	<ul style="list-style-type: none"> <li>It is assumed that no additional units will be issued until the end of the fiscal periods ending Nov. 30, 2021, aside from the current outstanding and issued 2,465,850 units as of today and the 110,480 units to be issued through the Offering as well as the maximum 5,520 units to be issued through the Third-party Allotment as resolved at today’s NPR’s board of directors meeting.</li> </ul>
<p>Distributions per unit (excluding surplus cash distributions (SCD))</p>	<ul style="list-style-type: none"> <li>Distributions per unit (excluding SCD) are calculated based on the premise of the distribution policy in the Articles of Incorporation of NPR that all the profit available for dividend shall be distributed.</li> <li>Distributions per unit (excluding SCD) may vary due to various causes, including, but not limited to, changes in the Profit Insurance Income and the Demolition Work Expenses, etc. related to the Fire, any additional acquisitions or dispositions of properties, changes in rent revenues attributable to tenant movements, changes in the property management environment including unexpected repairs, changes in interest rates,</li> </ul>

	<p>or any additional issuance of new investment units in the future.</p>
<p>Surplus cash distributions (SCD) per unit</p>	<ul style="list-style-type: none"> <li>● SCD per unit are calculated based on the fund distribution policy in the NPR's Articles of Incorporation.</li> <li>● It is assumed that SCD in the fiscal period ending May 31, 2021 will be 1,907 million yen, calculated by summing the amount of the Regular Surplus Cash Distributions and the One-time Surplus Cash Distributions. The Regular Surplus Cash Distributions will be equivalent to approximately 28.5% of depreciation expenses for the fiscal period, and the One-time Surplus Cash Distributions will be the total amount equivalent to the Extraordinary Losses in the 17th Fiscal Period and temporary diluted distributions due to the issuance of new investments units. It is also assumed that the Regular Surplus Cash Distributions in the fiscal period ending Nov. 30, 2021 will be equivalent to approximately 28.5% of depreciation expenses for the fiscal period, which is assumed to be 1,714 million yen.</li> <li>● As a result, it is estimated that the SCD per unit in the fiscal period ending May 31, 2021 will be 739 yen; 643 yen from Regular Surplus Cash Distributions and 96 yen from One-time Surplus Cash Distributions, and the SCD per unit in the fiscal period ending Nov. 30, 2021 will be 664 yen.</li> <li>● NPR intends to continually pay SCD for each fiscal period, in principle, and the maximum payable SCD amount is 60% of depreciation expenses during the applicable fiscal period.</li> <li>● NPR intends to distribute approximately 30% of depreciation expense for an applicable accounting period as Regular Surplus Cash Distributions generally. The amount will be determined based on a holistic consideration of various factors such as NPR's financial condition, etc. However, NPR may adjust, reduce, or suspend the amount of SCD for a particular fiscal period, as a whole or partially, with considerations toward a level of NPR's financial conditions, as well as, macroeconomic and real estate market conditions.</li> <li>● To maintain the stability of NPR's distributions per unit ("DPU") in the event that DPU is expected to decline to a certain degree as a result of certain inevitable and one-time events, NPR may make distributions as One-Time Surplus Cash Distributions. NPR intends to limit the maximum total amount of SCD at 40% of the depreciation expense for the applicable fiscal period generally.</li> <li>● In addition, NPR may conduct SCD in case of ATA according to laws and regulations (including rules stipulated by The Investment Trusts Association, Japan), in addition to distributions of Regular Surplus Cash Distributions and One-Time Surplus Cash Distributions.</li> </ul>
<p>Others</p>	<ul style="list-style-type: none"> <li>● It is assumed that no revision that will have an impact on the forecast information above will be made in accordance with the laws and regulations, tax system, accounting standards, listing rules of the Tokyo Stock Exchange and rules of the Investment Trusts Association, Japan, etc.</li> <li>● It is assumed that no unexpected material change will arise in overall economic trends and real estate market conditions.</li> <li>● It is assumed that the spread of COVID-19 will neither continue for a significantly long period of time nor further significantly expand.</li> </ul>

## 2. Financial Statements

### (1) Balance Sheet

(Unit: Thousands of yen)

	As of May 31, 2020	As of Nov. 30, 2020
<b>ASSETS</b>		
Current assets:		
Cash and deposits	20,770,795	29,106,808
Cash and deposits in trust	5,352,128	5,544,592
Operating accounts receivable	1,395,218	1,373,638
Prepaid expenses	525,030	412,066
Consumption taxes receivables	2,224,753	-
Other current assets	147	199,250
Total current assets	30,268,073	36,636,356
Fixed assets:		
Property and equipment		
Buildings	7,571,863	7,596,814
Less: accumulated depreciation	(1,325,750)	(1,417,446)
Buildings, net	6,246,113	6,179,367
Structures	249,739	249,739
Less: accumulated depreciation	(136,183)	(145,468)
Structures, net	113,556	104,270
Tools, furniture and fixtures	5,434	5,434
Less: accumulated depreciation	(3,548)	(3,743)
Tools, furniture and fixtures, net	1,885	1,690
Land	3,834,204	3,834,204
Buildings in trust	423,218,611	423,647,908
Less: accumulated depreciation	(44,915,743)	(49,917,481)
Buildings in trust, net	378,302,868	373,730,426
Structures in trust	10,766,172	10,790,025
Less: accumulated depreciation	(2,392,678)	(2,702,407)
Structures in trust, net	8,373,493	8,087,618
Machinery and equipment in trust	21,594	23,299
Less: accumulated depreciation	(4,807)	(5,758)
Machinery and equipment in trust, net	16,786	17,541
Tools, furniture and fixtures in trust	1,026,105	1,089,675
Less: accumulated depreciation	(385,795)	(435,360)
Tools, furniture and fixtures in trust, net	640,309	654,315
Other tangible assets in trust	35	35
Less: accumulated depreciation	(35)	(35)
Other tangible assets in trust, net	0	0
Land in trust	262,116,051	262,116,051
Total property and equipment	659,645,268	654,725,485
Intangible assets		
Other intangible assets in trust	198,161	204,572
Total intangible assets	198,161	204,572
Investments and other assets		
Long-term prepaid expenses	1,495,382	1,315,410
Deferred tax assets	45	-
Security deposit	10,000	10,000
Other	400	400
Total investments and other assets	1,505,828	1,325,810
Total fixed assets	661,349,257	656,255,868

	(Unit: Thousands of yen)	
	As of May 31, 2020	As of Nov. 30, 2020
Deferred assets:		
Investment corporation bond issuance costs	134,580	127,381
Total deferred assets	134,580	127,381
Total assets	691,751,911	693,019,606
LIABILITIES		
Current liabilities:		
Operating accounts payable	1,579,367	2,176,682
Short-term loans payable	3,800,000	-
Current portion of Investment corporation bonds payable	-	2,000,000
Current portion of long-term loans payable	21,300,000	21,300,000
Accounts payable	376,605	424,879
Accrued expenses	2,269,076	2,371,161
Accrued consumption taxes	-	1,766,247
Income taxes payable	1,461	605
Advances received	4,034,927	4,102,911
Other current liabilities	512,158	410,982
Total current liabilities	33,873,597	34,553,470
Non-current liabilities:		
Investment corporation bonds payable	26,000,000	24,000,000
Long-term loans payable	212,900,000	212,900,000
Tenant leasehold and security deposits	247,773	247,773
Tenant leasehold and security deposits in trust	16,861,869	16,968,824
Other non-current liabilities	7,349	5,042
Total non-current liabilities	256,016,991	254,121,640
Total liabilities	289,890,589	288,675,111
NET ASSETS		
Unit holders' equity		
Unit holders' capital		
Unit holders' capital, gross	407,485,839	407,485,839
Allowance for temporary difference adjustments	-	*2 (3,750,557)
Other deduction from unitholders' capital	(11,635,158)	(13,329,197)
Unit holders' capital	395,850,681	390,406,084
Surplus		
Unappropriated retained earnings (undisposed loss)	6,010,640	13,938,410
Total surplus	6,010,640	13,938,410
Total unit holders' equity	401,861,322	404,344,494
Total net assets	*3 401,861,322	*3 404,344,494
Total liabilities and net assets	691,751,911	693,019,606

(2) Statement of Income

	(Unit: Thousands of yen)	
	For the period from Dec. 1, 2019 to May 31, 2020	For the period from June 1, 2020 to Nov. 30, 2020
Operating revenues:		
Operating rental revenues	* <sup>1</sup> 21,249,172	* <sup>1</sup> 21,983,222
Other rental revenues	* <sup>1</sup> 1,406,223	* <sup>1</sup> 1,627,602
Total operating revenues	<u>22,655,396</u>	<u>23,610,825</u>
Operating expenses:		
Expenses related to property rental business	* <sup>1</sup> 9,930,938	* <sup>1</sup> 10,147,037
Asset management fee	1,979,659	2,076,470
Asset custody fee	47,686	48,782
Directors' compensation	7,200	7,200
Audit fee	15,000	15,000
Other operating expenses	57,644	76,030
Total operating expenses	<u>12,038,128</u>	<u>12,370,520</u>
Operating income	<u>10,617,267</u>	<u>11,240,305</u>
Non-operating income:		
Interest income	107	113
Reversal of distributions payable	555	433
Gain on real estate tax settlement	-	595
Interest on refund of consumption taxes	1,204	3,705
Refund of real estate taxes and other	-	13,219
Gain on donation of fixed assets	18,380	-
Total non-operating income	<u>20,247</u>	<u>18,067</u>
Non-operating expenses:		
Interest expenses	507,822	507,800
Interest expenses on investment corporation bonds	59,813	95,907
Amortization of investment corporation bond issuance costs	6,082	7,199
Borrowing related expenses	218,867	218,918
Investment unit issuance expenses	31,393	-
Offering costs associated with the issuance of investment units	78,507	-
Others	32	34
Total non-operating expenses	<u>902,519</u>	<u>829,861</u>
Ordinary income:	<u>9,734,996</u>	<u>10,428,511</u>
Extraordinary income:		
Insurance income	* <sup>2</sup> 269,914	* <sup>2</sup> 4,130,890
Compensation income	-	* <sup>2</sup> 174,629
Total extraordinary income	<u>269,914</u>	<u>4,305,520</u>
Extraordinary losses:		
Loss on typhoon	* <sup>2</sup> 242,458	* <sup>2</sup> 100,132
Loss on fire	* <sup>2</sup> 3,752,395	* <sup>2</sup> 696,202
Total extraordinary losses	<u>3,994,853</u>	<u>796,334</u>
Income before income taxes	<u>6,010,057</u>	<u>13,937,696</u>
Incomes taxes – current	1,477	605
Incomes taxes – deferred	(38)	45
Total income taxes	<u>1,439</u>	<u>650</u>
Net Income	<u>6,008,618</u>	<u>13,937,045</u>
Retained earnings brought forward	2,022	1,364
Unappropriated retained earnings (undisposed loss)	6,010,640	13,938,410

(3) Statement of Unit Holders' Equity

For the periods from Dec. 1, 2019, to May 31, 2020

(Units: Thousands of yen)

	Unit holders' equity						Total net assets
	Unit holders' capital			Surplus		Total unit holders' equity	
	Unit holders' capital, gross	Deduction of unit holders' capital	Unit holders' capital, net	Unappropriated retained earnings (undisposed loss)	Total surplus		
Balance at the beginning of the period	374,425,663	(10,211,573)	364,214,089	9,325,798	9,325,798	373,539,888	373,539,888
Change during the period							
Issuance of new investments	33,060,176		33,060,176			33,060,176	33,060,176
Distributions in excess of retained earnings		(1,423,584)	(1,423,584)			(1,423,584)	(1,423,584)
Dividends from surplus				(9,323,776)	(9,323,776)	(9,323,776)	(9,323,776)
Net income				6,008,618	6,008,618	6,008,618	6,008,618
Total change during the period	33,060,176	(1,423,584)	31,636,591	(3,315,158)	(3,315,158)	28,321,433	28,321,433
Balance at the end of the period	*1 407,485,839	(11,635,158)	395,850,681	6,010,640	6,010,640	401,861,322	401,861,322



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

(Units: Thousands of yen)

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

(Units: Thousands of yen)

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

(4) Statement of Cash Distribution

(Unit: Yen)

	For the period from Dec. 1, 2019 to May 31, 2020	For the period from June 1, 2020 to Nov. 30, 2020
I Unappropriated retained earnings (undisposed loss)	6,010,640,885	13,938,410,174
II Distributions in excess of retained earnings	5,444,596,800	1,797,604,650
Of which, allowance for temporary difference adjustment	3,750,557,850	-
Of which, other distributions in excess of earnings	1,694,038,950	1,797,604,650
III Incorporation into unitholders' capital	-	3,750,557,850
Of which, reversal of allowance for temporary difference adjustment	-	3,750,557,850
IV Distributions	11,453,873,250	11,984,031,000
(Distributions per unit)	(4,645)	(4,860)
Of which, distributions of retained earnings	6,009,276,450	10,186,426,350
(Of which, distributions of retained earnings per unit)	(2,437)	(4,131)
Of which, allowance for temporary difference adjustments	3,750,557,850	-
(Of which, distributions in excess of retained earnings per unit (attributable to allowance for temporary difference adjustments))	(1,521)	(-)
Of which, other distributions in excess of earnings	1,694,038,950	1,797,604,650
(Of which, other distributions in excess of earnings per unit (attributable to other dividends in excess of earnings))	(687)	(729)
V Retained earnings carried forward	1,364,435	1,425,974
Calculation method of distribution amount	<p>Pursuant to the "Policy on the Distribution of Funds" as defined in Article 39, Paragraph 1 of Article 2 of incorporation of NPR, the amount of distributions shall be the amount that does not exceed the amount of net income but exceeds 90% of the distributable profit as defined in Article 67-15 of the Special Taxation Measures Act.</p> <p>Based on the policy, NPR declared the distribution amount of 6,009,276,450 yen which was the amount equivalent to the maximum integral multiples of number of investment units issued and outstanding (2,465,850 investment units) as of the reporting fiscal period.</p> <p>In addition, based on the distribution policy as defined in Article 39, Paragraph 2 of incorporation, NPR shall make Regular Surplus Cash Distributions as a general principle, defined as distributions in excess of retained earnings, as a return of unit holders' capital, each fiscal period on a continuous basis. Furthermore, NPR is</p>	<p>Pursuant to the "Policy on the Distribution of Funds" as defined in Article 39, Paragraph 1 of Article 2 of incorporation of NPR, the amount of distributions shall be the amount that does not exceed the amount of net income but exceeds 90% of the distributable profit as defined in Article 67-15 of the Special Taxation Measures Act.</p> <p>Based on the policy, NPR declared the distribution amount of 10,186,426,350 yen which was the amount equivalent to the unappropriated retained earnings excluding the reversal amount of allowance for temporary difference adjustments by 3,750,557,850 yen, and equivalent to the maximum integral multiples of number of investment units issued and outstanding (2,465,850 investment units) as of the reporting fiscal period ('Integer Multiple Method').</p> <p>In addition, based on the distribution policy as defined in Article 39, Paragraph 2 of incorporation, NPR</p>

	<p>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.</p> <p>NPR is also permitted to provide Surplus Cash Distributions from allowance for temporary difference adjustments in compliance with related regulations (including the rules of The Investment Trusts Association, Japan, etc) to minimize unitholders' burdens of income taxes (ATA-Based Cash Distributions).</p> <p>Accordingly, NPR declared Regular Surplus Cash Distributions of 1,526,361,150 yen, which was the amount equivalent to approximately 28.5% of depreciation expense of 5,362,502,964 yen for the period.</p> <p>In addition, NPR made One-time Surplus Cash Distributions of 167,677,800 yen, equivalent to the amount including 194,802,150 yen based on an assessment of temporary diluted distributions due to the issuance of new investment units in Jan. and Feb. 2020, and excluding 27,124,350 yen, the difference between the extraordinary income and extraordinary losses related to the typhoon that hit Japan in 2019. Accordingly, the total amount of other distributions in excess of earnings, s, which falls under the distributions through the reduction in unit holders' capital, amount to 1,694,038,950 yen.</p> <p>Further, NPR provided ATA-Based Cash Distributions of 3,750,557,850 yen, from allowance for temporary difference adjustments, which is not reduction in unit holders' capital</p>	<p>shall make Regular Surplus Cash Distributions as a general principle, defined as distributions in excess of retained earnings, as a return of unit holders' capital, each fiscal period on a continuous basis. Furthermore, NPR is permitted to distribute One-time Surplus Cash Distributions for the purpose of maintaining stable distributions per unit in the event that its distributions per unit is expected to temporarily dilute by a certain degree.</p> <p>Accordingly, NPR declared Regular Surplus Cash Distributions of 1,558,417,200 yen, which was the amount equivalent to approximately 28.5% of depreciation expense of 5,470,864,699 yen for the period, and was calculated with Integer Multiple Method,.</p> <p>In addition, NPR made One-time Surplus Cash Distributions of 239,187,450 yen, calculated with Integer Multiple Method, equivalent to the amount of 252,600,629 yen of the net demolition work expenses, excluding gain on insurance adjustments of 11,228,277 yen related to The Typhoon recorded in the reporting fiscal period.</p> <p>Net demolition work expenses represent the amount difference between insurance payment for loss on fire and the reversal amount of allowance for temporary difference adjustments, and related tenant compensations for demolition work expense.</p> <p>As a result, we totally distribute of 1,797,604,650 yen as Surplus Cash Distributions, which falls under the distributions through the reduction in unit holders' capital.</p>
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(Note) NPR is permitted to distribute cash in excess of the amount of retained earnings if the amount of the accounting profit is smaller than 90% of its distributable retained earnings on a tax basis to the extent that such distribution amount does not exceed the amount of NPR's depreciation for the same fiscal period, and if NPR determines that such excess distribution amount is appropriate. Also, NPR is permitted to distribute cash in any amount to the extent that such amount is determined by NPR's board of directors and if the amount of distributions does not satisfy certain conditions of special tax treatment which NPR shall be eligible to otherwise. Please note that the amount of SCD shall be subtracted from the balance of unit holders' paid-in capital upon payment.

(5) Statement of Cash Flows

(Units: Thousands of yen)

	For the period from Dec. 1, 2019 to May 31, 2020	For the period from June 1, 2020 to Nov. 30, 2020
Cash flows from operating activities:		
Income before income taxes	6,010,057	13,937,696
Depreciation	5,362,502	5,470,864
Amortization of investment corporation bond issuance costs	6,082	7,199
Investment unit issuance expenses	31,393	-
Interest income	(107)	(113)
Interest expense	567,635	603,708
Gain on donation of fixed assets	(18,380)	-
Insurance income	(269,914)	(4,130,890)
Compensation income	-	(174,629)
Loss on typhoon	242,458	100,132
Loss on fire	3,752,395	696,202
Decrease (Increase) in operating accounts receivable	41,019	4,858
Decrease (Increase) in consumption taxes refund receivables	(5,184)	2,224,753
Decrease (Increase) in prepaid expenses	(113,676)	112,963
Decrease (Increase) in long-term prepaid expenses	109,877	179,971
Increase (Decrease) in operating accounts payable	(382,710)	458,882
Increase (Decrease) in accounts payable-other	20,751	356
Increase (Decrease) in accrued expenses	109,219	107,446
Increase (Decrease) in accrued consumption taxes	-	1,766,247
Increase (Decrease) in advances received	261,017	67,984
Others, net	52,385	(98,047)
Subtotal	15,776,825	21,335,587
Interest received	107	113
Interest paid	(553,067)	(609,070)
Proceeds from insurance income	269,914	4,130,890
Proceeds from compensation income	-	7,418
Payment of loss on typhoon	(63,107)	(197,777)
Payment of loss on fire	-	(458,115)
Income taxes paid	(756)	(1,478)
Net cash used in operating activities	15,429,916	24,207,567
Cash flows from investing activities:		
Purchases of property and equipment	(6,028)	(23,881)
Purchases of property and equipment in trust	(60,582,279)	(487,396)
Purchases of intangible assets in trust	(27,146)	-
Proceeds from tenant leasehold and security deposits in trust	1,928,944	361,722
Repayments from tenant leasehold and security deposits in trust	(243,449)	(275,788)
Net cash used in investing activities	(58,929,959)	(425,344)
Cash flows from financing activities:		
Proceeds from short-term loans payable	13,800,000	-
Repayments of short-term loans payable	(10,000,000)	(3,800,000)
Proceeds from long-term loans payable	9,100,000	-
Issuance of investment corporation bonds	9,928,316	-
Proceeds from issuance of new investment units	33,028,783	-
Payment of distributions of retained earnings	(9,322,414)	(6,009,218)
Distributions in excess of net earnings from allowance for temporary difference adjustments	-	(3,750,557)
Payment of other distributions in excess of retained earnings	(1,423,289)	(1,693,968)

Net cash provided by financing activities	<u>45,111,395</u>	<u>(15,253,745)</u>
Net increase (decrease) in cash and cash equivalents	<u>1,611,353</u>	<u>8,528,477</u>
Cash and cash equivalents at the beginning of period	<u>24,511,569</u>	<u>26,122,923</u>
Cash and cash equivalents at the end of period	<u>*1 26,122,923</u>	<u>*1 34,651,400</u>

(6) Notes Concerning Going Concerns Assumption

None

(7) Notes Concerning Significant Accounting Policies

<p>1. Method of depreciation of non-current assets</p>	<p>(1) Property and equipment (including trust assets) The straight-line method is used. The useful lives of major property and equipment are as follows.</p> <table border="0" style="margin-left: 20px;"> <tr> <td>Buildings</td> <td style="text-align: right;">3-67 years</td> </tr> <tr> <td>Structures</td> <td style="text-align: right;">2-60 years</td> </tr> <tr> <td>Machinery and equipment</td> <td style="text-align: right;">8-17 years</td> </tr> <tr> <td>Tools, furniture and fixtures</td> <td style="text-align: right;">2-18 years</td> </tr> </table> <p>(2) Intangible assets (including trust assets) The straight-line method is used.</p>	Buildings	3-67 years	Structures	2-60 years	Machinery and equipment	8-17 years	Tools, furniture and fixtures	2-18 years
Buildings	3-67 years								
Structures	2-60 years								
Machinery and equipment	8-17 years								
Tools, furniture and fixtures	2-18 years								
<p>2. Accounting method of deferred charges</p>	<p>(1) Investment unit issuance expenses The full amount of investment unit issuance expenses is recorded as expense at the time of expenditure.</p> <p>(2) Investment corporation bond issuance costs Investment corporation bond issuance costs are amortized over the remaining life of the bonds using straight-line method.</p>								
<p>3. Revenue and expense recognition</p>	<p>Accounting treatment of property taxes and other taxes With respect to property taxes, city planning taxes and depreciable asset taxes, of the tax amount assessed and determined, the amount corresponding to the relevant fiscal period is accounted for as rental expenses. Of the amounts paid for the acquisitions of real estate properties or beneficiary right in trust of real estate, the amount equivalent to property taxes is capitalized as part of the acquisition cost of the relevant property instead of being charged as an expense. Capitalized property taxes amounted to 342,438 thousand yen for the fiscal period ended May 31, 2020, and not applicable for the fiscal period ended Nov. 30, 2020.</p>								
<p>4. Hedge accounting</p>	<p>(1) Hedge accounting method For interest rate swaps, special accounting treatment is adopted.</p> <p>(2) Hedge instruments and hedged items Hedge instruments – interest rate swaps Hedged items – interests on loans payable</p> <p>(3) Hedging policy NPR uses interest rate swaps for the purpose of hedging risks defined in the articles of incorporation based on its risk management policies.</p> <p>(4) Hedge effectiveness test Assessment of the hedge effectiveness has been omitted since all interest rate swaps meet the specific matching criteria under the special accounting treatment.</p>								
<p>5. Cash and cash equivalents as stated in the Statement of Cash Flows</p>	<p>Cash and cash equivalents consist of cash on hand and cash in trust, floating deposits, deposits in trust and short-term investments that are very liquid and realizable with a maturity of three months or less when purchased and that are subject to insignificant risks of changes in value.</p>								
<p>6. Other significant matters which constitute the basis for preparation of financial statements</p>	<p>(1) Accounting treatment of trust beneficiary interests of real estate As to trust beneficiary interests of real estate, all accounts of assets and liabilities within assets in trust, as well as all income generated and expenses incurred from assets in trust, are recorded in the relevant balance sheets and income statement accounts. Of which, the following significant trust assets are shown separately on the balance sheet.</p> <ul style="list-style-type: none"> <li>(a) Cash and deposits in trust</li> <li>(b) Buildings in trust, structures in trust, machinery and equipment in trust, tools, furniture and fixtures in trust and land in trust</li> <li>(c) Construction in progress in trust</li> <li>(d) Tenant leasehold and security deposits in trust</li> </ul> <p>(2) Accounting treatment of consumption taxes Transactions subject to consumption taxes are recorded at amounts exclusive of consumption taxes. The nondeductible portion of consumption taxes imposed in connection with assets is charged to expense in the period incurred.</p>								

(Additional Information)

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

For the periods from Dec. 1, 2019, to May 31, 2020

1. Reasons, related assets and amounts of allowance

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

(Note) As to Prologis Park Iwanuma 1 which was caught in a fire during the reporting period, NPR recorded loss on fire, the loss amount equivalent to the book value of those properties, and recognized temporary difference between book-tax income as a result. Due to minimize unitholders' burdens of income taxes caused by the book-tax difference, NPR plan to distribute 3,750,557 thousand yen as Surplus Cash Distributions.

2. Specific method of reversal

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

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

1. Reasons, related assets and reversal of allowance

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

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

2. Specific method of reversal

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

(8) Notes to Financial Statements

(Notes to Balance Sheet)

\*1. Commitment line agreement

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

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

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

For the periods from Dec. 1, 2019, to May 31, 2020

None

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

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

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

2. Specific method of reversal

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

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

50,000 thousand yen.

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



(Notes to Statement of Income)

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

	(Units: Thousands of yen)	
	For the period from Dec. 1, 2019 to May 31, 2020	For the period from June 1, 2020 to Nov 30, 2020
(1) Property-related revenues		
Rental revenues		
Rental revenues	19,837,334	20,523,263
Common area charges	1,411,837	1,459,959
Total	21,249,172	21,983,222
Other rental revenues		
Received utilities cost	1,148,730	1,350,640
Others	257,492	276,961
Total	1,406,223	1,627,602
Total property-related revenues	22,655,396	23,610,825
(2) Property-related expenses		
Rental expenses		
Subcontract expenses	1,336,728	1,263,484
Utilities cost	1,053,300	1,170,511
Taxes and dues	1,911,748	1,921,991
Non-life insurance premium	70,067	87,763
Repair and maintenance	169,900	205,309
Depreciation	5,362,502	5,470,864
Custodian fee	22,045	22,480
Other expenses	4,643	4,631
Total rental expenses	9,930,938	10,147,037
(3) Operating income from property leasing ( (1)-(2) )	12,724,457	13,463,788

\*2. Extraordinary income and Extraordinary loss:

For the period from Dec 1, 2019, to May 31, 2020

Due to the two typhoons hit Japan during 2019, NPR recorded extraordinary losses of 242,458 thousand yen for repair expenses, and extraordinary income of 269,914 thousand yen for the insurance payment.

As to Prologis Park Iwanuma 1 which was caught in a fire during the reporting period, NPR recorded loss on fire by 3,752,395 thousand yen as extraordinary loss.

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

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

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

(Notes to Statement of Unit Holders' Equity)

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

	For the period from Dec. 1, 2019 to May 31, 2020	For the period from June 1, 2020 to Nov 30, 2020
Number of investment units authorized	10,000,000 units	10,000,000 units
Number of investment units issued and outstanding	2,465,850 units	2,465,850 units

(Notes to Statement of Cash Flow)

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

	For the period from Dec. 1, 2019 to May 31, 2020	For the period from June 1, 2020 to Nov 30, 2020
Cash and deposits	20,770,795 thousand yen	29,106,808 thousand yen
Cash and deposits in trust	5,352,128 thousand yen	5,544,592 thousand yen
Cash and cash equivalents	26,122,923 thousand yen	34,651,400 thousand yen

(Notes Related to Lease Contracts)

Operating lease transactions (as lessor)

Unearned rental revenue

	As of May 31, 2020	As of Nov. 30, 2020
Due within one year	40,636,341 thousand yen	39,883,443 thousand yen
Due after one year	139,293,516 thousand yen	130,277,602 thousand yen
Total	179,929,857 thousand yen	170,161,046 thousand yen

(Notes Related to Financial Instruments)

1. Status of financial instruments

(1) Policy for Financial Instruments

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

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

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

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

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

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

### (3) Supplemental Explanation Regarding Fair Values of Financial Instruments

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

## 2. Estimated Fair Value of Financial Instruments

As of May 31, 2020

The book value, the fair value and the difference between the values as of May 31, 2020, are as follows. Financial instruments for which fair value is extremely difficult to estimate are excluded from the following table. <sup>(Note 2)</sup>

(Unit: Thousands of yen)

	Book value	Fair value	Difference
(1) Cash and deposits	20,770,795	20,770,795	-
(2) Cash and deposits in trust	5,352,128	5,352,128	-
Total assets	26,122,923	26,122,923	-
(3) Short-term loans payable	3,800,000	3,800,000	-
(5) Current portion of long-term loans payable	21,300,000	21,291,506	(8,493)
(6) Investment corporation bonds payable	26,000,000	25,560,900	(439,100)
(7) Long-term loans payable	212,900,000	214,261,426	1,361,426
Total liabilities	264,000,000	264,913,833	913,833
(8) Derivative transactions	-	-	-

As of Nov. 30, 2020

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

(Unit: Thousands of yen)

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

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

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

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

(3) Short-term loans payable

Due to the short maturities, the book value of short-term loans payable is deemed a reasonable approximation of the fair value and, therefore, book value is used as the fair value.

(4) Current portion of investment corporation bonds payable and (6) Investment corporation bonds payable

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

(5) Current portion of long-term loans payable and (7) Long-term loans payable

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

(8) Derivative transactions

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

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

(Units: Thousands of yen)

	As of May 31, 2020	As of Nov. 30, 2020
Tenant leasehold and security deposits	247,773	247,773
Tenant leasehold and security deposits in trust	16,861,869	16,968,824

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

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

As of May 31, 2020

(Units: Thousands of yen)

	Due within one year
Cash and deposits	20,770,795
Cash and deposits in trust	5,352,128

As of Nov. 30, 2020

(Units: Thousands of yen)

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

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

As of May 31, 2020

(Unit: Thousands of yen)

	Due within one year	Due after one to two years	Due after two to three years	Due after three to four years	Due after four to five years	Due after five years
Investment corporation bonds payable	-	2,000,000	-	1,500,000	3,000,000	19,500,000
Long-term loans payable	21,300,000	30,000,000	27,600,000	16,000,000	32,300,000	107,000,000
Total	21,300,000	32,000,000	27,600,000	17,500,000	35,300,000	126,500,000

As of Nov. 30, 2020

(Unit: Thousands of yen)

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

(Notes Related to Investment Securities)

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

None

(Notes Related to Derivative Transactions)

1. Derivative transactions for which hedge accounting is not applied

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

None

2. Derivative transactions for which hedge accounting is applied

The contract and notional amount as of May 31, 2020, sorted by hedge accounting method is as follows:

(Units: Thousands of yen)

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

(Note) Interest rate swaps under special accounting treatment are accounted for as the integral part of long-term loans payable designated as hedged items. Therefore, their fair value is included in long-term loans payable disclosed in the aforementioned "Notes Related to Financial Instruments, 2. Estimated Fair Values of Financial Instruments, (5) Current portion of long-term loans payable and (7) Long-term loans payable".

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

(Units: Thousands of yen)

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

(Note) Interest rate swaps under special accounting treatment are accounted for as the integral part of long-term loans payable designated as hedged items. Therefore, their fair value is included in long-term loans payable disclosed in the aforementioned "Notes Related to Financial Instruments, 2. Estimated Fair Values of Financial Instruments, (5) Current portion of long-term loans payable and (7) Long-term loans payable".

(Notes Related to Related Party Transactions)

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

For the periods from Dec. 1, 2019, to May 31, 2020, and June 1, 2020, to Nov. 30, 2020

None

2. Transactions and Account Balances with Affiliates

For the periods from Dec. 1, 2019, to May 31, 2020, and June 1, 2020, to Nov. 30, 2020

None

3. Transactions and Account Balances with Companies under Common Control

For the periods from Dec. 1, 2019, to May 31, 2020

Relationship	Name of the company	Address	Stated capital (Thousands of yen)	Type of business	% of voting rights owned	Relation		Type of transaction	Transaction amount (Thousands of yen)	Account	Balance (Thousands of yen)
						Common board member	Business relationship				
Subsidiary of an affiliate	Prologis REIT Master Lease GK (Note 3)	Chiyoda-ku, Tokyo	2,100	Real estate business	-	-	Lessee	Lease of properties in trust	21,392,431	Operating accounts receivable	867,075
										Advances received	3,796,374
								Proceeds of tenant leasehold and security deposits in trust	1,928,944	Tenant leasehold and security deposits in trust	16,401,798
								Repayments of tenant leasehold and security deposits in trust	243,449		
Subsidiary of an affiliate	Hakuba Special Purpose Company	Chiyoda-ku, Tokyo	100,000	Real estate business	-	-	Seller	Acquisition of beneficiary right in trust	31,000,000	-	-
Subsidiary of an affiliate	Norikura Special Purpose Company	Chiyoda-ku, Tokyo	100,000	Real estate business	-	-	Seller	Acquisition of beneficiary right in trust	14,800,000	-	-
Subsidiary of an affiliate	Tsukuba Special Purpose Company	Chiyoda-ku, Tokyo	100,000	Real estate business	-	-	Seller	Acquisition of beneficiary right in trust	13,500,000	-	-
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 (Note 4)	2,276,159	Accrued expenses	2,177,625

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

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

(Note 3) With respect to 42 of the 49 properties held by NPR, NPR leases space to Prologis REIT Master Lease GK based on a pass-through type master lease agreement, and Prologis REIT Master Lease GK subleases the space to tenants.

(Note 4) The Asset management fee above includes management fees for property acquisition of 296,500 thousand yen.

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

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

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

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

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

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

For the periods from Dec. 1, 2019, to May 31, 2020, and June 1, 2020, to Nov. 30, 2020

None

(Notes Related to Retirement Payment)

For the periods from Dec. 1, 2019, to May 31, 2020, and June 1, 2020, to Nov. 30, 2020

None

(Notes Related to Deferred Tax Accounting)

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

(Deferred tax assets)	(Unit: Thousands of yen)	
	As of May 31, 2020	As of Nov. 30, 2020
Loss on Fire	1,180,512	-
Enterprise tax payable	45	-
<b>Total deferred tax assets</b>	<b>1,180,558</b>	<b>-</b>
Valuation allowance	(1,180,512)	-
<b>Net deferred tax assets</b>	<b>45</b>	<b>-</b>

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

	(Unit: %)	
	As of May 31, 2020	As of Nov. 30, 2020
Statutory tax rate	31.83	31.46
(Adjustments)		
Deductible distributions of retained earnings	(51.69)	(22.99)
Valuation allowance	19.87	(8.57)
Others	0.01	0.10
<b>Effective tax rate</b>	<b>0.02</b>	<b>0.00</b>

(Notes Related to Asset Retirement Obligations)

For the periods from Dec. 1, 2019, to May 31, 2020, and June 1, 2020, to Nov. 30, 2020

None

(Notes Related to Rental Properties)

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

		(Unit: Thousands of yen)	
		For the period from Dec. 1, 2019 to May 31, 2020	For the period from June 1, 2020 to Nov. 30, 2020
Book value	Balance at the beginning of the period	608,216,769	659,843,429
	Change during the period	51,626,659	(4,913,371)
	Balance at the end of the period	659,843,429	654,930,057
Fair value at the end of the period		823,790,000	835,920,000

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

(Note 2) The increase for the fiscal period ended May 31, 2020 was primarily a result of acquiring properties, Prologis Park Chiba 1, Prologis Park MFLP Kawagoe (50% co-ownership) and Prologis Park Tsukuba 1-B during the period for a total of 60,015,000 thousand yen. The decrease for the fiscal period ended May 31, 2020 were primarily a result of loss on fire for Prologis Park Iwanuma 1 of 3,752,395 thousand yen and recognition of depreciation, which amounted to 5,362,502 thousand yen.

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

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

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



(Notes Related to Segment and Related Information)

(Segment Information)

For the periods from Dec. 1, 2019, to May 31, 2020

Description is omitted as NPR engages in a single segment

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

Description is omitted as NPR engages in a single segment

(Related Information)

For the period from Dec. 1, 2019, to May 31, 2020

1. Information by products and services

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

2. Information by geographic region

(1) Operating revenues

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

(2) Property and equipment

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

3. Information by major customers

(Unit: Thousands of yen)

Counterparty	Operating revenues	Related segment
Prologis REIT Master Lease GK	21,392,431	The real estate leasing business.

(Note 1) With respect to 42 of the 49 properties held by NPR, NPR leases space to Prologis REIT Master Lease GK based on a pass-through type master lease agreement, and Prologis REIT Master Lease GK subleases the space to actual tenants.

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

1. Information by products and services

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

2. Information by geographic region

(1) Operating revenues

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

(2) Property and equipment

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

3. Information by major customers

(Unit: Thousands of yen)

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

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

(Notes Related to Per Unit Information)

	For the period from Dec. 1, 2019 to May 31, 2020	For the period from June 1, 2020 to Nov. 30, 2020
Net assets per unit	162,970 yen	163,977 yen
Net income per unit	2,476 yen	5,652 yen

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

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

	For the period from Dec. 1, 2019 to May 31, 2020	For the period from June 1, 2020 to Nov. 30, 2020
Net income (Thousands of yen)	6,008,618	13,937,045
Amount not attributable to common unit holders (Thousands of yen)	-	-
Net income attributable to common unit holders (Thousands of yen)	6,008,618	13,937,045
Average number of investment units during the period (unit)	2,426,160	2,465,850

(Notes Related to Material Subsequent Events)

(a) Issuance of New Investment Units

NPR's board of directors made a resolution regarding the issuance of new investment units (the "Offering") on Jan. 20, 2021. The issue price per unit shall be determined at the board of directors meeting to be held on the date of the issue price determination.

Issuance of New Investment Units through the Public Offering

Number of units to be issued 110,480 units

Issuance of New Investment Units through the Third-Party Allotment

Number of units to be issued 5,520 units

Allottee SMBC Nikko Securities, Inc.

(b) Acquisition of New Properties

As resolved by the board of directors on Jan. 20, 2021, in line with the investment guidelines defined in its Articles of Incorporation, NPR is scheduled to acquire the properties described below on Feb. 8, 2021, with the net proceeds from the issuance of new investment units described in "(a) Issuance of New Investment Units" above, the new borrowings (the "Borrowings") (details of the Borrowings will be announced once a decision is made) and cash on hand.

Property name		Prologis Park Chiba New Town
Location		2, 1 chome, Izumino, Inzai, Chiba 313-8, 1 chome, Izumino, Inzai, Chiba
Class of assets		Real estate trust beneficiary interests
Anticipated Acquisition date		Feb. 8, 2021
Anticipated Acquisition price		26,300 million yen
Land	Ownership form	Proprietary
	Land area	55,100.94 m <sup>2</sup>
Building	Ownership form	Proprietary
	Gross floor area	109,981.80 m <sup>2</sup>
	Date of construction	Apr. 21, 2016
	Purpose	Warehouse / Office
Structure/No. of stories		SRC, 5-story building

Property name		Prologis Park Chiba 2
Location		210-28, Roppo-Cho, Inage Ward, Chiba, Chiba 210-28, Roppo-Cho, Inage Ward, Chiba, Chiba
Class of assets		Real estate trust beneficiary interests
Anticipated Acquisition date		Feb. 8, 2021
Anticipated Acquisition price		15,000 million yen
Land	Ownership form	Proprietary
	Land area	30,176.41 m <sup>2</sup>
Building	Ownership form	Proprietary
	Gross floor area	60,327.19m <sup>2</sup>
	Date of construction	Nov. 12, 2020
	Purpose	Warehouse / Office
Structure/No. of stories		SRC, 4-story building

Property name		Prologis Park Tsukuba 2
Location		25-3, Sakuranomori, Tsukuba, Ibaraki 25-3, Sakuranomori, Tsukuba, Ibaraki
Class of assets		Real estate trust beneficiary interests
Anticipated Acquisition date		Feb. 8, 2021

Anticipated Acquisition price		20,900 million yen
Land	Ownership form	Proprietary
	Land area	49,586.84 m <sup>2</sup>
Building	Ownership form	Proprietary
	Gross floor area	98,920.31 m <sup>2</sup>
	Date of construction	Aug. 21, 2020
	Purpose	Warehouse / Office
	Structure/No. of stories	S, 4-story building

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

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

Date	Type of issue	Number of investment units issued and outstanding (Units)		Unit holders' equity (Note 1 and 22) (Thousands of yen)		Note
		Increase	Total	Increase	Total	
Feb. 15, 2016	Surplus cash distribution (Return on capital)	-	1,730,750	(835,952)	234,082,769	(Note 2)
Mar. 14, 2016	Public offering	105,900	1,836,650	23,710,374	257,793,144	(Note 3)
Apr. 13, 2016	Secondary distribution	5,300	1,841,950	1,186,638	258,979,782	(Note 4)
Aug. 15, 2016	Surplus cash distribution (Return on capital)	-	1,841,950	(1,123,589)	257,856,193	(Note 5)
Dec. 19, 2016	Public offering	61,330	1,903,280	13,190,979	271,047,172	(Note 6)
Jan. 16, 2017	Secondary distribution	3,070	1,906,350	660,301	271,707,473	(Note 7)
Feb. 15, 2017	Surplus cash distribution (Return on capital)	-	1,906,350	(946,762)	270,760,711	(Note 8)
Aug. 7, 2017	Public offering	143,430	2,049,780	31,609,963	302,370,675	(Note 9)
Sept. 6, 2017	Secondary distribution	7,170	2,056,950	1,580,167	303,950,843	(Note 10)
Mar. 12, 2018	Public offering	122,860	2,179,810	26,715,661	330,666,504	(Note 11)
Apr. 11, 2018	Secondary distribution	6,140	2,185,950	1,335,130	332,001,635	(Note 12)
Aug. 15, 2018	Surplus cash distribution (Return on capital)	-	2,185,950	(1,484,260)	330,517,375	(Note 13)
Feb. 15, 2019	Surplus cash distribution (Return on capital)	-	2,185,950	(972,747)	329,544,627	(Note 14)
June 18, 2019	Public offering	155,430	2,341,380	34,199,262	363,743,890	(Note 15)
July 17, 2019	Secondary distribution	7,770	2,349,150	1,709,633	365,453,523	(Note 16)
Aug. 15, 2019	Surplus cash distribution (Return on capital)	-	2,349,150	(1,239,433)	364,214,089	(Note 17)

Jan. 31, 2020	Public offering	111,140	2,460,290	31,485,072	395,699,162	(Note 18)
Feb. 14, 2020	Surplus cash distribution (Return on capital)	-	2,460,290	(1,423,584)	394,275,577	(Note 19)
Feb. 26, 2020	Secondary distribution	5,560	2,465,850	1,575,103	395,850,681	(Note 20)
Aug. 14, 2020	Surplus cash distribution (Return on capital)	-	2,465,850	(1,694,038)	394,156,642	(Note 21)

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

(Note 2) Cash distributions for the fiscal period ended Nov. 2015 in the amount of 483 yen per unit as distributions in excess of retained earnings, as a return of unit holders' capital. It was decided on Jan. 19, 2016, and payment began on Feb. 15, 2016.

(Note 3) New investment units were issued at a price of 231,574 yen per unit (223,894 yen after deduction of gross spread to underwriters) to raise funds for the repayment of borrowings for the acquisition of new properties.

(Note 4) New investment units were issued at a price of 223,894 yen per unit through third-party allotment to raise funds for the future acquisition of properties or the repayment of borrowings.

(Note 5) Cash distributions for the fiscal period ended May 2016 in the amount of 610 yen per unit as distributions in excess of retained earnings, as a return of unit holders' capital. It was decided on July 14, 2016, and payment began on Aug. 15, 2016.

(Note 6) New investment units were issued at a price of 222,460 yen per unit (215,082 yen after deduction of gross spread to underwriters) to raise funds for the repayment of borrowings for the acquisition of new properties.

(Note 7) New investment units were issued at a price of 215,082 yen per unit through third-party allotment to raise funds for the future acquisition of properties or the repayment of borrowings.

(Note 8) Cash distributions for the fiscal period ended Nov. 2016 in the amount of 514 yen per unit as distributions in excess of retained earnings, as a return of unit holders' capital. It was decided on Jan. 17, 2017, and payment began on Feb. 15, 2017.

(Note 9) New investment units were issued at a price of 227,850 yen per unit (220,386 yen after deduction of gross spread to underwriters) to raise funds for the repayment of borrowings for the acquisition of new properties.

(Note 10) New investment units were issued at a price of 220,386 yen per unit through third-party allotment to raise funds for the future acquisition of properties or the repayment of borrowings.

(Note 11) New investment units were issued at a price of 224,812 yen per unit (217,448 yen after deduction of gross spread to underwriters) to raise funds for the repayment of borrowings for the acquisition of new properties.

(Note 12) New investment units were issued at a price of 217,448 yen per unit through third-party allotment to raise funds for the future acquisition of properties or the repayment of borrowings.

(Note 13) Cash distributions for the fiscal period ended May 2018 in the amount of 679 yen per unit as distributions in excess of retained earnings, as a return of unit holders' capital. It was decided on July 17, 2018, and payment began on Aug. 15, 2018.

(Note 14) Cash distributions for the fiscal period ended Nov. 2018 in the amount of 445 yen per unit as distributions in excess of retained earnings, as a return of unit holders' capital. It was decided on Jan. 18, 2019, and payment began on Feb. 15, 2019.

(Note 15) New investment units were issued at a price of 227,458 yen per unit (220,030 yen after deduction of gross spread to underwriters) to raise funds for the repayment of borrowings for the acquisition of new properties.

(Note 16) New investment units were issued at a price of 220,030 yen per unit through third-party allotment to raise funds for the future acquisition of properties or the repayment of borrowings.

(Note 17) Cash distributions for the fiscal period ended May 2018 in the amount of 567 yen per unit as distributions in excess of retained earnings, as a return of unit holders' capital. It was decided on July 18, 2019, and payment began on Aug. 15, 2019.

(Note 18) New investment units were issued at a price of 292,824 yen per unit (283,292 yen after deduction of gross spread to underwriters) to raise funds for the acquisition of new properties.

(Note 19) Cash distributions for the fiscal period ended Nov. 2019 in the amount of 606 yen per unit as distributions in excess of retained earnings, as a return of unit holders' capital. It was decided on Jan. 17, 2020, and payment began on Feb. 14, 2020.

(Note 20) New investment units were issued at a price of 283,292 yen per unit through third-party allotment to raise funds for the future acquisition of properties or the repayment of borrowings.

(Note 21) Cash distributions for the fiscal period ended May 2020 in the amount of 687 yen per unit as distributions in excess of retained earnings, as a return of unit holders' capital. It was decided on July 22, 2020, and payment

began on Aug. 14, 2020.

(Note 22) ATA-based distribution is not included in the amounts of Unit holders' equity.

### 3. Reference Information

#### (1) Composition of NPR's Assets

Type of asset	Region	Fifteenth fiscal period (As of May 31, 2020)		Sixteenth fiscal period (As of Nov. 30, 2020)	
		Retained amount (Millions of yen) (Note 3 and 6)	Ratio of total asset (%)	Retained amount (Millions of yen) (Note 3 and 6)	Ratio of total asset (%)
Real estate	Global markets (Note 1)				
	Kanto area	-	-	-	-
	Kansai area	4,074	0.6	4,062	0.6
	Regional markets (Note 2)				
	Chubu area	-	-	-	-
	Tohoku area	-	-	-	-
	Kyushu area	6,121	0.9	6,056	0.9
Total		10,195	1.5	10,119	1.5
Beneficiary right in trust	Global markets (Note 1)				
	Kanto area	395,087	57.1	392,214	56.6
	Kansai area	222,891	32.2	221,252	31.9
	Regional markets (Note 2)				
	Chubu area	16,883	2.4	16,704	2.4
	Tohoku area	14,784	2.1	14,638	2.1
	Kyushu area	-	-	-	-
Total		649,647	93.9	644,810	93.0
Total of real estate and others		659,843	95.4	654,930	94.5
Deposit and other assets		31,908	4.6	38,089	5.5
Total assets (Note 4)		691,751 (659,843)	100.0 (95.4)	693,019 (654,930)	100.0 (94.5)

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

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

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

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

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

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

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

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



(2) Overview of the Portfolio

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

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

Property number	Property name	Form of ownership	Acquisition price (Millions of yen) <sup>(1)</sup>	Book value (Millions of yen) <sup>(2)</sup>	Appraisal value as of the end of the reporting fiscal period (Millions of yen) <sup>(3)</sup>	Return price					Investment rate (%) <sup>(4)</sup>
						Direct capitalization method		DCF method			
						Priced based on direct capitalization method (Millions of yen)	Direct capitalization rate (%)	Priced based on DCF method (Millions of yen)	Discount rate (%)	Terminal capitalization rate (%)	
M-01	Prologis Park Ichikawa 1	Beneficiary right in trust	33,900	31,497	46,200	47,000	3.9	46,200	3.7	4.1	4.9
M-02	Prologis Park Zama 1	Beneficiary right in trust	27,900	25,252	34,500	34,900	4.2	34,500	4.0	4.4	4.0
M-03	Prologis Park Kawajima	Beneficiary right in trust	25,600	22,425	33,500	34,000	4.5	33,500	4.3	4.7	3.7
M-04	Prologis Park Osaka 2	Beneficiary right in trust	25,000	22,296	34,400	34,300	4.2	34,400	4.0	4.3	3.6
M-05	Prologis Park Maishima 3	Beneficiary right in trust	13,500	11,936	16,500	16,700	4.3	16,500	4.1	4.4	1.9
M-06	Prologis Park Kasugai	Beneficiary right in trust	12,500	10,966	19,200	19,400	4.4	19,200	4.2	4.5	1.8
M-07	Prologis Park Kitanagoya	Beneficiary right in trust	6,500	5,737	9,600	9,760	4.2	9,600	4.0	4.3	0.9
M-09	Prologis Park Tokyo-Ohta	Beneficiary right in trust	29,500	28,587	41,100	41,600	3.6	41,100	3.4	3.8	4.2
M-10	Prologis Park Zama 2	Beneficiary right in trust	21,900	19,956	29,700	30,000	4.1	29,700	3.9	4.3	3.1
M-11	Prologis Park Funabashi 5 (Annex)	Beneficiary right in trust	9,500	10,441	14,500	14,600	4.0	14,500	3.8	4.2	1.6
			1,500								
M-12	Prologis Park Narita 1-A&B	Beneficiary right in trust	8,420	7,754	11,000	11,000	4.8	10,900	4.5	5.0	1.2
M-13	Prologis Park Narita 1-C	Beneficiary right in trust	4,810	4,468	6,140	6,200	4.8	6,080	4.5	5.0	0.7
M-14	Prologis Park Amagasaki 1	Beneficiary right in trust	17,600	16,399	21,700	21,700	4.4	21,600	4.1	4.5	2.5
M-15	Prologis Park Amagasaki 2	Beneficiary right in trust	19,200	17,946	22,900	22,900	4.4	22,800	4.1	4.5	2.8
M-16	Prologis Park Tokyo-Shinkiba	Beneficiary right in trust	13,600	13,240	19,500	19,400	3.6	19,500	3.4	3.7	2.0
M-17	Prologis Park Yokohama-Tsurumi	Beneficiary right in trust	13,800	12,555	18,400	18,600	4.0	18,400	3.8	4.1	2.0
M-18	Prologis Park Osaka 4	Beneficiary right in trust	21,000	18,996	26,900	27,100	4.2	26,900	4.0	4.3	3.0
M-20	Prologis Park Kawajima 2	Beneficiary right in trust	8,180	7,442	9,580	9,730	4.5	9,580	4.3	4.7	1.2
M-21	Prologis Park Kitamoto	Beneficiary right in trust	12,600	11,877	14,800	14,800	4.6	14,700	4.2	4.8	1.8

Property number	Property name	Form of ownership	Acquisition price (Millions of yen) <sup>(1)</sup>	Book value (Millions of yen) <sup>(2)</sup>	Appraisal value as of the end of the reporting fiscal period (Millions of yen) <sup>(3)</sup>	Return price					Investment rate (%) <sup>(4)</sup>
						Direct capitalization method		DCF method			
						Priced based on direct capitalization method (Millions of yen)	Direct capitalization rate (%)	Priced based on DCF method (Millions of yen)	Discount rate (%)	Terminal capitalization rate (%)	
M-22	Prologis Park Joso	Beneficiary right in trust	7,120	6,604	7,640	7,680	4.6	7,640	4.4	4.8	1.0
M-23	Prologis Park Osaka 5	Beneficiary right in trust	17,600	16,572	19,300	19,600	4.3	19,300	4.1	4.5	2.5
M-24	Prologis Park Narita 3	Beneficiary right in trust	9,240	8,797	11,100	11,200	4.6	11,000	4.4	4.8	1.3
M-25	Prologis Park Narashino 5	Beneficiary right in trust	13,600	12,979	15,000	15,200	4.0	15,000	3.8	4.1	2.0
M-26	Prologis Park Ibaraki	Beneficiary right in trust	38,300	36,936	42,400	42,700	4.1	42,400	3.9	4.2	5.5
M-27	Prologis Park Ichikawa 3	Beneficiary right in trust	17,000	16,528	18,400	18,900	3.8	18,400	3.6	4.0	2.4
M-28	Prologis Park Narita 1-D	Beneficiary right in trust	5,260	5,120	5,430	5,450	4.8	5,400	4.5	5.0	0.8
M-29	Prologis Park Yoshimi	Beneficiary right in trust	21,300	20,526	22,000	22,200	4.5	22,000	4.3	4.7	3.1
M-30	Prologis Park Higashimatsuyama	Beneficiary right in trust	12,600	12,357	13,100	13,300	4.5	13,100	4.3	4.7	1.8
M-31	Prologis Park Kyotanabe	Beneficiary right in trust	35,800	35,368	37,800	38,100	4.2	37,500	4.0	4.4	5.1
M-32	Prologis park Chiba 1	Beneficiary right in trust	31,000	30,990	32,300	32,600	4.2	32,000	4.0	4.4	4.5
M-33	Prologis park MFLP Kawagoe <sup>(5)</sup>	Beneficiary right in trust	14,800	14,809	15,600	15,700	4.2	15,450	4.0	4.4	2.1
B-02	Prologis Park Takatsuki	Real estate	4,410	4,062	5,340	5,260	4.5	5,340	4.2	4.6	0.6
B-03	Prologis Park Tosu 2	Real estate	3,030	2,659	3,950	4,020	4.6	3,950	4.3	4.7	0.4
B-04	Prologis Park Tosu 4	Real estate	3,810	3,397	5,000	5,200	4.6	5,000	4.3	4.7	0.5
B-05	Prologis Park Narashino 4	Beneficiary right in trust	20,000	18,116	26,400	26,700	3.9	26,400	3.7	4.0	2.9
B-06	Prologis Park Ebina	Beneficiary right in trust	8,250	7,992	11,000	10,900	4.0	11,000	3.8	4.1	1.2
B-07	Prologis Park Kawanishi	Beneficiary right in trust	13,600	12,636	14,800	15,000	4.4	14,800	4.2	4.7	2.0
B-08	Prologis Park Amagasaki 3	Beneficiary right in trust	9,090	8,485	10,800	10,900	4.2	10,600	4.0	4.4	1.3
B-09	Prologis Park Kobe	Beneficiary right in trust	6,410	5,835	7,330	7,390	4.7	7,270	4.5	5.0	0.9

Property number	Property name	Form of ownership	Acquisition price (Millions of yen) <sup>(1)</sup>	Book value (Millions of yen) <sup>(2)</sup>	Appraisal value as of the end of the reporting fiscal period (Millions of yen) <sup>(3)</sup>	Return price					Investment rate (%) <sup>(4)</sup>
						Direct capitalization method		DCF method			
						Priced based on direct capitalization method (Millions of yen)	Direct capitalization rate (%)	Priced based on DCF method (Millions of yen)	Discount rate (%)	Terminal capitalization rate (%)	
B-10	Prologis Park Sendai Izumi	Beneficiary right in trust	4,820	4,367	5,480	5,510	4.9	5,440	4.7	5.3	0.7
B-11	Prologis Park Koga 1	Beneficiary right in trust	7,680	7,163	8,460	8,530	4.7	8,380	4.4	4.9	1.1
B-12	Prologis Park Kobe 2	Beneficiary right in trust	13,700	12,877	14,700	14,700	4.7	14,700	4.5	5.0	2.0
B-13	Prologis Park Koga 2	Beneficiary right in trust	3,930	3,700	4,100	4,120	4.7	4,070	4.4	4.9	0.6
B-14	Prologis Park Koga 3	Beneficiary right in trust	5,440	5,229	5,660	5,710	4.7	5,600	4.4	4.9	0.8
B-15	Prologis Park Tsukuba 1-A	Beneficiary right in trust	12,900	12,381	13,200	13,300	4.6	13,200	4.4	4.8	1.9
B-16	Prologis Park Sendai Izumi 2	Beneficiary right in trust	9,250	9,084	9,410	9,500	4.9	9,320	4.3	5.4	1.3
B-17	Prologis Park Kobe 4	Beneficiary right in trust	5,020	4,964	5,160	5,210	4.7	5,100	4.5	4.9	0.7
B-18	Prologis Park Tsukuba 1-B	Beneficiary right in trust	13,500	13,415	13,700	13,700	4.6	13,700	4.4	4.8	1.9
Sub Total		-	694,970	653,743	834,680	841,970	-	832,720	-	-	99.8
M-19	Prologis Park Iwanuma 1 <sup>(6)</sup>	Beneficiary right in trust	1,179	1,186	1,240	-	-	-	-	-	0.2
Total		-	696,149	654,930	835,920	841,970	-	832,720	-	-	100.0

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

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

(Note 3) NPR has retained JLL Morii Valuation & Advisory K.K., CBRE K.K. and Japan Real Estate Institute to appraise or investigate the properties. Appraisal or Investigation value as of the end of the reporting fiscal period represents the appraisal or investigation value as set forth on the relevant study reports by real estate appraisers as of Nov. 30, 2020.

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

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

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

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

Property number	Property name	Property age (years) <sup>(2)</sup>	Leasable area(m <sup>2</sup> ) <sup>(3)</sup>	Leased area(m <sup>2</sup> ) <sup>(4)</sup>	Gross number of tenants <sup>(5)</sup>	Occupancy rate (%) <sup>(6)</sup>	Annual rent (Millions of yen) <sup>(7)</sup>	Security deposit (Millions of yen) <sup>(8)</sup>	Average lease contract (years) <sup>(9)</sup>	Average remaining lease contract (years) <sup>(10)</sup>
M-01	Prologis Park Ichikawa 1	12.1	125,026.84	125,026.84	11	100.0	2,169	972	8.3	3.0
M-02	Prologis Park Zama 1	11.6	113,471.12	113,299.81	7	99.8	1,833	590	5.9	2.0
M-03	Prologis Park Kawajima	9.5	144,897.54	144,741.12	8	99.9	1,870	607	4.0	2.1
M-04	Prologis Park Osaka 2	13.6	130,553.85	129,515.04	4	99.2	1,777	670	6.5	5.1
M-05	Prologis Park Maishima 3	12.8	74,874.37	73,506.40	6	98.2	944	319	7.0	1.3
M-06	Prologis Park Kasugai	12.9	91,455.06	89,742.80	5	98.1	1,043	406	3.6	2.8
M-07	Prologis Park Kitanoagoya	11.5	42,751.60	42,751.60	3	100.0	545	173	2.5	1.8
M-09	Prologis Park Tokyo-Ohta	15.2	73,023.05	72,836.12	24	99.7	1,815	778	5.1	2.7
M-10	Prologis Park Zama 2	8.4	95,121.43	95,121.43	8	100.0	1,498	635	5.7	2.9
M-11	Prologis Park Funabashi 5 (Annex)	16.0	56,556.95	56,556.95	4	100.0	790	348	4.7	2.4
M-12	Prologis Park Narita 1-A&B	15.8	62,058.81	60,566.97	10	97.6	707	194	2.5	1.1
M-13	Prologis Park Narita 1-C	13.6	32,230.25	32,230.25	2	100.0	Not disclosed (Note 11)	Not disclosed (Note 11)	1.6	0.2
M-14	Prologis Park Amagasaki 1	15.3	91,446.75	91,446.75	1	100.0	Not disclosed (Note 11)	Not disclosed (Note 11)	15.0	5.3
M-15	Prologis Park Amagasaki 2	13.7	91,399.12	91,308.07	7	99.9	1,223	528	4.8	1.5
M-16	Prologis Park Tokyo-Shinkiba	13.5	31,022.88	30,274.38	9	97.6	867	415	5.3	3.4
M-17	Prologis Park Yokohama-Tsurumi	12.6	63,973.24	63,820.80	4	99.8	970	425	4.7	2.8
M-18	Prologis Park Osaka 4	8.6	106,135.15	103,317.00	7	97.3	1,393	391	2.7	1.4
M-20	Prologis Park Kawajima 2	6.8	42,005.07	42,005.07	2	100.0	Not disclosed (Note 11)	Not disclosed (Note 11)	7.8	1.2
M-21	Prologis Park Kitamoto	6.7	69,432.00	69,432.00	4	100.0	833	252	5.4	3.3
M-22	Prologis Park Joso	6.1	37,165.49	37,165.49	2	100.0	Not disclosed (Note 11)	Not disclosed (Note 11)	2.9	2.4
M-23	Prologis Park Osaka 5	5.9	78,087.30	78,087.30	7	100.0	1,091	419	5.4	2.8
M-24	Prologis Park Narita 3	12.5	52,982.99	52,579.27	10	99.2	678	249	3.6	1.4

Property number	Property name	Property age (years) <sup>(2)</sup>	Leasable area(m <sup>2</sup> ) <sup>(3)</sup>	Leased area(m <sup>2</sup> ) <sup>(4)</sup>	Gross number of tenants <sup>(5)</sup>	Occupancy rate (%) <sup>(6)</sup>	Annual rent (Millions of yen) <sup>(7)</sup>	Security deposit (Millions of yen) <sup>(8)</sup>	Average lease contract (years) <sup>(9)</sup>	Average remaining lease contract (years) <sup>(10)</sup>
M-25	Prologis Park Narashino 5	4.7	58,159.44	58,159.44	2	100.0	Not disclosed (Note 11)	Not disclosed (Note 11)	5.2	2.4
M-26	Prologis Park Ibaraki	4.2	154,182.43	154,182.43	3	100.0	2,294	566	4.9	1.2
M-27	Prologis Park Ichikawa 3	3.0	50,714.15	50,714.15	3	100.0	902	367	6.2	3.4
M-28	Prologis Park Narita 1-D	5.9	27,960.13	27,960.13	2	100.0	Not disclosed (Note 11)	Not disclosed (Note 11)	3.7	0.4
M-29	Prologis Park Yoshimi	5.0	98,076.60	98,076.60	4	100.0	1,202	455	8.9	5.3
M-30	Prologis Park Higashimatsuyama	2.9	60,540.99	60,540.99	1	100.0	Not disclosed (Note 11)	Not disclosed (Note 11)	10.5	9.1
M-31	Prologis Park Kyotanabe	2.1	135,024.76	135,024.76	4	100.0	2,020	556	8.7	6.8
M-32	Prologis Park Chiba 1	1.2	127,045.45	127,045.45	9	100.0	1,775	708	6.5	5.7
M-33	Prologis Park MFLP Kawagoe	2.1	56,723.77	56,723.77	10	100.0	858	364	5.9	4.4
B-02	Prologis Park Takatsuki	8.9	19,898.05	19,898.05	1	100.0	Not disclosed (Note 11)	Not disclosed (Note 11)	15.0	6.2
B-03	Prologis Park Tosu 2	8.4	21,778.87	21,778.87	1	100.0	Not disclosed (Note 11)	Not disclosed (Note 11)	10.0	1.7
B-04	Prologis Park Tosu 4	8.9	28,765.31	28,765.31	1	100.0	Not disclosed (Note 11)	Not disclosed (Note 11)	15.3	6.5
B-05	Prologis Park Narashino 4	7.4	91,529.07	91,529.07	1	100.0	Not disclosed (Note 11)	Not disclosed (Note 11)	10.0	2.8
B-06	Prologis Park Ebina	10.7	32,500.08	32,500.08	1	100.0	Not disclosed (Note 11)	Not disclosed (Note 11)	8.0	7.3
B-07	Prologis Park Kawanishi	7.1	75,493.23	75,493.23	1	100.0	Not disclosed (Note 11)	Not disclosed (Note 11)	10.0	3.0
B-08	Prologis Park Amagasaki 3	7.2	39,527.85	39,527.85	1	100.0	Not disclosed (Note 11)	Not disclosed (Note 11)	10.0	2.8
B-09	Prologis Park Kobe	7.0	32,511.56	32,511.56	1	100.0	Not disclosed (Note 11)	Not disclosed (Note 11)	15.2	8.3
B-10	Prologis Park Sendai Izumi	5.2	26,353.50	26,353.50	1	100.0	Not disclosed (Note 11)	Not disclosed (Note 11)	20.3	15.3
B-11	Prologis Park Koga 1	4.1	34,158.16	34,158.16	1	100.0	Not disclosed (Note 11)	Not disclosed (Note 11)	15.0	10.9
B-12	Prologis Park Kobe 2	4.1	62,468.19	62,468.19	1	100.0	Not disclosed (Note 11)	Not disclosed (Note 11)	15.0	10.9
B-13	Prologis Park Koga 2	3.6	19,699.36	19,699.36	1	100.0	Not disclosed (Note 11)	Not disclosed (Note 11)	15.0	11.4
B-14	Prologis Park Koga 3	2.4	29,196.84	29,196.84	1	100.0	Not disclosed (Note 11)	Not disclosed (Note 11)	10.0	7.7

Property number	Property name	Property age (years) <sup>(2)</sup>	Leasable area(m <sup>2</sup> ) <sup>(3)</sup>	Leased area(m <sup>2</sup> ) <sup>(4)</sup>	Gross number of tenants <sup>(5)</sup>	Occupancy rate (%) <sup>(6)</sup>	Annual rent (Millions of yen) <sup>(7)</sup>	Security deposit (Millions of yen) <sup>(8)</sup>	Average lease contract (years) <sup>(9)</sup>	Average remaining lease contract (years) <sup>(10)</sup>
B-15	Prologis Park Tsukuba 1-A	2.2	65,168.90	65,168.90	1	100.0	Not disclosed (Note 11)	Not disclosed (Note 11)	11.0	8.8
B-16	Prologis Park Sendai Izumi 2	2.2	36,542.37	36,542.37	1	100.0	Not disclosed (Note 11)	Not disclosed (Note 11)	20.0	17.8
B-17	Prologis Park Kobe 4	1.5	24,154.17	24,154.17	1	100.0	Not disclosed (Note 11)	Not disclosed (Note 11)	10.0	8.6
B-18	Prologis Park Tsukuba 1-B	1.3	65,570.07	65,570.07	1	100.0	Not disclosed (Note 11)	Not disclosed (Note 11)	10.0	8.8
Total		8.0	3,179,414.16	3,169,074.76	200	99.7	44,480	17,309	7.3	4.1

(Note 1) The figures excluding property age in this table are based on the Nov. 30, 2020 Lease Agreements. References to “Nov. 30, 2020 Lease Agreements” are to lease agreements for all warehouses, offices and stores (excluding certain stores in cafeteria area), at our current properties, that have commenced as of Nov. 30, 2020, excluding a lease agreement for the jointly owned convenience store building at Prologis Park Narita 1-A&B, Prologis Park Narita 1-C and Prologis Park Narita 1-D. The figures including property age do not account for a jointly owned convenience store building at Prologis Park Narita 1-A&B, Prologis Park Narita 1-C and Prologis Park Narita 1-D. The same applies hereinafter. The figures of Prologis Park Iwanuma 1, which was caught in a fire during the period ended May 31, 2020, are not included in this table. As to Prologis Park MFLP Kawagoe, the figures of Leasable area, Leased area, Annual rent and Security deposit are shown based on our 50% co-ownership.

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

(Note 3) Equal to the gross leasable space based on the Nov. 30, 2020 Lease Agreements and floor plans included in such lease agreements plus available space based on such floor plans.

(Note 4) Equal to gross floor area of leased space in property based on the Nov. 30, 2020 Lease Agreements and floor plans included in such lease agreements..

(Note 5) For properties with pass-through master lease agreements, this is the total number of end-tenants based on the Nov. 30, 2020 Lease Agreements.

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

(Note 7) Annual rent is based on total annual rent (including common area charges) as indicated in the Nov. 30, 2020 Lease Agreements. If the relevant agreements include monthly contracted rent, annual rent is calculated in accordance with the terms stipulated in the agreements. Figures are rounded down to millions of yen.

(Note 8) Calculated as the total security deposit as indicated in the Nov. 30, 2020 Lease Agreement. If the security deposit is amortized, we state the security deposit amount after subtracting the relevant amortization amount. Figures are rounded down to millions of yen.

(Note 9) Average lease contract is calculated as the weighted average of length of lease contract indicated in the Nov. 30, 2020 Lease Agreements by the rent and figures are rounded to the nearest tenth.

(Note 10) Average remaining lease contract is calculated as the weighted average of length of remaining lease contract indicated in the Nov. 30, 2020 Lease Agreements by the rent and figures are rounded to the nearest tenth.

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

(3) Capital Expenditures for Owned Properties

(I) Future Plans for Capital Expenditure

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

Name (Location)	Purpose	Planned period	Estimate construction cost (Millions of yen) <sup>(1)</sup>		
			Total amount	Paid during the reporting period	Total amount already paid
Prologis Park Narita 1-C other (Narita, Chiba, other)	Installment of LED lighting	From Dec. 2020 to Nov. 2021	393	-	-
Prologis Park Ichikawa 1 other (Ichikawa, Chiba, other)	Installment and renewal work of surveillance cameras	From Dec. 2020 to Nov. 2021	170	-	-
Prologis Park Narita 1-C other (Narita, Chiba, other)	Installment and renewal work of air conditioner	From Dec. 2020 to Nov. 2021	167	-	-

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

(II) Capital Expenditure Incurred for the Reported Fiscal Period

The following summarizes the major construction work to NPR's owned properties that resulted in capital expenditures for the reporting fiscal period. NPR conducted construction work worth 762million yen in the reporting fiscal period which is a sum of capital expenditures of 557 million yen and repair and maintenance expenses of 205 million yen.

Name (Location)	Purpose	Expenditure Period	Amount spent (Millions of yen) <sup>(1)</sup>
Prologis Park Osaka 4 other (Osaka, Osaka, other)	Installment of LED lighting	From June 2020 to Nov. 2020	103
Prologis Park Ichikawa 1 other (Ichikawa, Chiba, other)	Interior repair work	From July 2020 to Nov. 2020	92
Prologis Park Zama 1 other (Zama, Kanagawa, other)	Installment and renewal work of surveillance cameras	From Aug 2020 to Nov. 2020	80
Others	-	-	280
Total			557

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

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

None

(4) Information Concerning Major Tenants

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

None

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

None

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

Fourteenth Fiscal Period from June 1, 2020, to Nov. 30, 2020

(Units: Thousands of yen)

Property number	M-01	M-02	M-03	M-04	M-05
Property name	Prologis Park Ichikawa 1	Prologis Park Zama 1	Prologis Park Kawajima	Prologis Park Osaka 2	Prologis Park Maishima 3
Operating days	183	183	183	183	183
(1) Property related revenues	1,240,840	991,400	1,022,820	976,593	496,511
Property revenues	1,081,326	906,171	934,227	888,299	470,295
Other property related revenues	159,514	85,229	88,592	88,294	26,215
(2) Total of property related expenses	521,422	376,747	419,858	434,122	249,347
Property taxes	89,134	71,863	68,970	83,716	51,550
Subcontract expenses	97,115	46,366	45,394	46,695	33,981
Utilities cost	98,030	47,685	59,081	62,480	18,107
Non-life insurance premium	3,638	3,194	3,833	4,026	2,254
Repair and maintenance	17,932	2,792	13,000	21,003	14,883
Depreciation	215,090	202,226	229,077	215,701	128,089
Custodian fee	480	500	500	500	480
Other expenses	-	2,119	-	-	-
(3) Operating income from property leasing ( = (1)-(2) )	719,417	614,652	602,962	542,471	247,163
NOI ( (3) + Depreciation)	934,508	816,878	832,039	758,173	375,252



(Units: Thousands of yen)

Property number	M-06	M-07	M-09	M-10	M-11
Property name	Prologis Park Kasugai	Prologis Park Kitanagoya	Prologis Park Tokyo-Ohta	Prologis Park Zama 2	Prologis Park Funabashi 5 (include Annex)
Operating days	183	183	183	183	183
(1) Property related revenues	553,722	284,907	921,378	821,592	407,290
Property revenues	520,784	272,145	841,526	729,961	393,524
Other property related revenues	32,937	12,761	79,851	91,630	13,766
(2) Total of property related expenses	253,596	130,836	321,584	326,303	154,905
Property taxes	57,307	30,346	59,793	62,036	34,905
Subcontract expenses	28,607	20,665	59,107	41,242	23,862
Utilities cost	25,405	9,328	52,638	59,087	7,671
Non-life insurance premium	2,419	1,005	2,541	2,571	1,368
Repair and maintenance	10,129	6,529	1,375	6,377	3,991
Depreciation	129,227	62,461	145,629	154,488	82,145
Custodian fee	500	500	500	500	960
Other expenses	-	-	-	-	-
(3) Operating income from property leasing ( = (1)-(2) )	300,125	154,071	599,793	495,288	252,385
NOI ( (3) + Depreciation)	429,353	216,532	745,422	649,777	334,530

(Units: Thousands of yen)

Property number	M-12	M-13	M-14	M-15	M-16
Property name	Prologis Park Narita 1-A&B	Prologis Park Narita 1-C	Prologis Park Amagasaki 1	Prologis Park Amagasaki 2	Prologis Park Tokyo-Shinkiba
Operating days	183	183	183	183	183
(1) Property related revenues	384,820	Not disclosed (Note 1)	Not disclosed (Note 1)	683,283	473,268
Property revenues	351,710			611,283	430,321
Other property related revenues	33,109			71,999	42,946
(2) Total of property related expenses	178,880			313,182	161,772
Property taxes	23,437			57,476	37,171
Subcontract expenses	36,405			40,753	27,127
Utilities cost	17,426			55,067	28,291
Non-life insurance premium	1,570			2,300	873
Repair and maintenance	17,014			9,518	1,786
Depreciation	82,526			147,587	66,022
Custodian fee	500	480	500		
Other expenses	-	-	-		
(3) Operating income from property leasing ( = (1)-(2) )	205,939	116,343	337,323	370,100	311,496
NOI ( (3) + Depreciation)	288,466	163,810	451,567	517,688	377,518

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

(Units: Thousands of yen)

Property number	M-17	M-18	M-19	M-20	M-21
Property name	Prologis Park Yokohama- Tsurumi	Prologis Park Osaka 4	Prologis Park Iwanuma 1 (Note 2)	Prologis Park Kawajima 2	Prologis Park Kitamoto
Operating days	183	183	183	183	183
(1) Property related revenues	520,199	720,395	5	Not disclosed (Note 1)	432,309
Property revenues	485,093	664,639	-		416,584
Other property related revenues	35,106	55,756	5		15,724
(2) Total of property related expenses	230,404	343,841	21,991		185,260
Property taxes	51,748	76,045	-		31,618
Subcontract expenses	33,285	50,514	20,541		35,780
Utilities cost	32,282	32,376	11		10,981
Non-life insurance premium	1,494	2,499	938		1,512
Repair and maintenance	2,283	9,277	-		704
Depreciation	108,510	172,647	-		104,183
Custodian fee	500	480	500	480	
Other expenses	300	-	-	-	
(3) Operating income from property leasing ( = (1)-(2) )	289,795	376,554	(21,985)	173,607	247,048
NOI ( (3) + Depreciation)	398,305	549,202	(21,985)	241,073	351,231

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

(Note 2) Prologis Park Iwanuma 1 was destroyed by a fire during the previous fiscal period.

(Units: Thousands of yen)

Property number	M-22	M-23	M-24	M-25	M-26
Property name	Prologis Park Joso	Prologis Park Osaka 5	Prologis Park Narita 3	Prologis Park Narashino 5	Prologis Park Ibaraki
Operating days	183	183	183	183	183
(1) Property related revenues	Not disclosed (Note 1)	559,982	365,836	Not disclosed (Note 1)	1,160,737
Property revenues		536,174	334,548		1,116,326
Other property related revenues		23,808	31,288		44,410
(2) Total of property related expenses		265,965	175,232		527,405
Property taxes		61,454	30,541		118,484
Subcontract expenses		35,451	36,660		79,067
Utilities cost		19,823	22,281		40,536
Non-life insurance premium		2,184	1,693		4,612
Repair and maintenance		5,508	4,465		107
Depreciation		141,064	79,112		283,829
Custodian fee	480	480	480		
Other expenses	-	-	288		
(3) Operating income from property leasing ( = (1)-(2) )	125,342	294,016	190,603	224,882	633,331
NOI ( (3) + Depreciation)	190,493	435,081	269,716	336,849	917,161

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

(Units: Thousands of yen)

Property number	M-27	M-28	M-29	M-30	M-31
Property name	Prologis Park Ichikawa 3	Prologis Park Narita 1-D	Prologis Park Yoshimi	Prologis Park Higashimatsuyama	Prologis Park Kyotanabe
Operating days	183	183	183	183	183
(1) Property related revenues	466,131	Not disclosed (Note 1)	627,517	Not disclosed (Note 1)	1,175,494
Property revenues	444,942		596,620		998,502
Other property related revenues	21,188		30,896		176,991
(2) Total of property related expenses	218,262		285,398		543,495
Property taxes	47,108		48,852		102,017
Subcontract expenses	31,464		31,517		38,989
Utilities cost	14,524		17,809		135,029
Non-life insurance premium	1,852		2,714		4,290
Repair and maintenance	2,406		3,004		53
Depreciation	120,427		181,020		260,860
Custodian fee	480		480		480
Other expenses	-		-		1,773
(3) Operating income from property leasing ( = (1)-(2) )	247,868	96,901	342,118	187,836	631,998
NOI ( (3) + Depreciation)	368,295	138,731	523,138	306,973	892,858

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

(Units: Thousands of yen)

Property number	M-32	M-33
Property name	Prologis Park Chiba 1	Prologis Park MFLP Kawagoe (Note 1)
Operating days	183	183
(1) Property related revenues	918,984	446,645
Property revenues	875,427	427,670
Other property related revenues	43,556	18,975
(2) Total of property related expenses	344,014	137,567
Property taxes	-	11
Subcontract expenses	58,364	23,688
Utilities cost	38,895	19,480
Non-life insurance premium	3,824	1,671
Repair and maintenance	1,082	-
Depreciation	241,368	92,476
Custodian fee	480	240
Other expenses	-	0
(3) Operating income from property leasing ( = (1)-(2) )	574,969	309,078
NOI ( (3) + Depreciation)	816,338	401,554

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

(Units: Thousands of yen)

Property number	B-02	B-03	B-04	B-05	B-06
Property name	Prologis Park Takatsuki	Prologis Park Tosu 2	Prologis Park Tosu 4	Prologis Park Narashino 4	Prologis Park Ebina
Operating days	183	183	183	183	183
(1) Property related revenues	Not disclosed (Note 1)	Not disclosed (Note 1)	Not disclosed (Note 1)	Not disclosed (Note 1)	Not disclosed (Note 1)
Property revenues					
Other property related revenues					
(2) Total of property related expenses					
Property taxes					
Subcontract expenses					
Utilities cost					
Non-life insurance premium					
Repair and maintenance					
Depreciation					
Custodian fee					
Other expenses					
(3) Operating income from property leasing (= (1)-(2) )	96,684	61,193	73,749	396,905	195,386
NOI ( (3) + Depreciation)	129,203	93,297	110,302	541,858	236,387

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

(Units: Thousands of yen)

Property number	B-07	B-08	B-09	B-10	B-11
Property name	Prologis Park Kawanishi	Prologis Park Amagasaki 3	Prologis Park Kobe	Prologis Park Sendai Izumi	Prologis Park Koga 1
Operating days	183	183	183	183	183
(1) Property related revenues	Not disclosed (Note 1)	Not disclosed (Note 1)	Not disclosed (Note 1)	Not disclosed (Note 1)	Not disclosed (Note 1)
Property revenues					
Other property related revenues					
(2) Total of property related expenses					
Property taxes					
Subcontract expenses					
Utilities cost					
Non-life insurance premium					
Repair and maintenance					
Depreciation					
Custodian fee					
Other expenses					
(3) Operating income from property leasing ( = (1)-(2) )	315,228	173,059	128,707	86,202	132,641
NOI ( (3) + Depreciation)	403,503	233,420	181,045	140,830	204,021

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



(Units: Thousands of yen)

Property number	B-12	B-13	B-14	B-15	B-16
Property name	Prologis Park Kobe 2	Prologis Park Koga 2	Prologis Park Koga 3	Prologis Park Tsukuba 1-A	Prologis Park Sendai Izumi 2
Operating days	183	183	183	183	183
(1) Property related revenues	Not disclosed (Note 1)	Not disclosed (Note 1)	Not disclosed (Note 1)	Not disclosed (Note 1)	Not disclosed (Note 1)
Property revenues					
Other property related revenues					
(2) Total of property related expenses					
Property taxes					
Subcontract expenses					
Utilities cost					
Non-life insurance premium					
Repair and maintenance					
Depreciation					
Custodian fee					
Other expenses					
(3) Operating income from property leasing ( = (1)-(2) )	242,628	59,858	74,712	170,962	146,181
NOI ( (3) + Depreciation)	357,299	99,117	133,341	322,804	237,849

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

Property number	B-17	B-18
Property name	Prologis Park Kobe 4	Prologis Park Tsukuba 1-B
Operating days	183	183
(1) Property related revenues	Not disclosed (Note 1)	Not disclosed (Note 1)
Property revenues		
Other property related revenues		
(2) Total of property related expenses		
Property taxes		
Subcontract expenses		
Utilities cost		
Non-life insurance premium		
Repair and maintenance		
Depreciation		
Custodian fee		
Other expenses		
(3) Operating income from property leasing ( = (1)-(2) )	84,217	231,963
NOI ( (3) + Depreciation)	124,417	379,410

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