



JULY 14, 2016

Nippon Prologis REIT, Inc.

Fiscal Period Ended May 31, 2016
Unaudited

PROLOGIS REIT MANAGEMENT K.K.



PROLOGIS
Nippon Prologis REIT

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Section I – The Fiscal Period Ended May 2016

Highlights from the Fiscal Period Ended May 2016

Acquisition of four new properties through 4th follow-on-offering

- Acquired four Class-A properties for JPY 42.1BN
- Our portfolio size expanded to 33 assets / JPY 447.1BN⁽¹⁾

Maintained high occupancy and continued rent growth

- Average occupancy of 98.0% and +3.0% weighted average rent growth
- Continued rent growth for seven consecutive periods

Further enhanced strong balance sheet

- JPY 23.3BN loan refinancing reduced debt cost with longer/diversified maturities
- Conservative LTV of 38.5%

Achieved stable DPU⁽²⁾ growth

- 7th period actual: JPY4,006 (vs forecasted JPY 3,958)
- 8th period forecast: JPY4,156
- 9th period forecast: JPY4,117



1. Acquisition price.

2. Includes surplus cash distributions.

Successfully 4th Follow-on Offering and New Properties

Offering Overview

Type of Offering	Global Follow-on Offering (Reg S + U.S.144A)
Launch Date	February 29, 2016
Pricing Date	March 7, 2016
Offer Price	JPY 231,574 per unit
Offering Size	JPY 25.7 billion

New Properties Overview

Total Acquisition Price	Average Appraisal NOI Yield ⁽²⁾
JPY 42.1 bn	5.2%
Average Property Age	Average WALE
1.6 years	6.5 years

New Properties : Class-A Logistics Facilities Developed by Prologis Group



M-21 Prologis Park Kitamoto

Acquisition Price	JPY 12,600 million
Gross Floor Area	70,291m ²
Appraisal NOI Yield ⁽²⁾	5.2%
Occupancy	98.3%



M-23 Prologis Park Osaka 5

Acquisition Price	JPY 17,600 million
Gross Floor Area	80,609m ²
Appraisal NOI Yield ⁽²⁾	5.0%
Occupancy	96.4%



M-22 Prologis Park Joso

Acquisition Price	JPY 7,120 million
Gross Floor Area	37,396m ²
Appraisal NOI Yield ⁽²⁾	5.1%
Occupancy	100.0%



B-10 Prologis Park Sendai Izumi

Acquisition Price	JPY 4,820 million
Gross Floor Area	26,279m ²
Appraisal NOI Yield ⁽²⁾	5.8%
Occupancy	100.0%

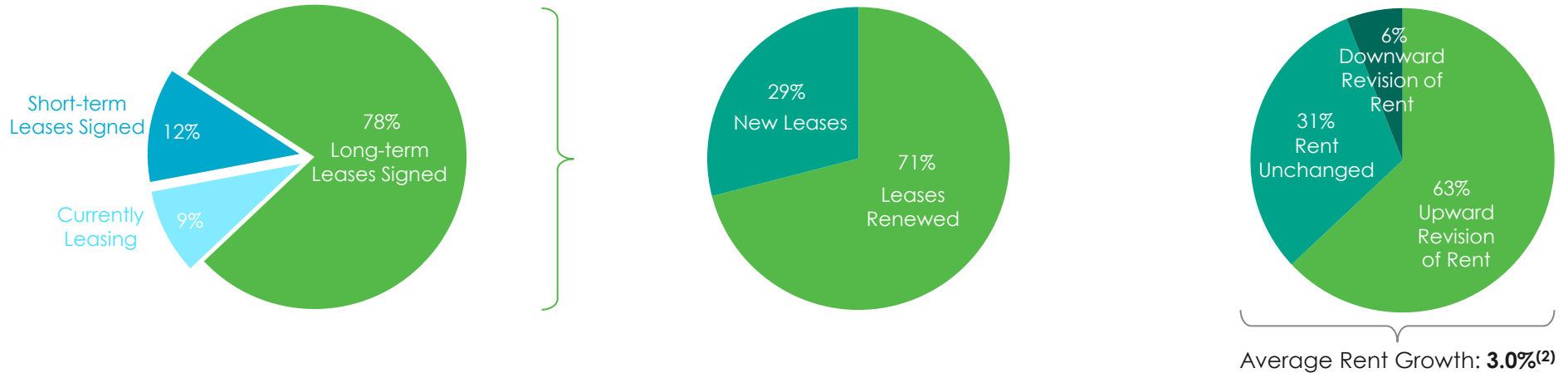
1. As of May 31, 2016.

2. Average appraisal NOI yield is an weighted average based on acquisition prices.

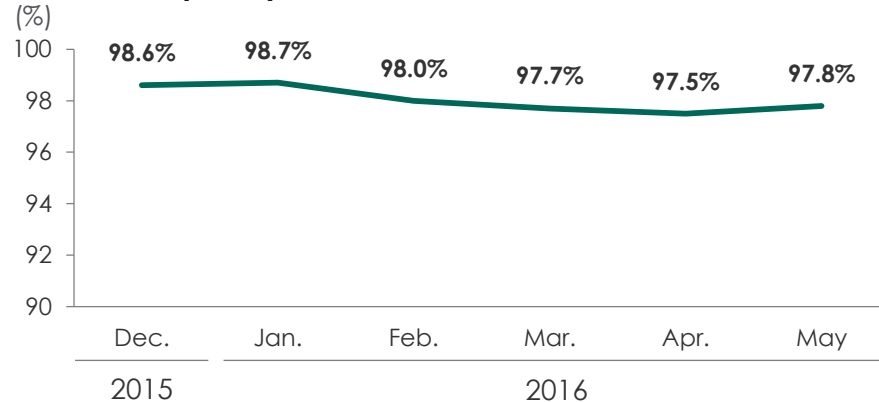
Earnings Stability Through Organic Growth

Leasing Activity⁽¹⁾

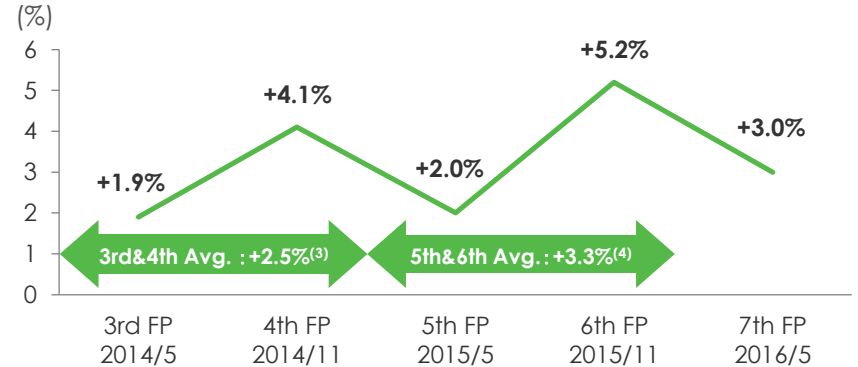
For lease agreements that expired during the 7th Fiscal Period (236,000m²) – 11.0% of total leasable area



Portfolio Occupancy Rate



Average Rent Growth⁽²⁾



1. As of Jun. 30, 2016. The results of our leasing activities above do not include office space, and the percentages shown are based on the size of contracted floor area. Long-term leases refer to lease terms which are equal to or longer than one year, and short-term leases refer to lease terms which are shorter than one year.
2. Calculated based on monthly nominal rents including common area management charges.

3. As of Dec. 31, 2014.
4. As of Dec. 31, 2015.

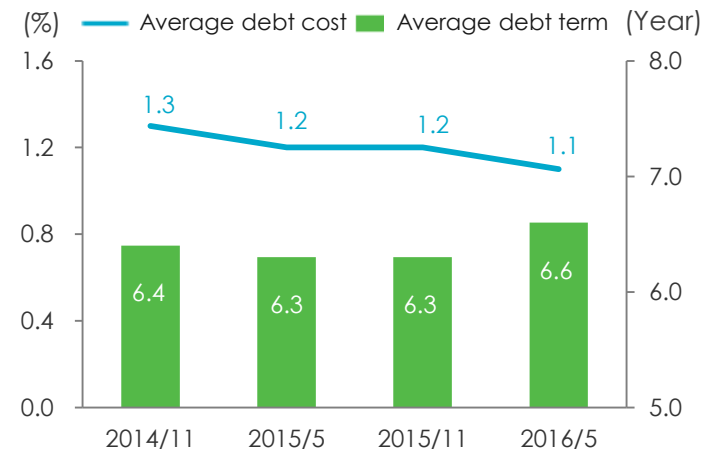
Strategic Refinancing Reduced Debt Cost with Longer/Diversified Duration



JPY 23.3 bn Debt Financing

	Pre-refinancing	Post-refinancing
Borrowing date	Feb. 13, 2013	Feb. 15, 2016
Average term	3.0 years	6.5 years
Average interest rate ⁽¹⁾	0.56%	0.24%

Historical Average Debt Cost⁽²⁾ and Debt Term⁽³⁾



Debt Maturity Schedule



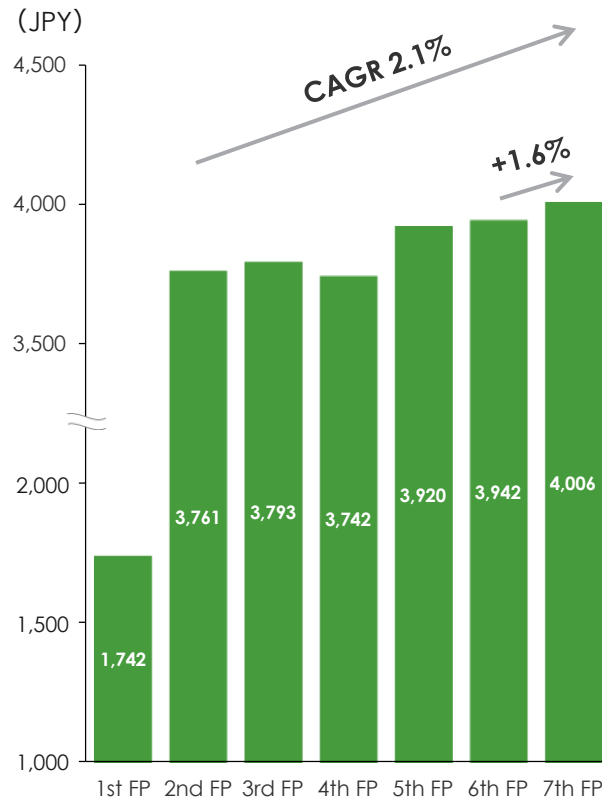
1. Does not include financing-related costs paid to the financial institutions.

2. Includes financing-related costs paid to the financial institutions.

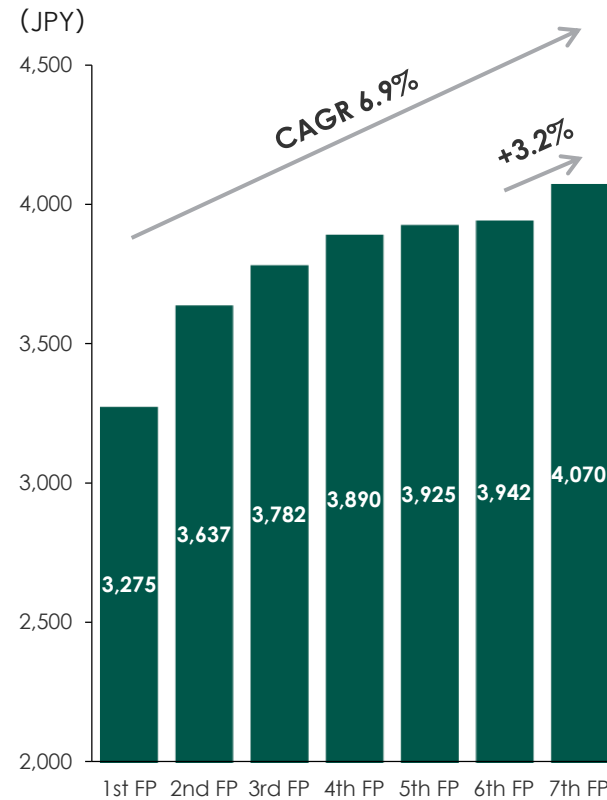
3. Shows the weighted average of the original debt term on a borrowing principal amount basis.

Continued Enhancement of Unit Holder Value

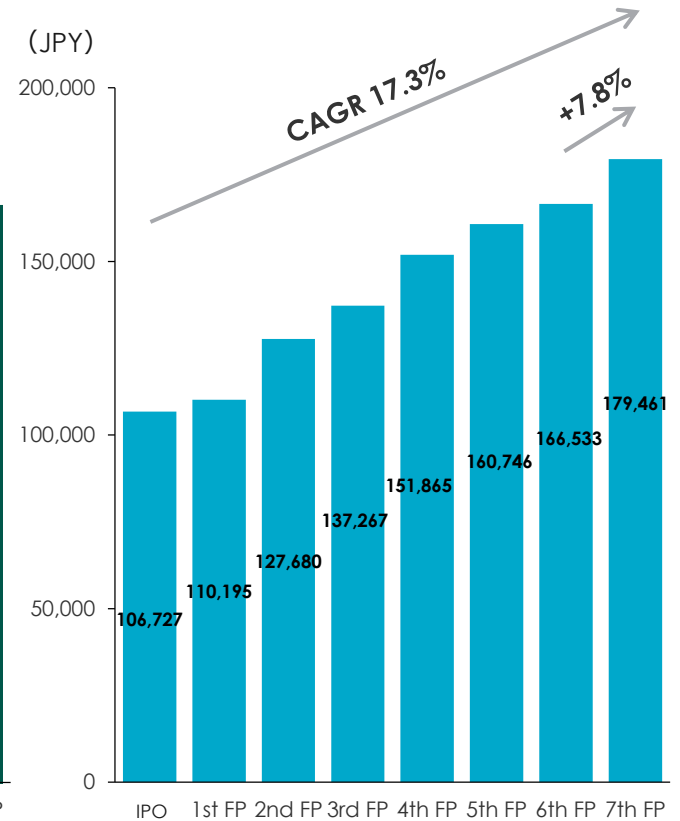
DPU (actual) ⁽¹⁾



DPU (stabilized) ⁽¹⁾⁽²⁾



NAV per Unit ⁽¹⁾⁽³⁾



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

2. Distributions per unit are based on our constructed financial performance model excluding short-term impacts of NPR's various past activities and extraordinary items.

3. NAV per unit is calculated as [net assets – surplus + appraisal based unrealized gain] / total number of investment units issued and outstanding]. Appraisal NAV per unit before unit split for 2nd Fiscal Period is JPY 638,405.



Section II – Financial Results for the Fiscal Period Ended May 2016

Financial Results for the Fiscal Period Ended May 2016

- Maintained high occupancy
 - Average occupancy rate: 98.0%
 - Period end occupancy rate: 97.8%
- Income variance caused by:
 - Higher than expected average occupancy
 - Lower operational costs
- Unrealized gain on properties of JPY 71.5 bn arising from increased appraisal value

	7th Fiscal Period (Ended May 31, 2016)				6th Fiscal Period (Ended Nov. 30, 2015)
	Forecast (as of Jan. 19, 2016)	Forecast (as of Feb. 29, 2016) (A)	Actual Results (B)	(B) – (A)	Actual Results
Operating Highlights (JPY, millions)					
Operating Revenues	14,266	14,860	14,866	+5	14,332
Operating Income	6,937	7,237	7,288	+51	6,944
Ordinary Income	5,969	6,149	6,235	+85	5,988
Net Income	5,988	6,168	6,255	+86	5,987
Distributions Per Unit (JPY)					
Distributions Per Unit (total) ⁽¹⁾	3,946	3,958	4,006	+48	3,942
Distributions Per Unit (excl. SCD)	3,460	3,348	3,396	+48	3,459
Surplus Cash Distributions (SCD)	486	610	610	±0	483
Other Statistics (JPY, millions)					
NOI	11,216	11,752	11,806	+53	11,193
LTV (book basis)	38.8%	38.8%	38.5%	(0.3%)	38.7%
Total Assets	418,569	459,115	459,519	+403	419,403
Interest-Bearing Debt	162,200	178,200	176,800	(1,400)	162,200
CAPEX	533	533	507	(26)	503
AFFO ⁽²⁾	8,542	8,903	9,013	+109	8,557
AFFO Payout Ratio ⁽³⁾	80.0%	81.9%	81.9%	(0.0%)	79.7%

1. Distributions per unit before unit split are divided by five and rounded down to the nearest yen.

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

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



Section III – Forecasts for the Fiscal Periods Ending Nov. 2016 and May 2017

Forecasts for the Fiscal Periods Ending Nov. 2016 and May 2017

- Based on operational assumption of 33 properties
- Expected average occupancy rates:
8th fiscal period: 97.6%
9th fiscal period: 98.0%
- Revenue and income increasing as new properties start to fully contribute
- Property tax capitalization effect in 8th FP

	7th Fiscal Period (Ended May 31, 2016)	8th Fiscal Period (Ending Nov. 30, 2016)			9th Fiscal Period (Ending May 31, 2017)
		Forecast (as of Feb. 29, 2016) (A)	Forecast (B)	(B) – (A)	Forecast
Operating Highlights (JPY, millions)					
Operating Revenues	14,866	15,775	15,705	(70)	15,623
Operating Income	7,288	7,674	7,672	(1)	7,593
Ordinary Income	6,235	6,695	6,708	+12	6,634
Net Income	6,255	6,694	6,707	+12	6,633
Distributions Per Unit (JPY)					
Distributions Per Unit (total)	4,006	4,149	4,156	+7	4,117
Distributions Per Unit (excl. SCD)	3,396	3,634	3,642	+8	3,601
Surplus Cash Distributions (SCD)	610	515	514	(1)	516
Other Statistics (JPY, millions)					
NOI	11,806	12,473	12,473	(0)	12,391
LTV (book basis)	38.5%	38.9%	38.5%	(0.3%)	38.6%
Total Assets	459,519	458,499	458,849	+349	457,828
Interest-Bearing Debt	176,800	178,200	176,800	(1,400)	176,800
CAPEX	507	540	640	+99	576
AFFO ⁽¹⁾	9,013	9,619	9,531	(88)	9,534
AFFO Payout Ratio ⁽²⁾	81.9%	79.5%	80.3%	+0.8%	79.5%

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

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

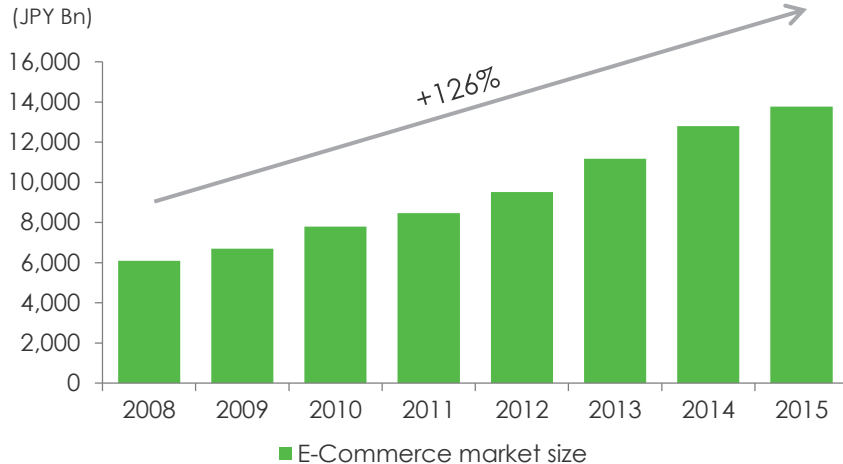
2. AFFO payout ratio is calculated based on the distribution per unit including Surplus Cash Distributions.



Section IV – Japan Logistics Real Estate Market

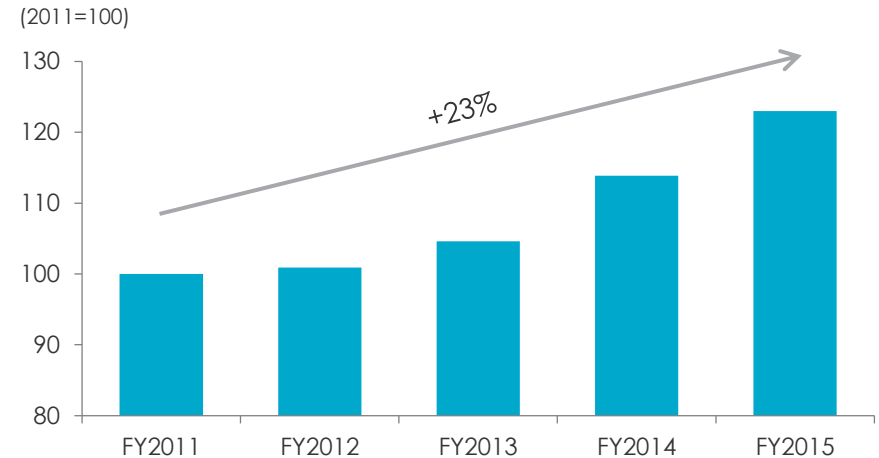
Increasing Demand for High-Quality Logistics Facilities

Growing E-Commerce Market



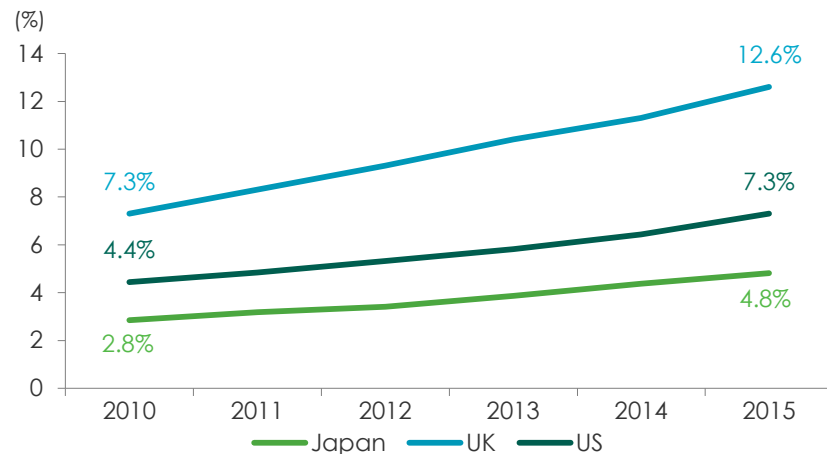
Source: METI

3PL Business Industrial Revenue Growth



Source: CBRE

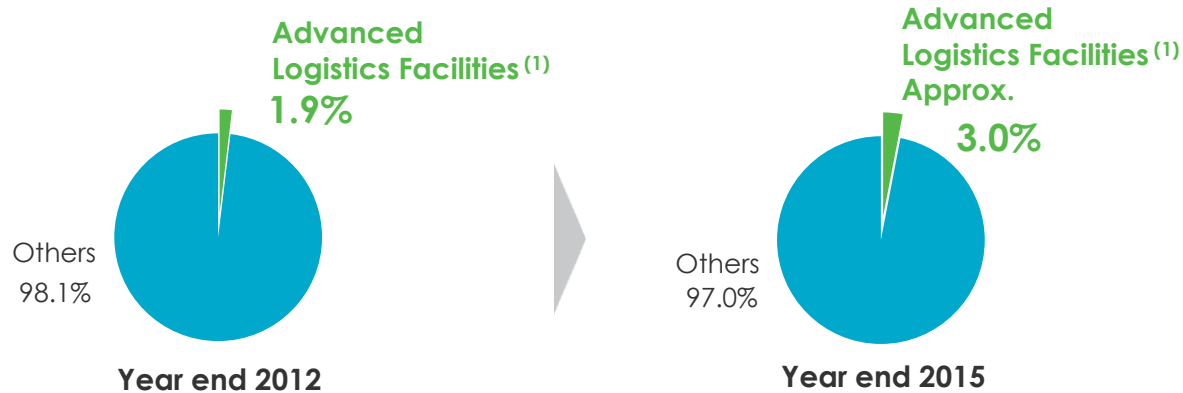
E-Commerce Penetration Remains Low in Japan



Source: U.S. Census Bureau, Office for National Statistics, METI

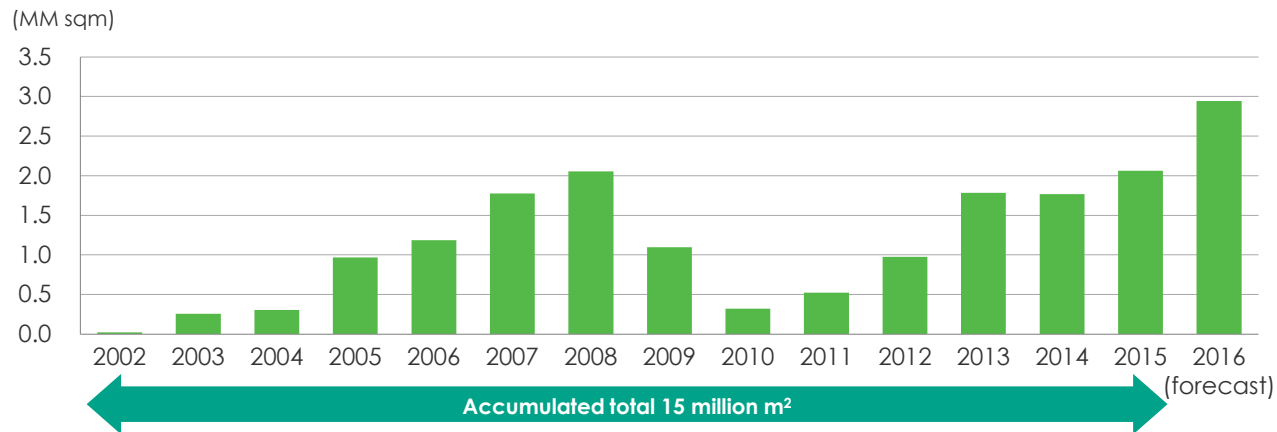
- Demand for advanced logistics facilities being driven by robust growth of e-commerce and 3PL business
- Significant growth of Japanese e-commerce to require most advanced modern logistics facilities

Stock of High-Quality Logistics Facilities Remains Scarce



- Advanced logistics facilities represents only 3% of the entire warehouse space

Supply of Large Logistics Facilities⁽²⁾

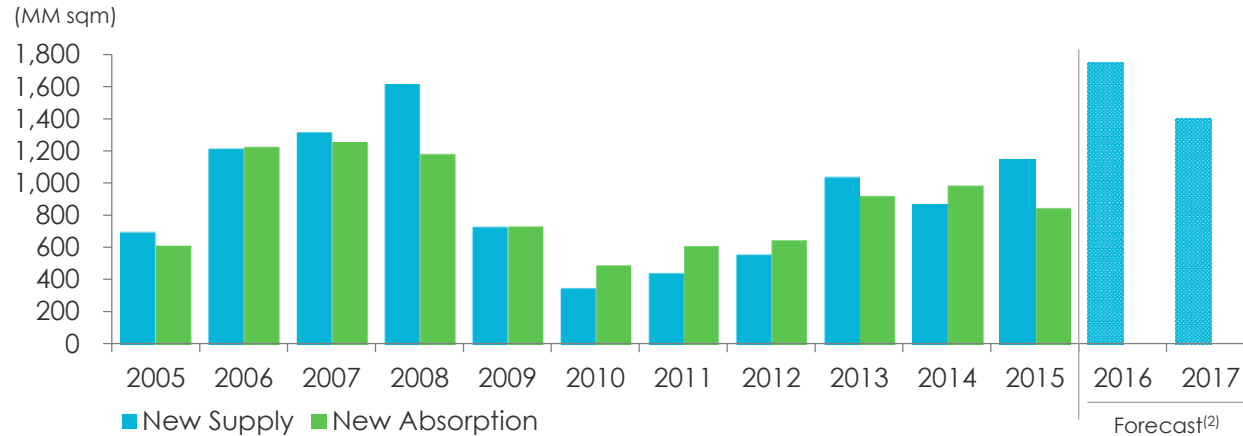


Source: CBRE

- Based on a survey conducted by CBRE at our and the Asset Manager's request. In calculating the proportion of advanced logistics facilities, the estimated total gross floor area is based on data as of March 31, 2015 and the gross floor area for advanced logistic facilities is based on data as of Dec. 31, 2015.
- Survey data covered logistics facilities for lease held by corporations investing in real estate and real estate development companies with a gross floor area of 5,000 tsubo or more. The survey did not include logistics facilities owned by logistics companies and therefore did not cover all logistics facilities for lease having a gross floor area of 5,000 tsubo or more.

New Supply to be Absorbed by New Demand

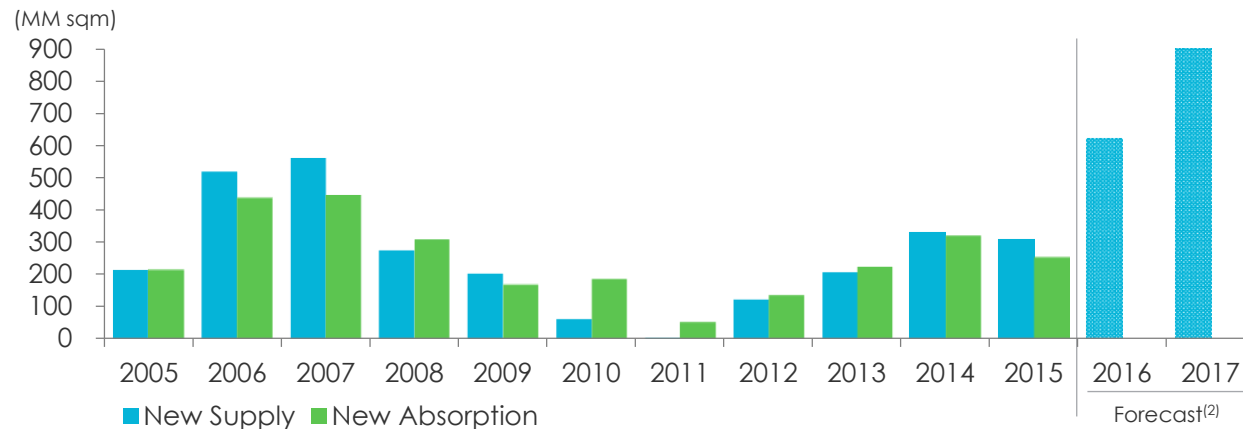
Greater Tokyo Area: Supply & Absorption⁽¹⁾



Greater Tokyo Area

- More than 70% of new supply in 2015 has been absorbed
- Approximately 60% of new supply in 2016 has been contracted

Greater Osaka Area: Supply & Absorption⁽¹⁾



Greater Osaka Area

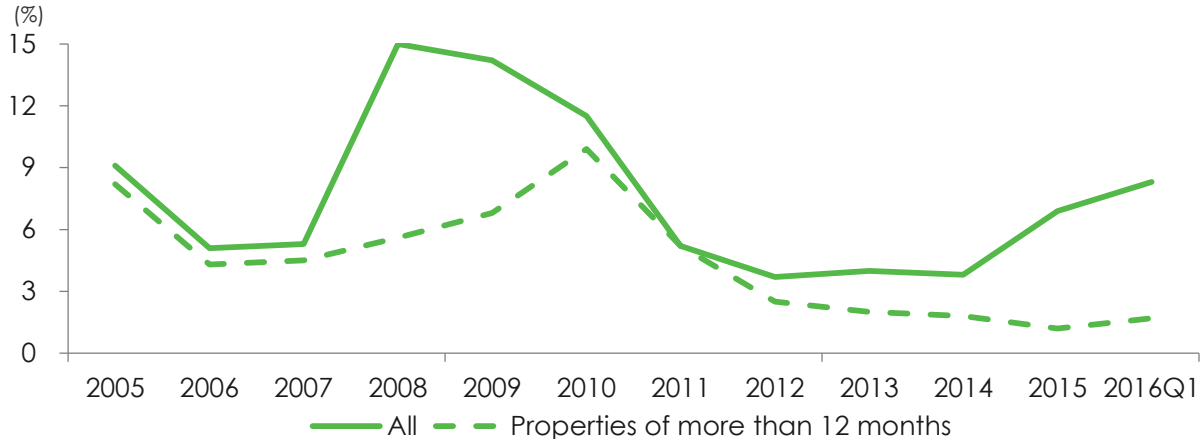
- More than 90% of new supply in 2015 has been absorbed

Source: CBRE

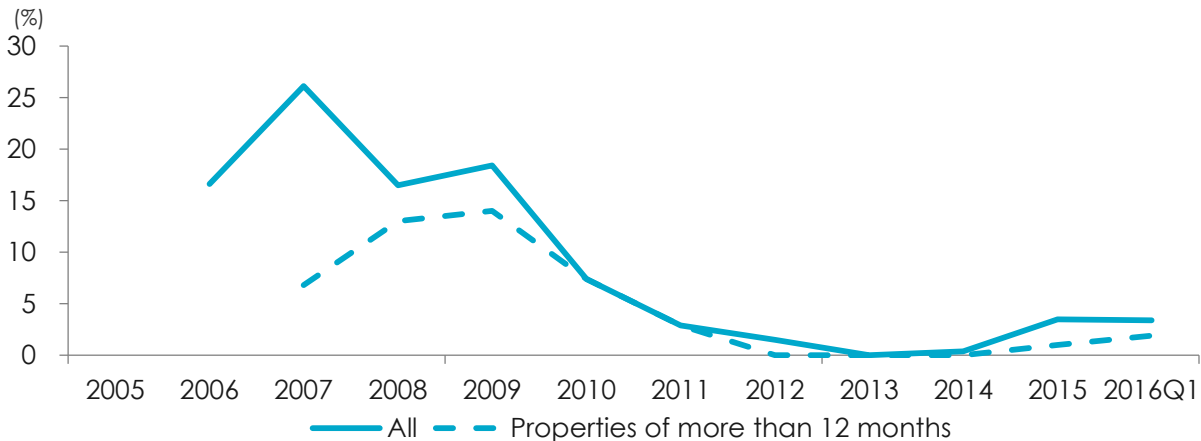
1. Survey data covered logistics facilities for lease held by corporations investing in real estate and real estate development companies with a gross floor area of 5,000m² or more. The survey did not include logistics facilities owned by logistics companies and therefore did not cover all logistics facilities for lease having a gross floor area of 5,000m² or more. "Greater Tokyo Area" includes Tokyo, Chiba, Saitama and Kanagawa prefectures. "Greater Osaka Area" includes Osaka and Hyogo prefectures.
2. "New Supply" refers to the aggregate floor area of logistics facilities newly constructed and available for lease each year. "New Absorption" refers to the increase and decrease of occupied floor space based on subtracting the area of customers leaving a property from the area leased to new customers each year. Forecast are calculated by CBRE through analyzing the past data statistically and constructing the demand growth model based on the macro economic trends.

Vacancy of Stabilized Facilities Remaining Low

Greater Tokyo Area⁽¹⁾



Greater Osaka Area⁽¹⁾



- Vacancy rate of properties at the end of 1Q 2016
 - Greater Tokyo Area: 8.3%
 - Greater Osaka Area: 3.4%
- Vacancy rate of properties of more than 12 months
 - Greater Tokyo Area: 1.7%
 - Greater Osaka Area: 1.9%

Source: CBRE

1. Survey data covered logistics facilities for lease held by corporations investing in real estate and real estate development companies with a gross floor area of 10,000 tsubo or more. The survey did not include logistics facilities owned by logistics companies and therefore did not cover all logistics facilities for lease having a gross floor area of 10,000 tsubo or more.



Section V – Strategies and Future Growth

NPR's Investment Highlights

- Focus on high-quality Class-A logistics facilities
- Strong sponsor support from the Prologis Group
- Earnings stability from a diversified portfolio of Class-A facilities
- Financial strategy focused on long-term stability and efficiency
- Governance structure promotes growth in unit holder value



Focus on High-Quality Class-A Logistics Facilities

Portfolio Size (acquisition price)

JPY 447.1 bn

Average NOI Yield


































5.5%⁽³⁾ / 5.5%⁽⁴⁾

Average Age

6.5 years

Portfolio PML

1.3%⁽⁵⁾

IPO Properties			Acquired in 1st FO	Acquired in 2nd FO	Acquired in 3rd FO	Acquired in 4th FO
						
M-01 Prologis Park Ichikawa 1 JPY 33,900 mm	M-02 Prologis Park Zama 1 JPY 27,900 mm	M-03 Prologis Park Kawajima JPY 25,600 mm	M-09 Prologis Park Tokyo-Ohta JPY 29,500 mm	M-16 Prologis Park Tokyo-Shinkiba JPY 13,600 mm	M-20 Prologis Park Kawajima 2 JPY 8,180 mm	M-21 Prologis Park Kitamoto JPY 12,600mm
						
M-04 Prologis Park Osaka 2 JPY 25,000 mm	M-05 Prologis Park Maishima 3 JPY 13,500 mm	M-06 Prologis Park Kasugai JPY 12,500 mm	M-10 Prologis Park Zama 2 JPY 21,900 mm	M-17 Prologis Park Yokohama-Tsurumi JPY 13,800 mm	B-06 Prologis Park Ebina JPY 8,250 mm	M-22 Prologis Park Joso JPY 7,120mm
						
M-07 Prologis Park Kitanagoya JPY 6,500 mm	M-08 Prologis Park Tagajo JPY 5,370 mm	M-11 Prologis Park Funabashi 5 JPY 11,000 mm	M-12 Prologis Park Narita 1-A&B JPY 8,420 mm	M-18 Prologis Park Osaka 4 JPY 21,000 mm	B-07 Prologis Park Kawanishi JPY 13,600 mm	M-23 Prologis Park Osaka 5 JPY 17,600mm
						
B-01 Prologis Park Maishima 4 JPY 11,500 mm	B-02 Prologis Park Takatsuki JPY 4,410 mm	M-13 Prologis Park Narita 1-C JPY 4,810 mm	M-14 Prologis Park Amagasaki 1 JPY 17,600 mm	M-19 Prologis Park Iwanuma 1 JPY 5,670 mm	B-08 Prologis Park Amagasaki 3 JPY 9,090 mm	B-10 Prologis Park Sendai Izumi JPY 4,820mm
						
B-03 Prologis Park Tosu 2 JPY 3,030 mm	B-04 Prologis Park Tosu 4 JPY 3,810 mm	M-15 Prologis Park Amagasaki 2 JPY 19,200 mm	B-05 Prologis Park Narashino 4 JPY 20,000 mm	B-09 Prologis Park Kobe JPY 6,410 mm		

1. As of May 31, 2016.

2. Values associated with properties are the original acquisition prices.

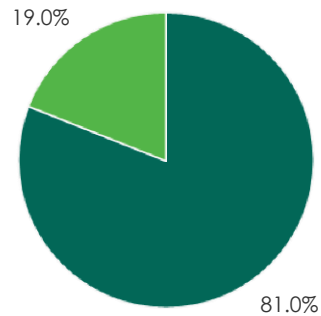
3. Appraisal NOI divided by total acquisition price (weighted average).

4. Adjusted actual NOI divided by total acquisition price (weighted average).

5. As of Dec. 25, 2015.

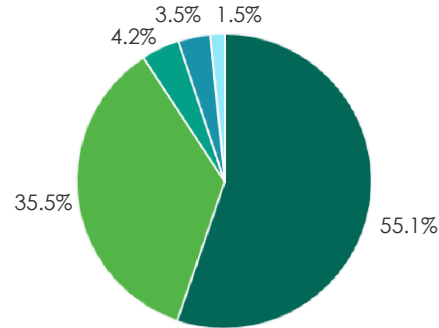
Focused Investment Strategy

Property Type



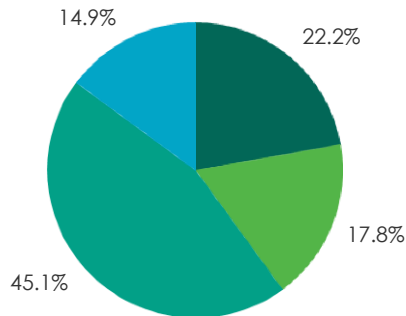
■ Multi-Tenant
■ Build-to-Suit

Area



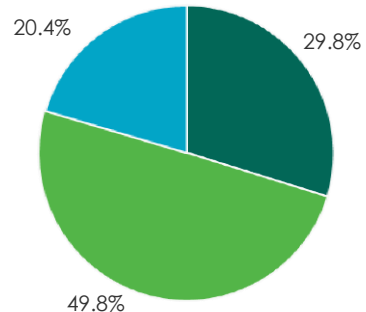
■ Kanto ■ Kansai
■ Chubu ■ Tohoku
■ Kyushu

Property Age



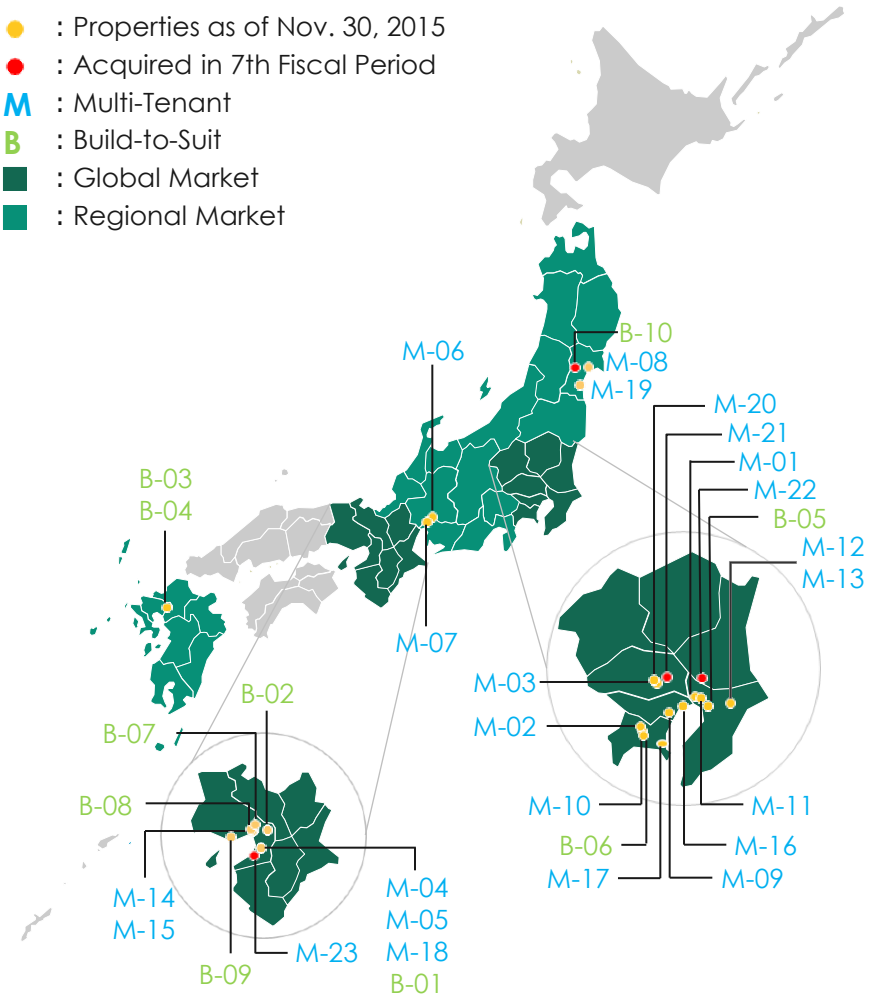
■ Less than 3 years
■ 3 to less than 5 years
■ 5 to less than 10 years
■ More than 10 years

Leasable Area



■ 100,000m² or more
■ 50,000m² to less than 100,000m²
■ Less than 50,000m²

- : Properties as of Nov. 30, 2015
- : Acquired in 7th Fiscal Period
- M : Multi-Tenant
- B : Build-to-Suit
- : Global Market
- : Regional Market



Strong Sponsor Pipeline Fueling External Growth

Status	Region / Area	Property Name	Year Built	Property Type	GFA (sqm)
Exclusive Negotiation Rights granted by the Prologis Group	Kanto	Prologis Park Narita 1-D	2015	Multi-Tenant	28,192
		Prologis Park Yoshimi	2015	Multi-Tenant	104,805
		Prologis Park Narashino 5	2016	Multi-Tenant	58,928
		Prologis Park Chiba New Town	2016	Multi-Tenant	109,980
		Prologis Park Koga 1	2016*	BTS	35,720
	Kansai	Prologis Park Ibaraki	2016*	Multi-Tenant	189,741
		Prologis Park Kobe 2	2016*	BTS	68,364
Planned Assets (Under Development / Future Development)	Kanto	Prologis Park Koga 2	2017*	BTS	21,914
		Prologis Park Koga 3	TBD	BTS	34,000
		Prologis Park Ichikawa 3	2017*	Multi-Tenant	64,385
		Prologis Park Ebina 2	2017*	BTS	38,000
		Prologis Park Higashi Matsuyama	2017*	Multi-Tenant	70,000
	Kansai	Prologis Park Kyotanabe	2018*	Multi-Tenant	156,000
				Total	980,029

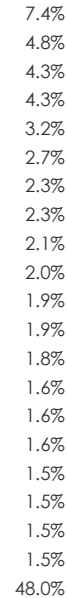
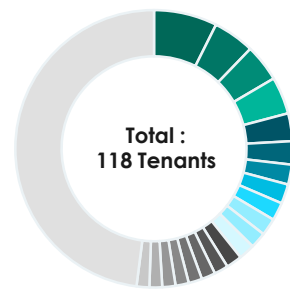
* Expected completion year.

Future growth anchored in the Prologis Group's robust pipeline

Earnings Stability from Diversified Portfolio

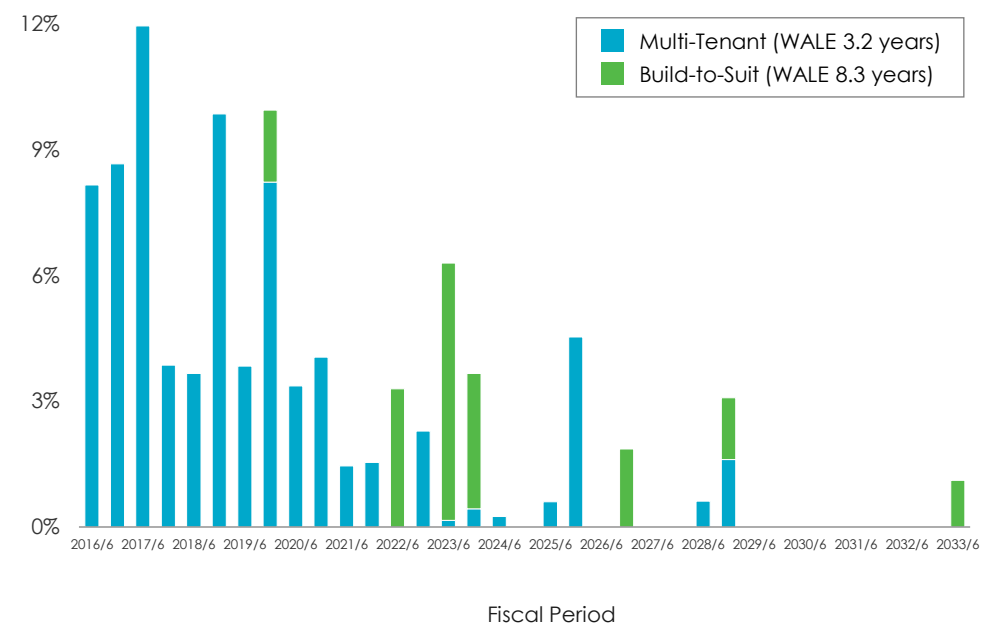
Tenant Diversification⁽¹⁾

Based on leased area



Well-Staggered Lease Expiration Schedule⁽²⁾

Based on anticipated annual rent



Number of Tenants 118 tenants

Top 20 Tenants Leased Area (%)⁽³⁾ 52.0%

WALE⁽⁴⁾ 4.2 years

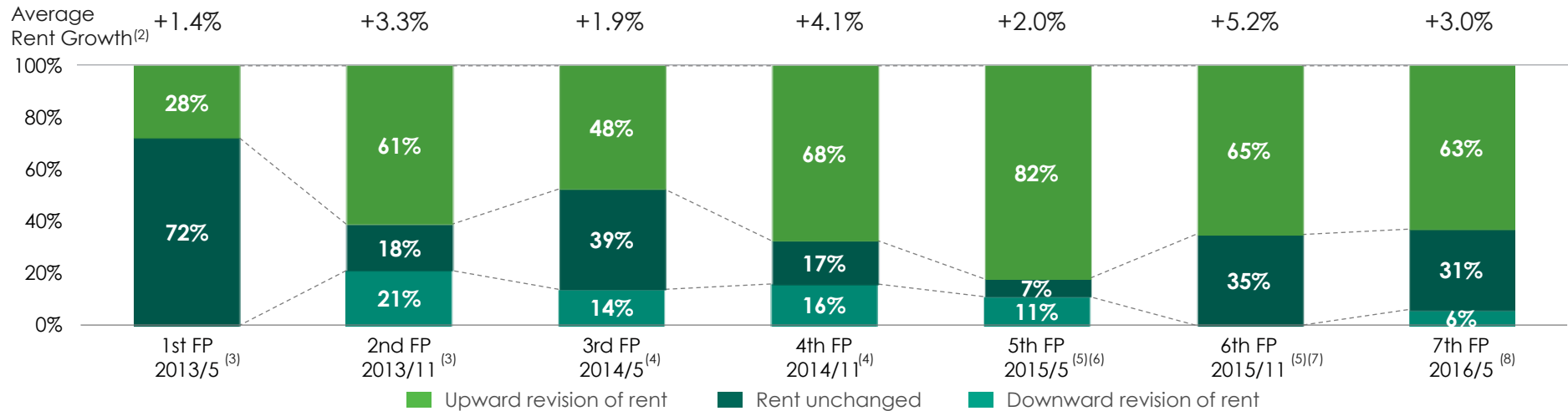
Fixed Term Lease 100.0%

Well-diversified tenant base and lease profile leading to stable earnings

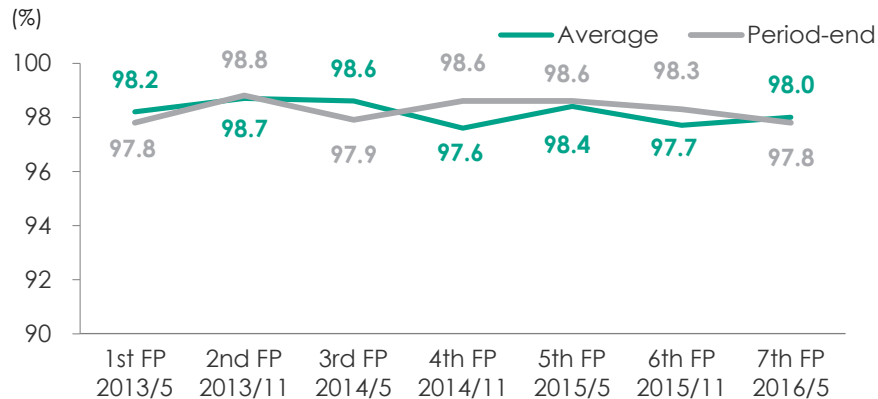
1. Calculated based on the lease agreements commenced as of May 31, 2016.
2. Includes short-term lease agreements and office space.
3. Calculated based on the contracted floor area.
4. Weighted Average Lease Expiry. Based on annual rent.

Active Lease Renewal Strategy Achieves Rent Growth

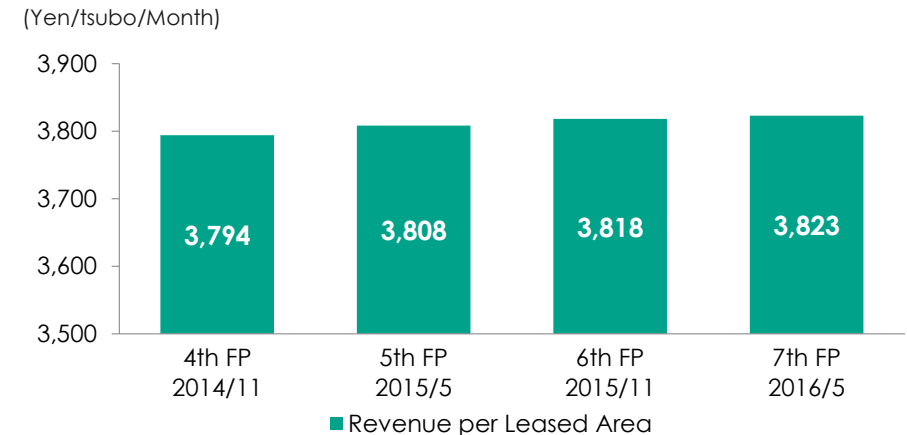
Historical Rent Revision⁽¹⁾



Historical Occupancy Rate



Historical Rent per tsubo⁽⁹⁾



- The results of our leasing activities above do not include office space, and the percentages shown are based on the size of contracted floor area.
- Calculated based on monthly nominal rents including common area management charges.
- As of Dec. 31, 2013.
- As of Dec. 31, 2014.
- As of Dec. 31, 2015.
- Includes the upward revision rent space of approximately 6,900m² which the contract has not yet expired.

- Includes the upward revision rent space of approximately 2,300 m² which the contract has not yet expired.
- As of Jun. 30, 2016.
- Rent per tsubo is calculated by dividing total rental revenue by total leased area in each fiscal period using the monthly data of the 29 properties we owned at the end of the 4th Fiscal Period. The data for the 4th Fiscal Period is calculated assuming that the 5 properties acquired during the 4th Fiscal Period had been owned since the beginning of the period.

Financial Structure Positioned for Long-Term Stability and Efficiency

Financial Highlights

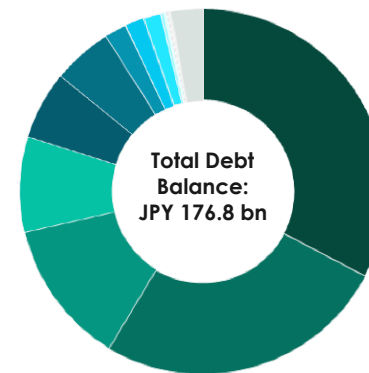
Long-Term Debt Ratio	Fixed Interest Rate Ratio	Average Debt Cost⁽²⁾	Average Remaining Debt Duration⁽³⁾
96.0%	95.5%	1.1%	4.4 years
LTV⁽⁴⁾	Borrowing Capacity⁽⁵⁾	Number of Debt Providers	Credit Rating
38.5%	Approx. JPY 100 bn	14 lenders	JCR: AA (Stable)

Debt Maturity Schedule

(JPY, billions)



Our Debt Providers



Sumitomo Mitsui Banking Corporation	32.7%
Bank of Tokyo-Mitsubishi UFJ	25.9%
Sumitomo Mitsui Trust Bank	12.8%
Mizuho Bank	8.4%
Mitsubishi UFJ Trust & Banking Corporation	6.0%
Development Bank of Japan	5.3%
Norinchukin Bank	1.9%
Aozora Bank	1.7%
Resona Bank	1.5%
Fukuoka Bank	0.3%
77 Bank	0.3%
Tokio Marine & Nichido Fire Insurance	0.1%
Mizuho Trust & Banking Corporation	0.1%
Nippon Life Insurance	0.1%
Bonds	2.8%

Ensures stable profits and steady growth

1. As of May 31, 2016.

2. Includes financing-related costs paid to the financial institutions.

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

4. The balance of interest bearing debt divided by total assets.

5. Assuming that we leverage up to 50% of the balance sheet.

Key Takeaways

- Commitment to DPU and NAV growth per unit through accretive acquisitions, rent growth and financial discipline
- Maintain strong balance sheet for long term growth
- Continued momentum in demand, especially from the e-commerce and 3PL industry, absorbing the new supply at a consistent pace
- Remain vigilant as to market conditions and upcoming supply





Section VI – Appendix

7th Fiscal Period (Ended May 31, 2016) – Balance Sheet

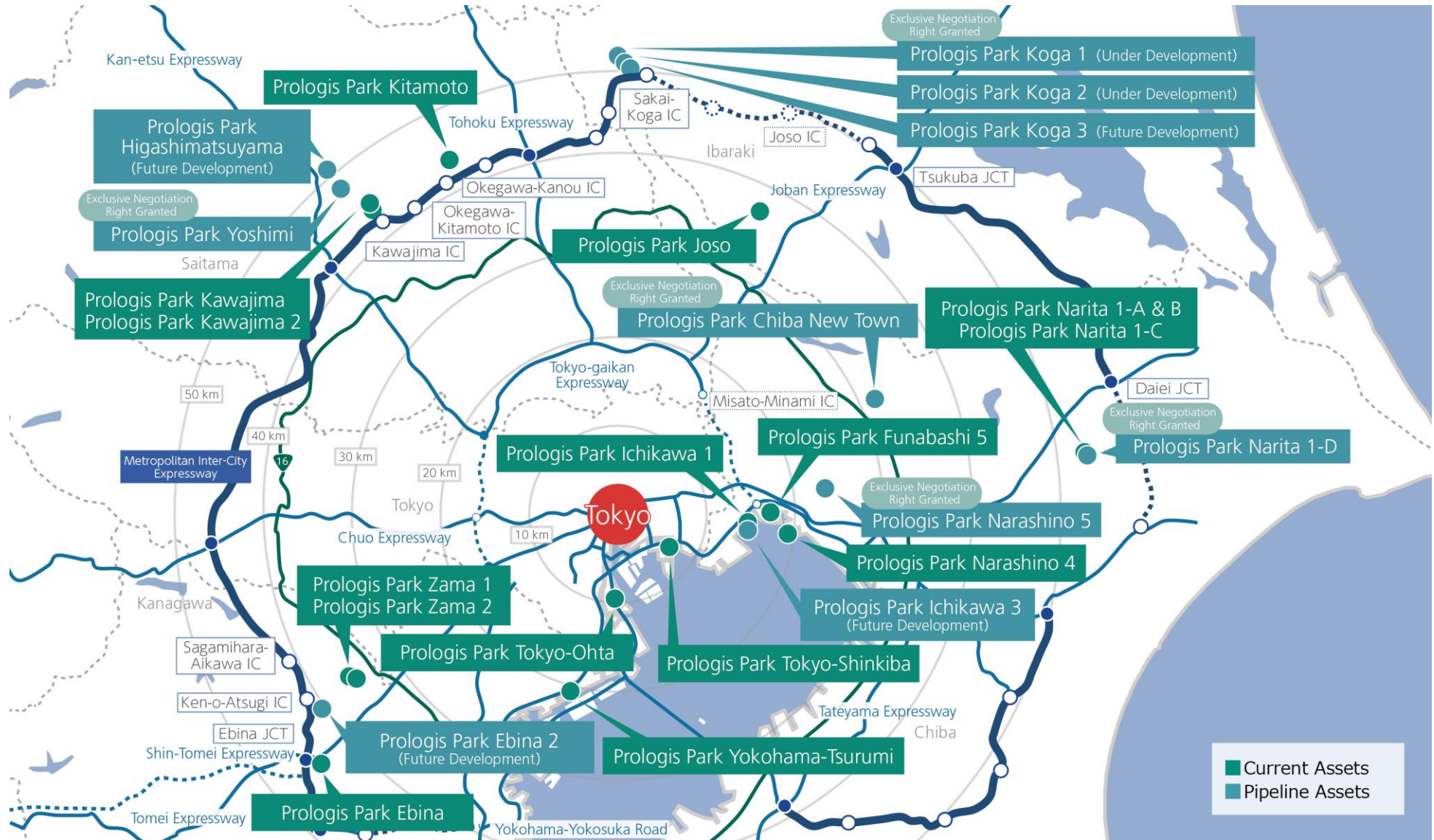
Assets (JPY, thousands)	6th Fiscal Period	7th Fiscal Period
Current assets		
Cash and deposits	19,648,024	17,394,480
Cash and deposits in trust	3,331,121	3,302,017
Operating accounts receivable	371,612	387,375
Prepaid expenses	242,193	311,309
Deferred tax assets	24	10
Consumption taxes receivables	-	2,127,110
Other current assets	30	116
Total current assets	23,593,006	23,522,421
Fixed assets		
Property and equipment		
Buildings, net	7,040,148	6,949,687
Structures, net	197,123	187,837
Tools, furniture and fixtures, net	4,004	3,752
Land	3,834,204	3,834,204
Buildings in trust, net	211,485,434	238,489,524
Structures in trust, net	3,680,400	4,388,976
Machinery and equipment in trust, net	10,673	10,342
Tools, furniture and fixtures in trust, net	327,040	357,591
Other tangible assets in trust, net	13	8
Land in trust	168,427,926	180,810,277
Construction in progress in trust	-	5,071
Total property and equipment	395,006,969	435,037,275
Intangible assets		
Other intangible assets	3,636	3,718
Total intangible assets	3,636	3,718
Investments and other assets		
Long-term prepaid expenses	734,904	900,333
Security deposit	10,000	10,000
Other	400	400
Total investments and other assets	745,304	910,733
Total fixed assets	395,755,910	435,951,727
Deferred assets		
Organization expenses	31,222	23,077
Investment corporation bond issuance costs	23,744	21,834
Total deferred assets	54,966	44,911
Total assets	419,403,883	459,519,060

Liabilities (JPY, thousands)	6th Fiscal Period	7th Fiscal Period
Current liabilities		
Operating accounts payable	1,215,677	856,555
Short-term loans payable	-	7,000,000
Current portion of long-term loans payable	23,300,000	-
Accounts payable	260,081	431,428
Accrued expenses	1,357,709	1,426,504
Accrued consumption taxes	269,146	-
Income taxes payable	715	499
Advances received	2,416,256	2,609,893
Other current liabilities	83,648	505,030
Total current liabilities	28,903,236	12,829,913
Non-current liabilities		
Investment corporation bonds payable	5,000,000	5,000,000
Long-term loans payable	133,900,000	164,800,000
Tenant leasehold and security deposits	247,773	247,773
Tenant leasehold and security deposits in trust	10,445,198	11,403,825
Other non-current liabilities	732	1,066
Total non-current liabilities	149,593,703	181,452,665
Total liabilities	178,496,940	194,282,579
Net assets (JPY, thousands)		
Unit holders' equity		
Unit holders' capital		
Unit holders' capital, gross	238,527,550	263,424,563
Deduction of unit holders' capital	(3,608,828)	(4,444,780)
Unit holders' capital	234,918,722	258,979,782
Surplus		
Unappropriated retained earnings (undisposed loss)	5,988,220	6,256,697
Total surplus	5,988,220	6,256,697
Total unit holders' equity	240,906,942	265,236,480
Total net assets	240,906,942	265,236,480
Total liabilities and net assets	419,403,883	459,519,060

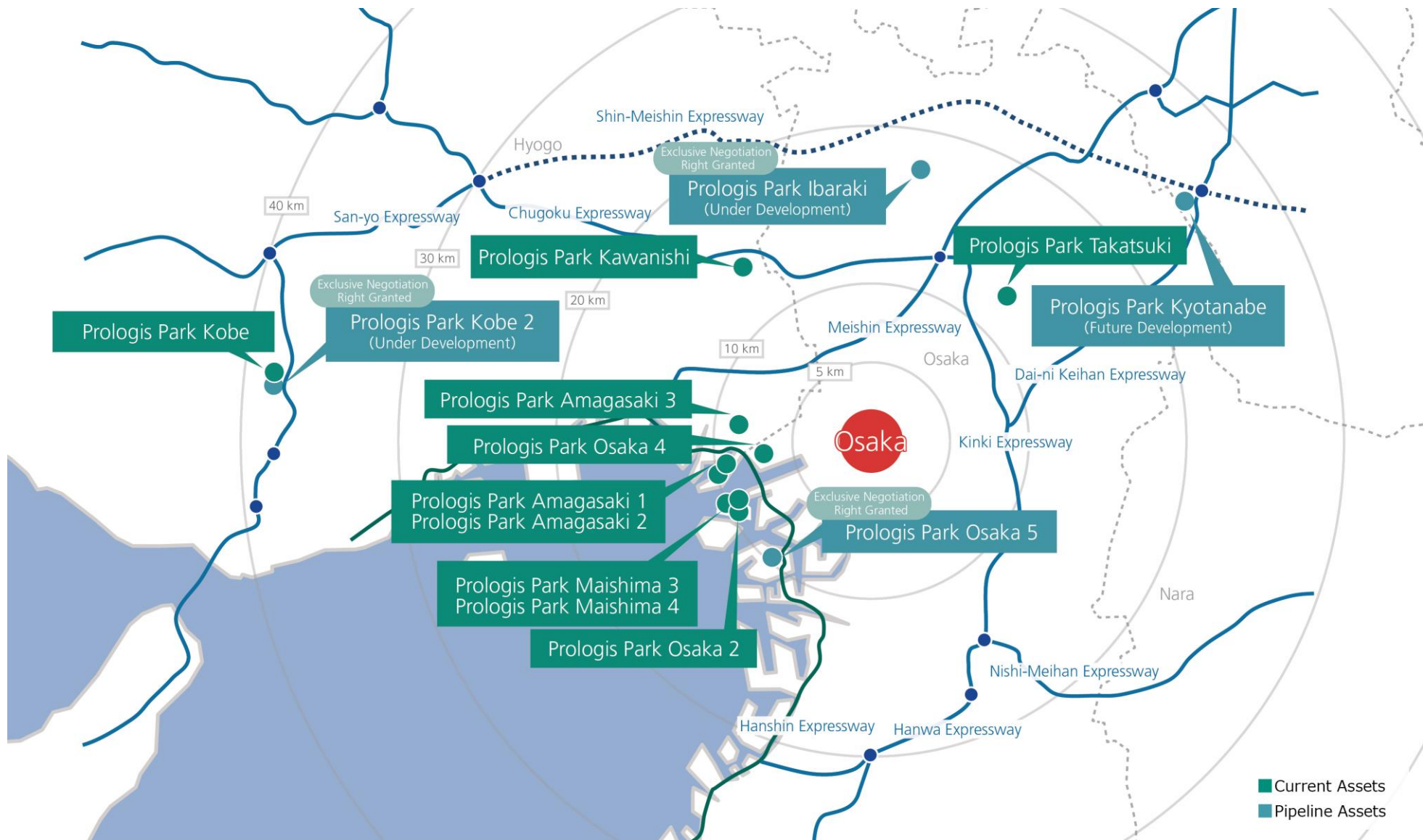
7th Fiscal Period (Ended May 31, 2016) – Statement of Income

JPY, thousands	6th Fiscal Period	7th Fiscal Period
Operating revenues		
Operating rental revenues	13,181,769	13,849,474
Other rental revenues	1,151,196	1,017,058
Total operating revenues	14,332,966	14,866,532
Operating expenses		
Expenses related to property rental business	6,075,774	6,189,427
Asset management fee	1,221,716	1,284,792
Asset custody fee	35,796	37,091
Directors' compensation	4,800	4,800
Audit fee	15,000	15,000
Other operating expenses	35,755	46,633
Total operating expenses	7,388,843	7,577,744
Operating income	6,944,123	7,288,788
Non-operating income		
Interest income	1,907	2,101
Refund of real estate taxes	4,403	-
Gain on donation of fixed assets	-	7,013
Total non-operating income	6,311	9,115
Non-operating expenses		
Interest expenses	791,888	783,235
Interest expenses on investment corporation bonds	17,235	17,424
Amortization of deferred organization expenses	8,145	8,145
Amortization of investment corporation bond issuance costs	1,910	1,910
Borrowing related expenses	143,017	147,622
Investment unit issuance expenses	-	27,098
Offering costs associated with the issuance of investments unit	-	77,129
Others	28	81
Total non-operating expenses	962,224	1,062,647
Ordinary income	5,988,210	6,235,256
Extraordinary income		
Subsidy income	-	20,720
Total extraordinary income	-	20,720
Income before income taxes	5,988,210	6,255,976
Incomes taxes – current	1,103	821
Incomes taxes – deferred	0	13
Total income taxes	1,104	835
Profit	5,987,106	6,255,141
Retained earnings brought forward	1,114	1,556
Unappropriated retained earnings (undisposed loss)	5,988,220	6,256,697

NPR Portfolio and Pipeline Properties — Tokyo Metropolitan Area

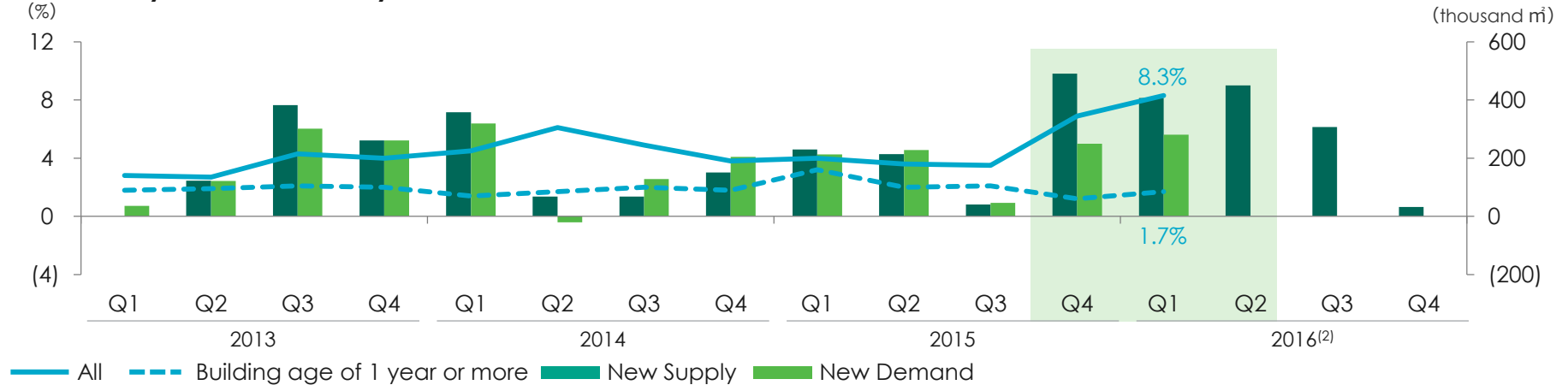


NPR Portfolio and Pipeline Properties — Osaka Area

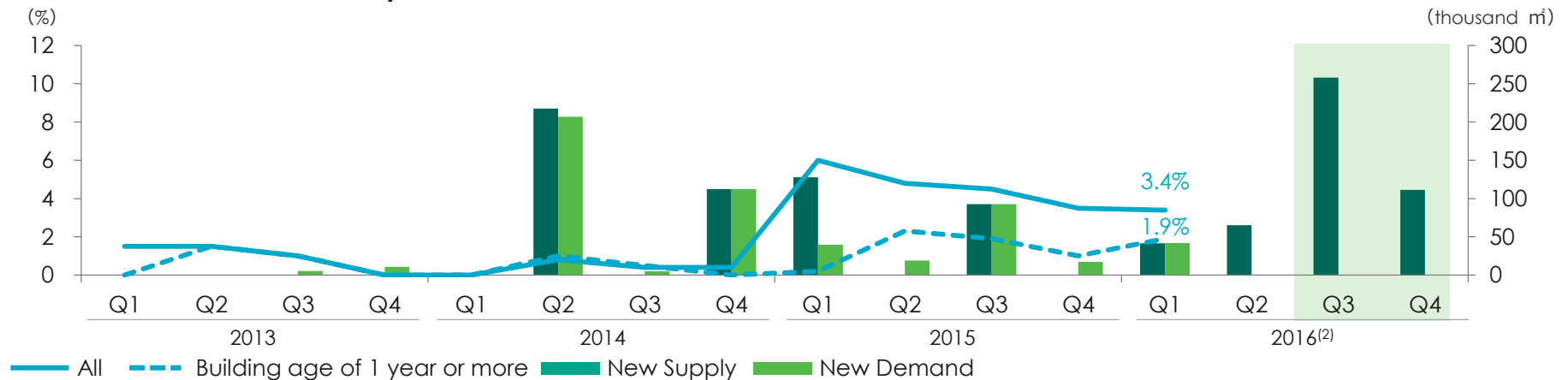


New Supply Creating New Demand

Greater Tokyo Area: Vacancy Rate⁽¹⁾



Greater Osaka Area: Vacancy Rate⁽¹⁾



Source: CBRE

1. Survey data covered logistics facilities for lease held by corporations investing in real estate and real estate development companies with a gross floor area of 10,000 tsubo or more. The survey did not include logistics facilities owned by logistics companies and therefore did not cover all logistics facilities for lease having a gross floor area of 10,000 tsubo or more.

2. The figures for Q2, Q3 and Q4 are forecasted.

Portfolio Details

No.	Property Name	Location	Acquisition Price (JPYmm)	Appraisal Value (JPYmm)	Leasable Area (m ²)	Share	Age (years)	Appraisal NOI Yield (%) ⁽²⁾	Actual NOI Yield (%) ⁽³⁾	Occupancy Rate	PML	Construction
M-01	Prologis Park Ichikawa 1	Ichikawa, Chiba	33,900	40,100	125,014	7.6%	7.6	5.3%	4.9%	94.9%	0.6%	Kajima Corporation
M-02	Prologis Park Zama 1	Zama, Kanagawa	27,900	31,700	113,471	6.2%	7.0	5.3%	5.5%	99.8%	0.8%	Fujita Corporation
M-03	Prologis Park Kawajima	Hiki, Saitama	25,600	30,900	144,897	5.7%	5.0	6.0%	6.1%	95.3%	7.5%	Shimizu Corporation
M-04	Prologis Park Osaka 2	Osaka, Osaka	25,000	29,100	130,553	5.6%	9.1	5.6%	5.8%	99.6%	0.8%	Shimizu Corporation
M-05	Prologis Park Maishima 3	Osaka, Osaka	13,500	15,100	74,925	3.0%	8.3	5.6%	5.3%	96.8%	8.9%	Shimizu Corporation
M-06	Prologis Park Kasugai	Kasugai, Aichi	12,500	15,800	91,746	2.8%	8.4	6.8%	6.7%	97.6%	3.9%	Obayashi Corporation
M-07	Prologis Park Kitagoya	Kitagoya, Aichi	6,500	7,730	42,751	1.5%	7.0	6.2%	5.9%	77.8%	7.7%	Nippon Steel Engineering
M-08	Prologis Park Tagajo	Tagajo, Miyagi	5,370	5,580	39,098	1.2%	7.2	5.8%	6.1%	100.0%	1.6%	The Zenitaka Corporation
B-01	Prologis Park Maishima 4	Osaka, Osaka	11,500	13,200	57,234	2.6%	5.8	5.6%	5.7%	100.0%	3.2%	Shimizu Corporation
B-02	Prologis Park Takatsuki	Takatsuki, Osaka	4,410	4,940	19,898	1.0%	4.4	5.7%	5.9%	100.0%	5.3%	Fujita Corporation
B-03	Prologis Park Tosu 2	Tosu, Saga	3,030	3,480	21,778	0.7%	3.9	6.0%	6.2%	100.0%	0.5%	Fujita Corporation
B-04	Prologis Park Tosu 4	Tosu, Saga	3,810	4,310	28,765	0.9%	4.4	6.1%	5.8%	100.0%	0.6%	Obayashi Corporation
Sub-total / Average			173,020	201,940	-	38.7%	7.1	-	-	-	-	-
M-09	Prologis Park Tokyo-Ohta	Ota, Tokyo	29,500	33,900	73,325	6.6%	10.7	4.9%	5.0%	99.7%	3.6%	Taisei Corporation
M-10	Prologis Park Zama 2	Zama, Kanagawa	21,900	26,100	95,121	4.9%	3.8	5.6%	5.2%	94.6%	0.8%	Fujita Corporation
M-11	Prologis Park Funabashi 5 Annex	Funabashi, Chiba	11,000	13,000	56,556	2.5%	11.5	5.6%	5.7%	100.0%	4.3%	Konoike Construction
M-12	Prologis Park Narita 1-A&B	Narita, Chiba	8,420	9,500	62,058	1.9%	11.3	6.2%	6.6%	95.3%	3.9%	Mitsui Construction
M-13	Prologis Park Narita 1-C	Narita, Chiba	4,810	5,390	32,230	1.1%	9.1	6.1%	6.3%	100.0%	3.9%	Shimizu Corporation
M-14	Prologis Park Amagasaki 1	Amagasaki, Hyogo	17,600	20,100	91,446	3.9%	10.8	5.5%	5.2%	100.0%	4.6%	The Zenitaka Corporation
M-15	Prologis Park Amagasaki 2	Amagasaki, Hyogo	19,200	21,300	91,369	4.3%	9.2	5.3%	5.1%	93.2%	4.4%	Taisei Corporation
B-05	Prologis Park Narashino 4	Narashino, Chiba	20,000	22,500	91,529	4.5%	2.9	5.2%	5.3%	100.0%	1.1%	Shimizu Corporation
Sub-total / Average			132,430	151,790	-	29.6%	8.2	-	-	-	-	-
M-16	Prologis Park Tokyo-Shinkiba	Koto, Tokyo	13,600	15,400	31,022	3.0%	9.0	4.7%	5.1%	97.6%	5.9%	Obayashi Corporation
M-17	Prologis Park Yokohama-Tsurumi	Yokohama, Kanagawa	13,800	15,700	63,973	3.1%	8.1	5.3%	5.4%	99.4%	1.1%	Toa Corporation
M-18	Prologis Park Osaka 4	Osaka, Osaka	21,000	23,400	106,135	4.7%	4.1	5.4%	5.7%	100.0%	2.7%	Maeda Corporation
M-19	Prologis Park Iwanuma 1	Iwanuma, Miyagi	5,670	6,410	40,520	1.3%	7.7	6.5%	6.6%	100.0%	3.2%	Nishimatsu Construction
Sub-total / Average			54,070	60,910	-	12.1%	6.7	-	-	-	-	-
M-20	Prologis Park Kawajima 2	Hiki, Saitama	8,180	8,820	42,005	1.8%	2.3	5.4%	5.9%	100.0%	9.0%	Nishimatsu Construction
B-06	Prologis Park Ebina	Ebina, Kanagawa	8,250	9,180	32,500	1.8%	6.2	5.2%	5.4%	100.0%	6.0%	Fujita Corporation
B-07	Prologis Park Kawanishi	Kawanishi, Hyogo	13,600	14,100	75,493	3.0%	2.5	5.0%	6.0%	100.0%	3.7%	Shimizu Corporation
B-08	Prologis Park Amagasaki 3	Amagasaki, Hyogo	9,090	9,850	39,527	2.0%	2.7	5.1%	5.1%	100.0%	4.4%	Nishimatsu Construction
B-09	Prologis Park Kobe	Kobe, Hyogo	6,410	7,020	32,511	1.4%	2.5	5.6%	5.8%	100.0%	0.4%	Taisei Corporation
Sub-total / Average			45,530	48,970	-	10.2%	3.2	-	-	-	-	-
M-21	Prologis Park Kitamoto	Kitamoto, Saitama	12,600	12,900	69,432	2.8%	2.2	5.2%	5.0%	98.3%	3.6%	Taisei Corporation
M-22	Prologis Park Joso	Joso, Ibaraki	7,120	7,130	37,165	1.6%	1.6	5.1%	5.4%	100.0%	4.5%	Nishimatsu Construction
M-23	Prologis Park Osaka 5	Osaka, Osaka	17,600	18,000	78,087	3.9%	1.4	5.0%	3.9%	96.4%	3.5%	Fujita Corporation
B-10	Prologis Park Sendai Izumi	Sendai, Miyagi	4,820	4,980	26,353	1.1%	0.7	5.8%	5.8%	100.0%	1.4%	Nishimatsu Construction
Sub-total / Average			42,140	43,010	-	9.4%	1.6	-	-	-	-	-
Overall Total / Average			447,190	506,620	2,158,501	100.0%	6.5	5.5%	5.5%	97.8%	1.3% ⁽⁴⁾	-

1. As of May 31, 2016.

2. Appraisal NOI yield is calculated based on the stabilized net operating income assumed by the appraiser for the relevant properties. Average NOI yield is a weighted average based on acquisition prices.

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

4. As of Dec. 25, 2015.

Summary of Latest Appraisals

No.	Property Name	Acquisition Price (JPYmm)	7th Fiscal Period End				6th Fiscal Period End	
			Appraisal Value (JPYmm)	Direct Cap Rate	Book Value (JPYmm)	Unrealized Gain (JPYmm)	Appraisal Value (JPYmm) ⁽¹⁾	Direct Cap Rate ⁽¹⁾
Properties Acquired during the 1st Fiscal Period								
M-01	Prologis Park Ichikawa 1	33,900	40,100	4.3%	33,028	7,071	38,500	4.4%
M-02	Prologis Park Zama 1	27,900	31,700	4.6%	26,787	4,912	30,200	4.8%
M-03	Prologis Park Kawajima	25,600	30,900	4.9%	24,327	6,572	30,100	5.0%
M-04	Prologis Park Osaka 2	25,000	29,100	4.8%	23,898	5,201	28,100	4.9%
M-05	Prologis Park Maishima 3	13,500	15,100	4.9%	12,841	2,258	15,000	5.0%
M-06	Prologis Park Kasugai	12,500	15,800	5.3%	11,890	3,909	15,500	5.4%
M-07	Prologis Park Kitanagoya	6,500	7,730	5.0%	6,176	1,553	7,600	5.1%
M-08	Prologis Park Tagajo	5,370	5,580	5.5%	5,053	526	5,550	5.6%
B-01	Prologis Park Maishima 4	11,500	13,200	4.8%	10,951	2,248	12,900	4.9%
B-02	Prologis Park Takatsuki	4,410	4,940	5.0%	4,319	620	4,840	5.1%
B-03	Prologis Park Tosu 2	3,030	3,480	5.2%	2,940	539	3,410	5.3%
B-04	Prologis Park Tosu 4	3,810	4,310	5.2%	3,714	595	4,220	5.3%
Sub-total		173,020	201,940	-	165,930	36,009	195,920	-
Properties Acquired during the 2nd Fiscal Period								
M-09	Prologis Park Tokyo-Ohta	29,500	33,900	4.1%	29,096	4,803	32,000	4.3%
M-10	Prologis Park Zama 2	21,900	26,100	4.6%	21,214	4,885	24,200	4.8%
M-11	Prologis Park Funabashi 5	11,000	13,000	4.5%	10,780	2,219	12,700	4.7%
M-12	Prologis Park Narita 1-A&B	8,420	9,500	5.3%	8,077	1,422	9,230	5.4%
M-13	Prologis Park Narita 1-C	4,810	5,390	5.3%	4,622	767	5,170	5.4%
M-14	Prologis Park Amagasaki 1	17,600	20,100	4.7%	17,381	2,718	19,700	4.8%
M-15	Prologis Park Amagasaki 2	19,200	21,300	4.7%	18,650	2,649	20,900	4.8%
B-05	Prologis Park Narashino 4	20,000	22,500	4.6%	19,373	3,126	22,000	4.7%
Sub-total		132,430	151,790	-	129,198	22,591	145,900	-
Properties Acquired during the 3rd Fiscal Period								
M-16	Prologis Park Tokyo-Shinkiba	13,600	15,400	4.1%	13,436	1,963	14,700	4.3%
M-17	Prologis Park Yokohama-Tsurumi	13,800	15,700	4.6%	13,399	2,300	15,000	4.8%
M-18	Prologis Park Osaka 4	21,000	23,400	4.8%	20,338	3,061	22,900	4.9%
M-19	Prologis Park Iwanuma 1	5,670	6,410	5.6%	5,385	1,024	6,150	5.7%
Sub-total		54,070	60,910	-	52,560	8,349	58,750	-
Properties Acquired during the 4th Fiscal Period								
M-20	Prologis Park Kawajima 2	8,180	8,820	5.0%	8,011	808	8,640	5.1%
B-06	Prologis Park Ebina	8,250	9,180	4.7%	8,184	995	8,680	4.9%
B-07	Prologis Park Kawanishi	13,600	14,100	4.9%	13,412	687	13,900	5.0%
B-08	Prologis Park Amagasaki 3	9,090	9,850	4.6%	8,972	877	9,650	4.7%
B-09	Prologis Park Kobe	6,410	7,020	5.0%	6,296	723	6,880	5.1%
Sub-total		45,530	48,970	-	44,878	4,091	47,750	-
Properties Acquired during the 7th Fiscal Period								
M-21	Prologis Park Kitamoto	12,600	12,900	5.0%	12,691	208	12,600	5.1%
M-22	Prologis Park Joso	7,120	7,130	5.0%	7,160	-30	7,120	5.1%
M-23	Prologis Park Osaka 5	17,600	18,000	4.7%	17,758	241	17,600	4.8%
B-10	Prologis Park Sendai Izumi	4,820	4,980	5.6%	4,857	122	4,820	5.7%
Sub-total		42,140	43,010	-	42,468	541	42,140	-
Overall Total		447,190	506,620	-	435,035	71,584	490,460	-

1. As of Nov. 30, 2015 except that M-21, M-22 and B-10 are as of Sep. 30, 2015

Prologis Group's Corporate Responsibility Initiatives

Environmental Stewardship

Operations

- Lightning upgrades
- HVAC
- Cool roofs
- Daylighting
- Water conservation
- EPC/Energy Star
- Technology pilot projects

Capital Deployment

- Certified construction
- EPCs
- Embodied carbon pilot
- Adaptive re-use
- ISO 14001
- Renewable Energy

Social Responsibility

Community Engagement

- Green Path
- Corporate carbon emissions
- Education and training
- CR Champions
- Charitable activities
- Prologis Foundation
- Volunteering
- Space for Good Program

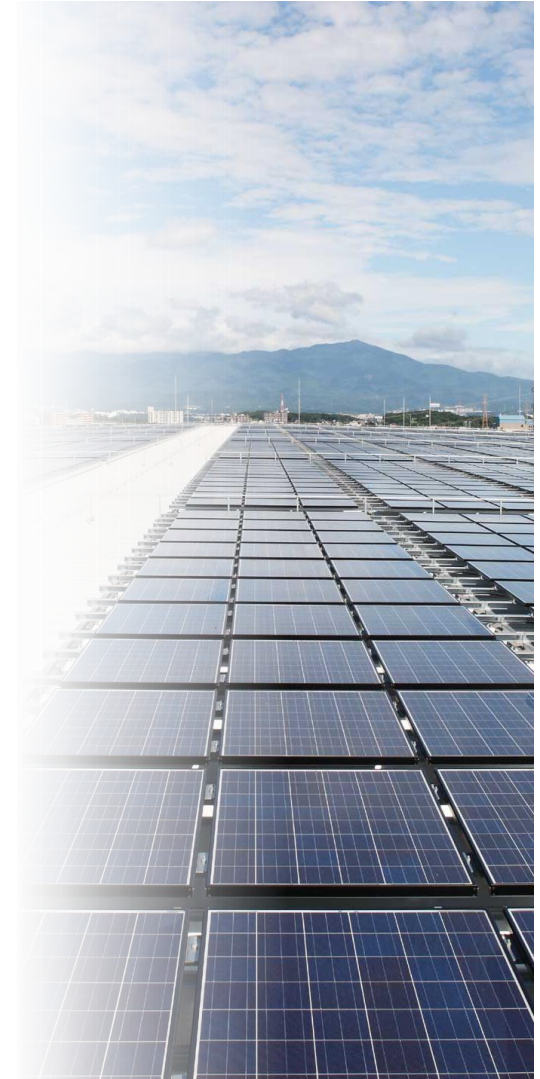
Governance and Ethics

Corporate Governance

- Governance practices
- Independent directors
- Business conduct hotline

Ethics

- Code of business conduct
- Employee training
- Communications



Focus on Sustainability and Corporate Responsibility

- Development of sustainable distribution facilities to comply with CASBEE
- Commitment to renewable energy and efforts in reducing environmental impact
- Focus on maximizing the energy efficiency of our properties



Prologis Park Kawajima 1, 2



Prologis Park Osaka 4



Prologis Park Ichikawa 1



Prologis Park Kasugai

Prologis Group's Commitment to Corporate Responsibility

- CSR Activities
 - Engaged in annual Impact Day from 2013, a global volunteer activities
 - Volunteer activities in the submarkets where Prologis develops and manages facilities throughout Japan
- Support for Local Communities / Internship Programs for Junior High-school Students, College Students, etc.
- Support for the Logistics Industry
 - Support the museum which is the only logistics museum in Japan
 - Since 2006, Prologis has been sponsoring Waseda University Graduate School of Commerce's "Logistics / SCM Course"
- Hold the family event for customers and neighborhoods



Impact Day 2016
(Kitamoto, Saitama)



Volunteer activities for the Museum of Logistics



Internship programs for Junior High-school Students at Prologis Park Ichikawa 1



"Family Festa" at Prologis Park Zama 1&2

Strategic Capital Expenditure to Enhance Portfolio Value

Refurbishment

- Maintain and improve the quality and functionality of properties
- Maintenance work of exterior/interiors



Installment of BCP Facilities

- Further improve BCP functions
- Protect our customers' business operations against potential natural disaster



Energy Saving Initiatives

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



Debt

	Lenders	Amount (JPY, mm)	Interest Rate	Borrowing Date	Maturity Date ⁽²⁾	Collateral
Short-term Borrowings	Sumitomo Mitsui Banking Corporation, The Bank of Tokyo-Mitsubishi UFJ	7,000	JBA 1-month TIBOR+0.175% ⁽³⁾	Mar. 3, 2016	Mar. 3, 2017	Unsecured and non- guaranteed
	Sumitomo Mitsui Banking Corporation, The Bank of Tokyo-Mitsubishi UFJ, Mitsubishi UFJ Trust & Banking Corporation, The Norinchukin Bank, Resona Bank	2,000	0.84350% ⁽⁴⁾	Jun. 13, 2013	Jun. 13, 2017	
	Sumitomo Mitsui Banking Corporation, The Bank of Tokyo-Mitsubishi UFJ, Sumitomo Mitsui Trust Bank, Mizuho Bank, Mitsubishi UFJ Trust & Banking Corporation, Aozora Bank	23,300	0.73760% ⁽⁴⁾	Feb. 15, 2013	Feb. 15, 2018	
	Sumitomo Mitsui Banking Corporation, The Bank of Tokyo-Mitsubishi UFJ, Sumitomo Mitsui Trust Bank, Mizuho Bank, Mitsubishi UFJ Trust & Banking Corporation, Aozora Bank, Development Bank of Japan, The Norinchukin Bank, Resona Bank	6,400	0.81010% ⁽⁴⁾	Dec. 3, 2013	Dec. 3, 2018	
	Sumitomo Mitsui Banking Corporation, The Bank of Tokyo-Mitsubishi UFJ, Sumitomo Mitsui Trust Bank, Mizuho Bank, Mitsubishi UFJ Trust & Banking Corporation, Aozora Bank, Development Bank of Japan, The Norinchukin Bank, Resona Bank	24,000	1.18135% ⁽⁴⁾	Jun. 13, 2013	Jun. 13, 2019	
	Sumitomo Mitsui Banking Corporation, The Bank of Tokyo-Mitsubishi UFJ, Sumitomo Mitsui Trust Bank, Mizuho Bank, Mitsubishi UFJ Trust & Banking Corporation	23,300	1.01950% ⁽⁴⁾	Feb. 15, 2013	Feb. 15, 2020	
Long-term Borrowings	Sumitomo Mitsui Banking Corporation, The Bank of Tokyo-Mitsubishi UFJ, Sumitomo Mitsui Trust Bank, Mizuho Bank, Mitsubishi UFJ Trust and Banking Corporation, Development Bank of Japan	20,000	1.34550% ⁽⁴⁾	Oct. 1, 2013	Oct. 1, 2021	
	Sumitomo Mitsui Banking Corporation, The Bank of Tokyo-Mitsubishi UFJ	6,000	1.32075% ⁽⁴⁾	Feb. 15, 2013	Feb. 15, 2022	
	Sumitomo Mitsui Banking Corporation, The Bank of Tokyo-Mitsubishi UFJ, Development Bank of Japan	13,900	1.83625% ⁽⁴⁾	Jun. 13, 2013	Jun. 13, 2023	
	Sumitomo Mitsui Banking Corporation, The Bank of Tokyo-Mitsubishi UFJ, The Bank of Fukuoka, 77 Bank, Tokio Marine & Nichido Fire Insurance	1,000	JBA 3-month TIBOR+0.24% ⁽³⁾	Nov. 27, 2014	Nov. 27, 2019	
	Sumitomo Mitsui Banking Corporation, The Bank of Tokyo-Mitsubishi UFJ	14,000	0.5749% ⁽⁴⁾	Mar.30, 2015	Mar.31, 2022	
	Sumitomo Mitsui Banking Corporation, The Bank of Tokyo-Mitsubishi UFJ, Sumitomo Mitsui Trust Bank, Mizuho Bank, Mitsubishi USF Trust and Banking Corporation, Development Bank of Japan	7,300	0.0757% ⁽⁴⁾	Feb. 15, 2016	Feb. 15, 2021	
	Sumitomo Mitsui Banking Corporation, The Bank of Tokyo-Mitsubishi UFJ, Sumitomo Mitsui Trust Bank, Mizuho Bank, Mitsubishi USF Trust and Banking Corporation, Development Bank of Japan	6,000	0.1726% ⁽⁴⁾	Feb. 15, 2016	Feb. 15, 2022	
	Sumitomo Mitsui Banking Corporation, The Bank of Tokyo-Mitsubishi UFJ, Sumitomo Mitsui Trust Bank, Mizuho Bank, Mitsubishi USF Trust and Banking Corporation, Development Bank of Japan	10,000	0.39% ⁽⁴⁾	Feb. 15, 2016	Feb. 15, 2024	
	Sumitomo Mitsui Banking Corporation, The Bank of Tokyo-Mitsubishi UFJ, Sumitomo Mitsui Trust Bank, Mizuho Bank, Mitsubishi USF Trust and Banking Corporation, Development Bank of Japan, The Norinchukin Bank, Resona Bank, The Bank of Fukuoka, The 77 Bank, Mizuho Trust & Banking Co., Ltd, Nippon Life Insurance Company	7,600	0.4129% ⁽⁴⁾	Mar. 15, 2016	Mar. 15, 2023	
	1st Unsecured Investment Corporation Bonds	2,000	0.338%	Nov. 27, 2014	Nov. 27, 2019	
Investment Corporation Bonds	2nd Unsecured Investment Corporation Bonds	3,000	0.930%	Nov. 27, 2014	Nov. 27, 2024	
Total		176,800	-	-	-	

1. The above borrowing amounts are as of May 31, 2016. We have entered into a commitment line agreement of JPY 8.0 bn with Sumitomo Mitsui Banking Corporation and The Bank of Tokyo-Mitsubishi UFJ Ltd.
2. The maturity date will be the immediately following business day in case such date falls on a day that is not a business day and the immediate preceding business day in case such date falls in the next calendar month.

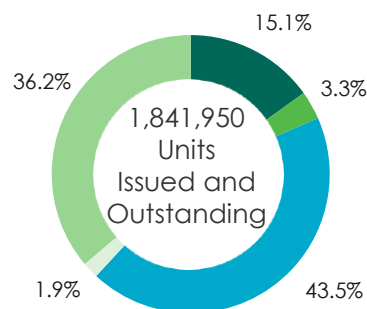
3. The base interest rate refers to the Japanese yen TIBOR (Tokyo Interbank Offered Rate). For the current rate, please refer to the Japanese Bankers Association's website.
4. These borrowings are at floating interest rates. We have entered into interest rate swap agreements to hedge the risks of interest rate volatility. We are showing the interest rates including the effect of the swaps (i.e., fixed interest rates).

Strong Alignment of Interests and Sound Corporate Governance

Alignment of Interests	Implication
Maintain 15% Prologis⁽¹⁾ Investment	<ul style="list-style-type: none">• Significant investment from Prologis on a side-by-side basis with other unit holders• Long-term vehicle for Prologis' highest quality assets• Fits with Prologis' strategy of growing in a capital efficient manner
Management Compensation	<ul style="list-style-type: none">• Asset Managers key employees' compensation is directly aligned with J-REIT performance
Related-Party Transaction Protection	<ul style="list-style-type: none">• Structured approval process with veto rights. Compliance and investment committee members include an external expert• Committee determines appropriate price for transactions. Purchase price capped at appraisal value pursuant to the sponsor support agreement
Performance-Based Asset Management Fees	<ul style="list-style-type: none">• 100% performance-based fees (NOI x 7.5% & Net income x 6.0%)• Direct alignment of interest between Asset Manager and investors

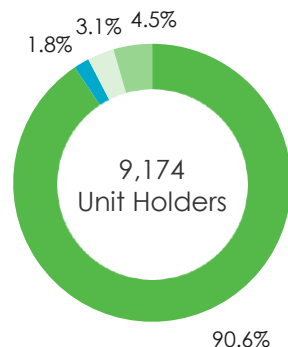
Unit Holder Composition

Breakdown by Units



- Prologis Group, 277,990 units
- Financial institutions, 801,875 units
- Foreign entities and individuals, 666,624 units
- Domestic individuals and others, 60,709 units
- Domestic entities, 34,752 units

Breakdown by Unit Holders



- Domestic individuals and others, 8,316 unit holders
- Financial institutions, 164 unit holders
- Domestic entities, 283 unit holders
- Foreign entities and individuals, 411 unit holders

Major Unit Holders

	Name	Units Owned	% of Units Issued ⁽²⁾
1	Prologis Property Japan SPC	275,990	14.98%
2	Japan Trustee Services Bank, Ltd. (Trust Acct.)	271,614	14.74%
3	The Master Trust Bank of Japan, Ltd. (Trust Acct.)	132,075	7.17%
4	Trust and Custody Services Bank, Ltd. (Securities Investment Trust Acct.)	127,477	6.92%
5	NOMURA BANK (LUXEMBOURG) S. A.	67,927	3.68%
6	The Nomura Trust and Banking Company, Ltd. (Trust Acct.)	63,481	3.44%
7	STATE STREET BANK AND TRUST COMPANY	42,630	2.31%
8	STATE STREET BANK WEST CLIENTS-TREATY 505234	42,410	2.30%
9	THE BANK OF NEW YORK MELLON SA/NV	37,275	2.02%
10	THE BANK OF NEW YORK, NON-TREATY JASDEC ACCOUNT	26,431	1.43%
Total		1,087,310	59.03%

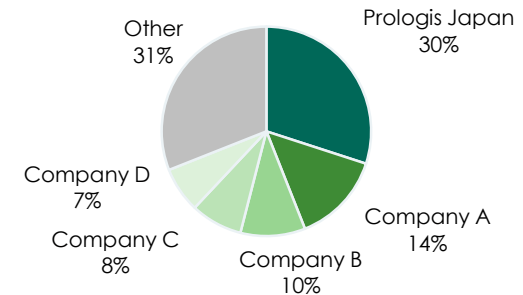
Sponsor Support from the Prologis Group

Operating Portfolio⁽¹⁾

Americas	Europe	Asia
U.S. / Canada / Mexico / Brazil	UK / France / Germany / 10 others	Japan / China / Singapore
40.6 million m ²	16.5 million m ²	4.9 million m ²
2,482 facilities	768 facilities	130 facilities

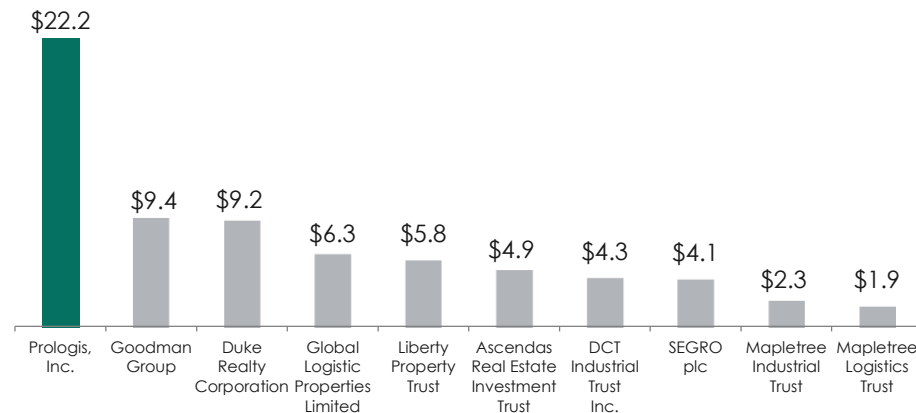
Breakdown of Advanced Logistics Properties in Japan⁽³⁾

By developer



Largest Market Cap Among Peers⁽²⁾

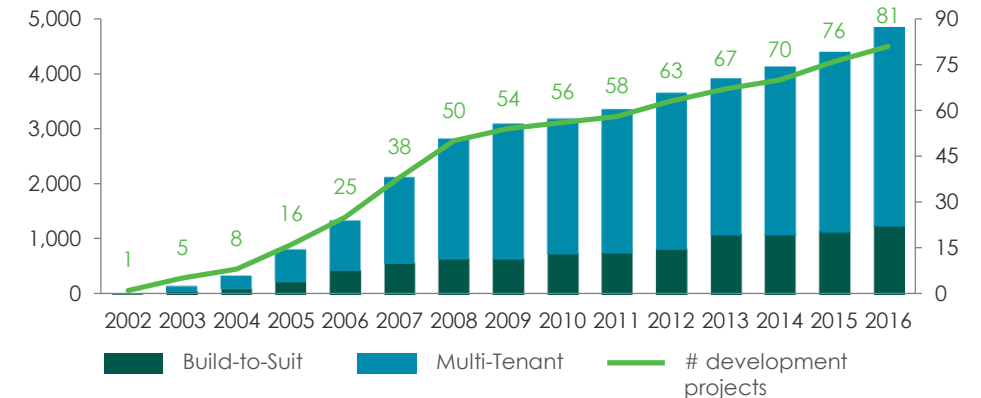
USD, billions



Proven Development Track Record Since 2002⁽⁴⁾

Gross floor area, thousand m²

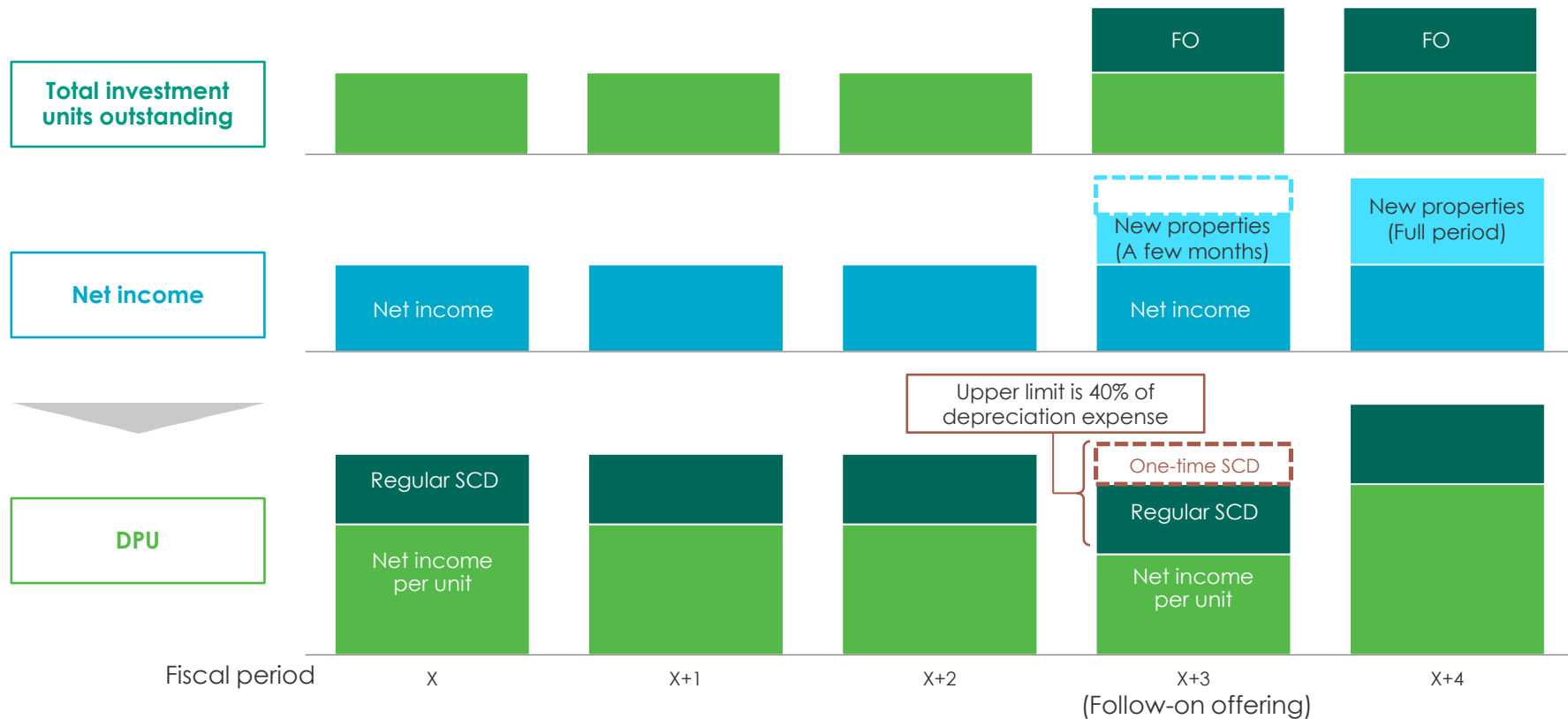
development projects



Unmatched global platform and more than a decade of experience developing advanced logistics facilities in Japan

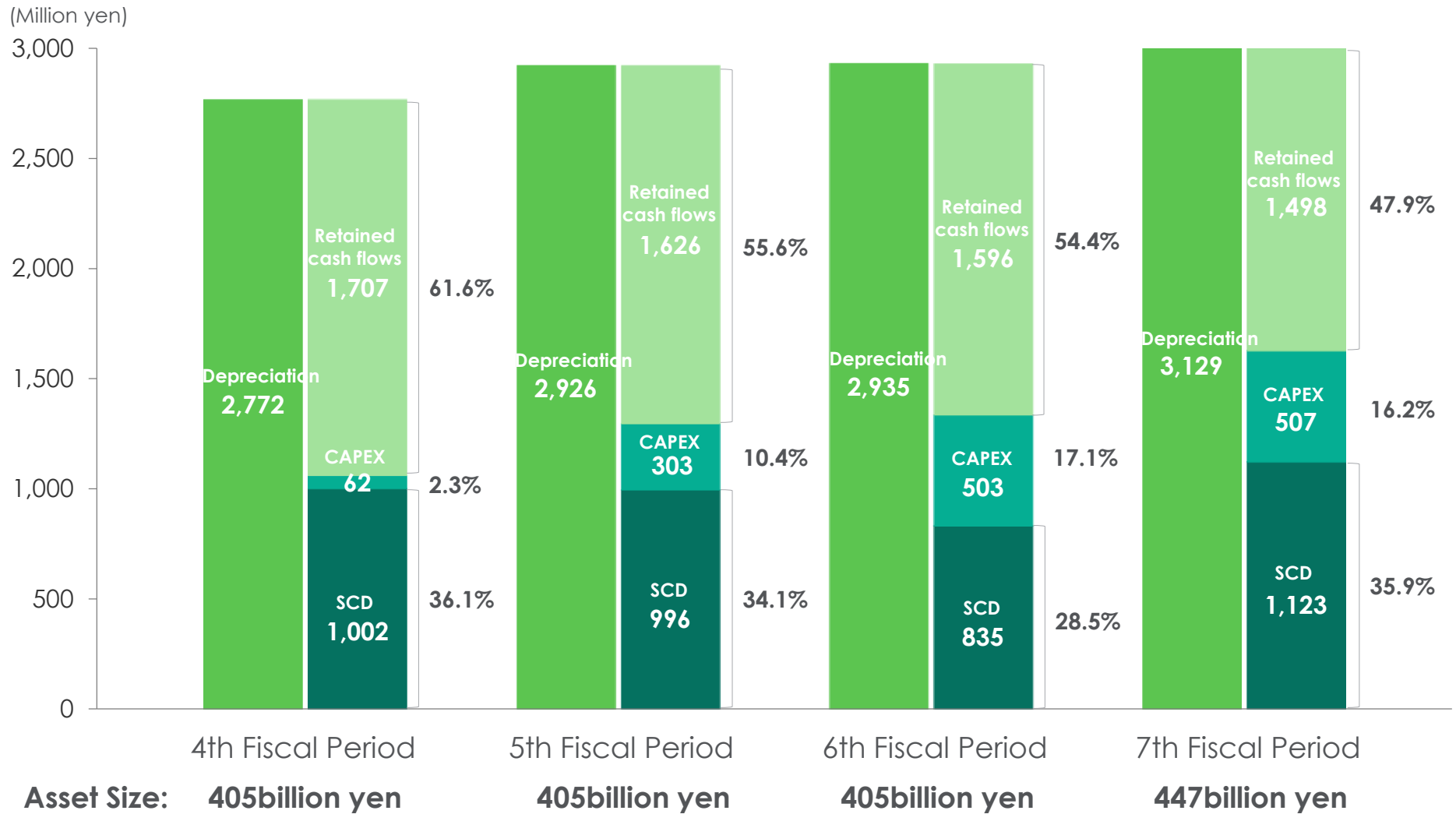
One-Time Surplus Cash Distributions

- For the time being, we expect to target a level of surplus cash distributions on an ongoing basis at an amount equivalent to approximately 30% of the depreciation expense for the relevant fiscal period
- In addition, we may make one-time surplus cash distributions to maintain the stability of our distributions per unit in the event that distributions per unit are expected to decline to a certain degree due to dilution from an increase in investment units or a substantial increase in costs as a result of our financing activities, such as the issuance of new investment units, including third-party allotments; the issuance of investment corporation bonds; or entering into additional borrowings



One-time SCD to streamline NPR's DPU regardless of offering timing

Historical SCD and CAPEX



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



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