

## SUMMARY OF FINANCIAL RESULTS (REIT) For the Sixth Fiscal Period Ended November 30, 2015

Jan. 19, 2016

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

Name of Asset Manager: Prologis REIT Management K.K.  
Representative: Masahiro Sakashita, President and CEO  
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Scheduled Date of Filing of Securities Report: Feb. 25, 2016

Scheduled Date for Commencement of Distributions Payments: Feb. 15, 2016

Supplementary Materials for Financial Results:  Yes • No

Investors & Analysts Meeting:  Yes • No

### 1. Financial Results for the Fiscal Period ended Nov. 30, 2015 (Sixth Fiscal Period) (June 1, 2015 to Nov. 30, 2015)

(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		Profit	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Nov. 30, 2015	14,332	0.6	6,944	(0.2)	5,988	0.7	5,987	3.4
May 31, 2015	14,242	6.0	6,958	5.9	5,946	9.3	5,788	5.7

Period ended	Profit per unit	Return on unit holders' equity	Ratio of ordinary income to total assets	Ratio of ordinary income to operating revenues
	Yen	%	%	%
Nov. 30, 2015	3,459	2.5	1.4	41.8
May 31, 2015	3,344	2.4	1.4	41.7

#### (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, 2015	3,942	3,459	483	6,822	5,986	835	100.0	2.5
May 31, 2015	3,920	3,344	576	6,784	5,787	996	100.0	2.4

\* “SCD” indicates “Surplus Cash Distributions”.

(Note 1) The ratios of net asset value attributable to a reduction in unit holders' paid-in capital for the fiscal periods ended Nov. 30, 2015, and May 31, 2015, are 0.004 and 0.005, respectively. The payment of SCD is deemed a return of capital. This calculation methodology is pursuant to Article 23, Paragraph 1, Item 3 of the Act on Special Measures Concerning Taxation.

#### (3) Financial Position

Period ended	Total assets	Net assets	Ratio of unit holders' equity to total assets	Net asset per unit
	Millions of yen	Millions of yen	%	Yen
Nov. 30, 2015	419,403	240,906	57.4	139,192
May 31, 2015	420,300	241,704	57.5	139,652

(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, 2015	8,808	(427)	(6,783)	22,979
May 31, 2015	11,042	95	(7,111)	21,381

2. Earnings Forecasts for the Fiscal Period ending May 31, 2016 (Seventh Fiscal Period) (from Dec. 1, 2015 to May 31, 2016) and Nov. 30, 2016 (Eighth Fiscal Period) (June 1, 2016 to Nov. 30, 2016)

(Percentages indicate change from the previous period)

Period ending	Operating revenues		Operating income		Ordinary income		Profit		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, 2016	14,266	(0.5)	6,937	(0.1)	5,969	(0.3)	5,988	0.0	3,946	3,460	486
Nov. 30, 2016	14,409	1.0	6,954	0.2	5,989	0.3	5,988	0.0	3,949	3,460	489

(Reference) Forecasted Profit per unit for the fiscal period ending May 31, 2016: 3,460 yen  
Forecasted Profit per unit for the fiscal period ending Nov. 30, 2016: 3,460 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, 2015 1,730,750 units  
As of May 31, 2015 1,730,750 units

Number of treasury units at end of period:

As of Nov. 30, 2015 0 units  
As of May 31, 2015 0 units

(Note) Please refer to "Notes Related to Per Unit Information" on page 29 for the number of investment units used as the basis for calculating profit per unit.

\* The Implementation Status of Statutory Audit

At the time of this financial report, the audit procedures for the financial statements pursuant to the Financial Instruments and Exchange Act have not yet been completed.

\* Explanation on the Appropriate Use of the Forecast of Results and Other Matters of Special Consideration

The forward-looking statements in this material are based on the 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 as a guarantee or any commitment of the amount of future distributions and surplus cash distributions. Please refer to “Assumptions for fiscal periods ending May 31, 2016 (seventh fiscal period) (Dec. 1, 2015 to May 31, 2016)” and Nov. 30, 2016 (eight fiscal period) (June 1, 2016 to Nov. 30, 2016) and on page 8 for assumptions regarding forward-looking statements.

## 1. Organizational Structure of Investment Corporation

No significant changes have occurred to the organizational structure of the investment corporation since the most recent securities report (filed Aug. 28, 2015); therefore, their descriptions are not included here.

## 2. Management Policies and Results of Operations

### (1) Management Policies

No significant changes have occurred to investment policies, investment targets and distribution policies since the most recent securities report (filed Aug. 28, 2015); therefore, their descriptions are not included here.

### (2) Results of Operations

#### (I) Overview of the Fifth Fiscal Period ended Nov. 30, 2015

##### (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 is a real estate investment trust (REIT) that invests in logistics real estate with the sponsorship of the Prologis Group<sup>(\*)</sup>, the global leader in industrial real estate. NPR focuses on investing in logistics facilities, targeting high-quality, Class-A logistics facilities (properties that meet the demands of tenant logistics companies and other users with respect to operational efficiency, and which fulfill certain size, location, equipment, convenience and safety criteria). NPR aims to maximize its unit holder value through stability in rental revenues, steady growth of its portfolio and by optimizing the value of its portfolio.

NPR acquired 12 properties (aggregate acquisition price: 173,020 million yen) on Feb. 15, 2013, following its listing, and acquired an additional 17 properties in total (aggregate acquisition price: 232,030 million yen) during the second, third and fourth fiscal periods. As a result, NPR owned 29 properties (aggregate acquisition price: 405,050 million yen) as of the end of the sixth fiscal period.

(\*) 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).

##### (ii) Operational Results of the Sixth Fiscal Period ended Nov. 30, 2015

During the reporting fiscal period, the Japanese macro-economy remained stagnant and sometimes demonstrated modest volatility as a result of the continued stimulative economic policies of the government and monetary easing by the Bank of Japan, while the economic growth of developing countries demonstrated a sign of slow down. The GDP growth rates announced by the Japanese government was minus 0.4 percent from April 2015 to June 2015 but it recovered to +1.0 percent from July 2015 to September 2015 on a quarter-over-quarter basis. Japanese exports and industrial production are remaining stagnant; although the economy of developed countries is showing modest growth, the economy of developing countries is demonstrating signs of slowing down. On the Japanese domestic side, capital investment and private consumption are steadily increasing due to corporate earnings reaching historical high levels, which is contributing to the improvement of employment and household income. Generally, the economic growth of Japan is expected to exceed its potential growth rate with sustainable positive cycles of job creation and consumption growth.

During the reporting fiscal period, the overall J-REIT market demonstrated increased volatility from July to September, which was linked to an unstable global capital market environment that primarily was the result of significant events such as the Greek financial crisis and wide spread concerns of slowdown in the Chinese economy. However, subsequently, the capital market has stabilized and the J-REIT market has improved accordingly. During the reporting period, the central banks of developed countries, including the Bank of Japan, continued monetary easing policies, and as a result long-term interests remained low. Consequently, investors’ appetite for yields, including J-REIT distributions, continues to be strong, and at the same time, Japanese real estate market, especially in the office building sector, is expected to generate rent growth. Given this environment, the J-REIT market is expected to continue

to be strong.

In the Japanese real estate market, investor demand for new opportunities continues to be strong, and J-REITs, private funds and international investors are actively purchasing properties, driven by the continued positive stance of bank lending toward the real estate industry and continued significantly low interest rate environment as well as a weak Japanese yen.

We believe demand is increasing for Class-A logistics facilities as NPR's customers (logistics space users) move from older and smaller facilities 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 and third-party logistics (3PL) providers.

As of the end of the reporting fiscal period, NPR owned 29 properties (aggregate acquisition price: 405,050 million yen), all of which were developed by the Prologis Group. The portfolio's total leasable area was 1,947,474.70 square meters and the occupancy rate remained high at 98.3 percent as of the end of the reporting fiscal period.

(iii) Overview of Financing

(a) Borrowings

NPR's ending balance of interest-bearing debt was 162,200 million yen, out of which investment corporation bonds accounted for 5,000 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 38.7 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, 2015) are 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 these investment activities and financings, NPR generated operating revenues of 14,332 million yen, operating income of 6,944 million yen, ordinary income of 5,988 million yen and profit of 5,987 million yen for the reporting fiscal period. NPR's distributions for the same period were 3,459 yen per unit, which included NPR's profit distributions in deductible expenses in accordance with the Section 1 of Article 67-15 of the Act on Special Taxation Measures Law (a customary practice of J-REITs). The distribution amount was determined to distribute all unappropriated retained earnings for the reporting period, excluding fractions less than one 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 (\*1). To maintain the stability of NPR's distributions per unit in the event that it is expected that an amount of distributions per unit temporarily decreases due to the issuance of new investment units (including investment unit third-party allotment), the issuance of investment corporation bonds and borrowings, etc. and cancellation, redemption or repayment of such debt, which may result in a temporary dilution of investment units or incurrence of large expenses, NPR may decide to make distributions as one-time surplus cash distributions ("One-time Surplus Cash Distributions," collectively with the Regular Surplus Cash Distributions, "SCD" or "SCDs") (\*2).

For the reporting fiscal period, NPR is making Regular Surplus Cash Distributions of 835 million yen, equivalent to 28.5 percent of NPR's depreciation expense of 2,935 million yen for the reporting fiscal period. Consequently, the total amount of SCD per unit for the reporting fiscal period was determined at 483 yen (\*3).

(\*1) Going forward, NPR intends to distribute regular surplus cash distributions on a regular basis in an amount no higher than 60 percent of its depreciation expense for an applicable fiscal period, reflecting its goal to maintain financial stability in connection with maintenance expenses, capital expenditures, repayment of borrowings and funding of new acquisitions. In the meantime, NPR intends to distribute approximately 30 percent of depreciation expense.

(\*2) NPR intends to maintain the maximum amount of total SCD, which is 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.

- (\*3) NPR estimates that the amount of anticipated semi-annual average of emergency or short-term repair and maintenance expenses and medium- to long-term repair and maintenance expenses is 245 million yen. This assessment of expenses was conducted in the engineering report for each property prepared by Earth-Appraisal Co., Ltd. NPR determines the amount of SCD, and distributes SCD, while focusing on maintaining its financial health and 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 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 Prologis REIT Management K.K. (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 of support from the Prologis Group and its global customer network, operational expertise and other management resources.

The Prologis Group is a leading logistics real estate company and pioneer of the development of Class-A logistics facilities in Japan. It plans to continue to actively develop Class-A logistics facilities in the region. Through cooperation with the Prologis Group, NPR believes it can provide unique opportunities for its unit holders to invest in high-quality logistics facilities developed by the Prologis Group. NPR and the Asset Manager will concentrate solely on owning and operating logistics facilities, while the Prologis Group will focus on development and property management. Through these delineated roles, NPR believes it can minimize potential conflicts of interest with the sponsor and efficiently manage and grow its portfolio.

#### (b) External Growth Strategies

Pursuant to the sponsor support agreement, NPR was granted exclusive negotiation rights from the Prologis Group for seven properties (Prologis Park Sendai Izumi, Prologis Park Yoshimi, Prologis Park Narashino5, Prologis Park Chiba New Town, Prologis Park Ibaraki, Prologis Park Koga1 and Prologis Park Kobe2) on Dec. 14, 2015. As a result, NPR currently has exclusive negotiation rights for a total of 12 properties from the Prologis Group's development pipeline. The Prologis Group will continue to develop new assets of approximately 40 to 60 billion yen every year in Japan. NPR is entitled to 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 are qualified for NPR's investment criteria. All transactions rely on the related party transaction guidelines of the Asset Manager to ensure appropriate terms and conditions.

The Asset Manager will also pursue acquisitions of properties from third parties. The Prologis Group's acquisition pipeline and the real estate market will be taken into consideration.

#### (c) Internal Growth Strategies

All leases for NPR's portfolio are fixed-term. Consistent with NPR's investment strategy, approximately 80 percent of NPR's portfolio comprises multi-tenant logistics facilities, which typically have average lease terms of five years with diversified tenants, resulting in a 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 market environment, while we mitigate tenant credit concentration risks and lease-up risks at lease maturities. Fundamentally, the total size of current stock of the Class-A logistics facilities in Japan is significantly small in light of anticipated tenant demand, and as a result, we are observing among our tenants a growing perception of rent growth potential. Therefore, we believe we are able to effectively grow rents upon renewals and re-tenanting and increase rental revenues over time.

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

diversity.

NPR and the Asset Manager receive support based on the sponsor support agreement with the Prologis Group in connection with property management, market research and human resources. In addition, NPR is able to attract a greater number of tenants by accessing the Prologis Group's global customer network, providing further tenant diversification and earnings stability.

(d) Financing Strategies

NPR and the Asset Manager intend to implement strategic and flexible financing 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. NPR will manage its balance sheet as a stabilized LTV of approximately 50 percent (with an upper limit of 60 percent) to maintain sound financial status. NPR intends to borrow from financial institutions that hold the potential for sustainable long-term relationships. In addition, NPR will continue to consider issuance of investment corporation bonds with an attempt to diversify sources of debt financings.

(ii) Earnings Forecast

	Operating revenues (Millions of yen)	Operating income (Millions of yen)	Ordinary income (Millions of yen)	Profit (Millions of yen)	Distributions per unit (including surplus cash distributions)	Distributions per unit (excluding surplus cash distributions)	Surplus cash distributions per unit
Period ending May 31, 2016 (7th period)	14,266	6,937	5,969	5,988	3,946	3,460	486
Period ending Nov. 30, 2016 (8th period)	14,409	6,954	5,989	5,988	3,949	3,460	489

(Note) Forecast calculations are based on the assumptions as of the date hereof. Actual operating revenues, operating profit, ordinary income, profit, 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 fiscal periods ending May 31, 2016 (seventh fiscal period) (from Dec. 1, 2015 to May 31, 2016) and Nov. 30, 2016 (eighth fiscal period) (from June 1, 2016 to Nov. 30, 2016)

Item	Assumption
Accounting period	<ul style="list-style-type: none"> <li>● Fiscal period ending May 31, 2016 (seventh fiscal period) (from Dec. 1, 2016 to May 31, 2016) (183 days)</li> <li>● Fiscal period ending, Nov. 30, 2016 (eighth fiscal period) (from June 1, 2016 to Nov. 30, 2016) (183 days)</li> </ul>
Portfolio of Investment Assets Held	<ul style="list-style-type: none"> <li>● It is assumed that there will be no material change in the operational status of the 29 properties NPR owned as of Nov. 30, 2015, up until Nov. 30, 2016. Such changes include acquisitions of new properties and dispositions of properties held.</li> <li>● The actual results may change due to acquisitions of new properties or dispositions of existing properties, etc.</li> </ul>
Operating revenues	<ul style="list-style-type: none"> <li>● Operating rental revenues are estimated, by taking into account factors such as market trends and competitiveness of NPR's properties, to be 14,266 million yen and 14,409 million yen for the periods ending May 31, 2016 and Nov. 30, 2016, respectively. The expected average occupancy rates are estimated to be 98.0 percent and 98.0 percent for the periods ending May 31, 2016 and Nov. 30, 2016, respectively.</li> <li>● For operating rental revenues, it is assumed that tenants will pay rents without delinquency or withholding.</li> </ul>
Operating expenses	<ul style="list-style-type: none"> <li>● Expenses except depreciation are calculated by taking into account variable factors such as seasonal events and are assumed to be 3,050 million yen and 3,155 million yen for the periods ending May 31, 2016 and Nov. 30, 2016, respectively.</li> <li>● Depreciation expenses, including ancillary costs associated with property acquisitions, are calculated using the straight-line method and are assumed to be 2,953 million yen and 2,971 million yen for the periods ending May 31, 2016 and Nov. 30, 2016, respectively.</li> <li>● Upon acquisitions of properties, real estate taxes (fixed asset taxes) are generally included in the purchase prices of properties on a pro-rated basis of a calendar year and start to be expensed from the next calendar year.</li> <li>● With respect to building repair expenses, the amount assumed to be necessary for each property is calculated based on the repair and maintenance plans of the Asset Manager. However, actual repair expenses may be substantially different from the expected amount due to certain unexpected factors.</li> </ul>
Non-operating expenses	<ul style="list-style-type: none"> <li>● We assume that we will recognize 8 million yen for each of the fiscal periods ending May 30, 2016 and Nov. 30, 2016, as amortization of organization expenses.</li> <li>● As for interest expenses and other debt-related costs, 951 million yen and 949 million yen are expected for each of the periods ending May 31, 2016 and Nov. 30, 2016, respectively. The debt-related amortization, which is included in debt-related expenses, is expected to be 133 million yen and 131 million yen for each of the periods ending May 31, 2016 and Nov. 30, 2016.</li> </ul>
Borrowings and bonds	<ul style="list-style-type: none"> <li>● The balance of NPR's interest-bearing liabilities outstanding as of the date hereof is 162,200 million yen, including the balance of investment corporation bonds. Among such debts, there is an outstanding balance of investment corporation bonds in the amount of 5 billion yen, and the remainder is loans from financial institutions.</li> <li>● We assume that we will fully refinance a 23,300 million yen long-term loan which is due on Feb. 15, 2016. We assume there will be no bonds due prior to the end of the fiscal period ending May 31, 2016.</li> </ul>
Extraordinary Income	<ul style="list-style-type: none"> <li>● We expect to receive a subsidy payment of 20 million yen from the City of Tosu, where we own Prologis Park Tosu 2 and Prologis Park Tosu 4, in accordance with the city's location incentive ordinance and other applicable guidelines. Accordingly, we assume an extraordinary income of the same amount for the fiscal period ending May 31, 2016.</li> </ul>
Investment units	<ul style="list-style-type: none"> <li>● It is assumed that the number of investment units currently issued and outstanding will not change. Currently, there are 1,730,750 units issued and outstanding.</li> </ul>
Distributions per unit (excluding surplus)	<ul style="list-style-type: none"> <li>● Distributions per unit (excluding SCD) are calculated based on the premises of the distribution policy in the articles of incorporation of NPR that all profit shall be distributed.</li> </ul>



cash distributions (SCD))	<ul style="list-style-type: none"> <li>● Distributions per unit (excluding SCD) may change considerably due to various factors including changes in operational environment arising from any additional acquisitions or dispositions of properties, changes in rent revenues attributable to tenant moves, occurrence of unexpected repairs, changes in interest rates and issues of new investment units in the future.</li> </ul>
Surplus cash distributions (SCD) per unit	<ul style="list-style-type: none"> <li>● SCD per unit is calculated based on the premises of the fund distribution policy contained in the articles of incorporation of NPR. It is assumed that SCD in the periods ending May 31, 2016 and Nov. 30, 2016 will be equal to 28.5 percent of depreciation expenses for each of the fiscal periods, which are assumed to be 841 million yen and 846 million yen, respectively.</li> <li>● The amount of depreciation expenses may vary as a result of changes in the amount of total assets under management, ancillary costs, capital expenditures, the allocation of purchase price to each asset item, estimated depreciable life, etc. SCD, which will be based on the amount of depreciation expenses, may vary accordingly.</li> <li>● NPR intends to pay SCD only to the extent that it can maintain appropriate levels of financial soundness and stability after considering alternatives of cash uses such as repairs and capital expenditures, repayment of borrowings and property acquisition opportunities. The maximum payable SCD amount is 60 percent of depreciation expenses during the applicable fiscal period. In the event such as occurrence of material damages on NPR's assets, etc. when NPR needs to allocate its cash to emergency capital expenditures, the amount of SCD per unit may vary.</li> <li>● For now, NPR intends to pay SCD at an amount equivalent to approximately 30 percent of the depreciation expense for the relevant fiscal period.</li> <li>● To determine the amount of SCD, NPR also considers the payout ratio of total distribution amount relative to adjusted funds from operations ("AFFO"). NPR defines AFFO as funds from operations ("FFO") minus capital expenditures plus amortization of capitalized finance costs. FFO is defined as the sum of profit and non-cash expenses. For calculations, please refer to the following formulas:  <math display="block">\text{FFO} = \text{profit} + \text{depreciation} + \text{property-related amortization} + \text{loss on sale of real estate} - \text{gain on sale of real estate}</math> <math display="block">\text{AFFO} = \text{FFO} - \text{capital expenditure} + \text{amortization of capitalized finance costs}</math> </li> <li>● Capital expenditures are assumed to be 533 million yen and 533 million yen in the periods ending May 31, 2016 and Nov. 30, 2016, respectively.</li> <li>● NPR does not plan to pay SCD in case such payment would cause the Distribution LTV, as defined below, to exceed 60 percent.  <math display="block">\text{Distribution LTV}(\%) = A / B \times 100</math> <p>A = interest-bearing debt (including borrowings held in trust and investment corporation bonds) at the end of the fiscal period + balance of tenant leasehold deposits released at the end of the fiscal period</p> </li> <li>● B = total appraisal real estate value at the end of the fiscal period + the amount of cash deposits at the end of the fiscal period – the total amount distributions (including SCD)</li> </ul>
Others	<ul style="list-style-type: none"> <li>● It is assumed that any revision that will have an impact on the forecast information above will be made with respect to applicable laws and regulations, tax codes, accounting standards, listing rules and rules of the Investment Trusts Association, Japan, etc.</li> <li>● It is assumed that any unexpected material change will not take place in the macroeconomic environment and real estate market conditions, etc.</li> </ul>

### 3. Financial Statements

#### (1) Balance Sheet

(Unit: Thousands of yen)

	As of May 31, 2015	As of Nov. 30, 2015
<b>ASSETS</b>		
Current assets:		
Cash and deposits	18,144,925	19,648,024
Cash and deposits in trust	3,236,363	3,331,121
Operating accounts receivable	261,299	371,612
Prepaid expenses	294,560	242,193
Deferred tax assets	25	24
Other current assets	118	30
Total current assets	21,937,294	23,593,006
Fixed assets:		
Property and equipment		
Buildings	7,543,229	7,549,209
Less: accumulated depreciation	(418,843)	(509,060)
Buildings, net	7,124,385	7,040,148
Structures	249,739	249,739
Less: accumulated depreciation	(43,330)	(52,616)
Structures, net	206,408	197,123
Tools, furniture and fixtures	5,434	5,434
Less: accumulated depreciation	(1,177)	(1,429)
Tools, furniture and fixtures, net	4,256	4,004
Land	3,834,204	3,834,204
Buildings in trust	224,036,333	224,517,935
Less: accumulated depreciation	(10,343,308)	(13,032,500)
Buildings in trust, net	213,693,025	211,485,434
Structures in trust	4,259,467	4,270,648
Less: accumulated depreciation	(464,137)	(590,248)
Structures in trust, net	3,795,330	3,680,400
Machinery and equipment in trust	11,267	11,267
Less: accumulated depreciation	(261)	(593)
Machinery and equipment in trust, net	11,005	10,673
Tools, furniture and fixtures in trust	423,147	426,245
Less: accumulated depreciation	(78,811)	(99,204)
Tools, furniture and fixtures in trust, net	344,336	327,040
Other tangible assets in trust	35	35
Less: accumulated depreciation	(17)	(22)
Other tangible assets in trust, net	17	13
Land in trust	168,427,926	168,427,926
Total property and equipment	397,440,896	395,006,969
Intangible assets		
Other intangible assets	2,646	3,636
Total intangible assets	2,646	3,636
Investments and other assets		
Long-term prepaid expenses	844,114	734,904
Security deposit	10,000	10,000
Other	400	400
Total investments and other assets	854,514	745,304
Total fixed assets	398,298,057	395,755,910
Deferred assets:		

	(Unit: Thousands of yen)	
	As of May 31, 2015	As of Nov. 30, 2015
Organization expenses	39,367	31,222
Investment corporation bond issuance costs	25,654	23,744
Total deferred assets	65,021	54,966
Total assets	420,300,373	419,403,883
<b>LIABILITIES</b>		
Current liabilities:		
Operating accounts payable	828,208	1,215,677
Current portion of long-term loans payable	23,300,000	23,300,000
Accounts payable	195,853	260,081
Accrued expenses	1,352,190	1,357,709
Accrued consumption taxes	860,904	269,146
Income taxes payable	834	715
Advances received	2,392,939	2,416,256
Other current liabilities	123,983	83,648
Total current liabilities	29,054,915	28,903,236
Non-current liabilities:		
Investment corporation bonds payable	5,000,000	5,000,000
Long-term loans payable	133,900,000	133,900,000
Tenant leasehold and security deposits	247,773	247,773
Tenant leasehold and security deposits in trust	10,393,308	10,445,198
Other non-current liabilities	-	732
Total non-current liabilities	149,541,081	149,593,703
Total liabilities	178,595,997	178,496,940
<b>NET ASSETS</b>		
Unit holders' equity		
Unit holders' capital		
Unit holders' capital, gross	238,527,550	238,527,550
Deduction of unit holders' capital	(2,611,916)	(3,608,828)
Unit holders' capital	235,915,634	234,918,722
Surplus		
Unappropriated retained earnings (undisposed loss)	5,788,742	5,988,220
Total surplus	5,788,742	5,988,220
Total unit holders' equity	241,704,376	240,906,942
Total net assets <sup>(*2)</sup>	<sup>*2</sup> 241,704,376	<sup>*2</sup> 240,906,942
Total liabilities and net assets	420,300,373	419,403,883

(2) Statement of Income

	(Unit: Thousands of yen)	
	For the period from Dec. 1, 2014 to May 31, 2015	For the period from June 1, 2015 to Nov. 30, 2015
Operating revenues:		
Operating rental revenues	* <sup>1</sup> 13,241,425	* <sup>1</sup> 13,181,769
Other rental revenues	* <sup>1</sup> 1,001,574	* <sup>1</sup> 1,151,196
Total operating revenues	<u>14,242,999</u>	<u>14,332,966</u>
Operating expenses:		
Expenses related to property rental business (* <sup>1</sup> )	* <sup>1</sup> 5,983,828	* <sup>1</sup> 6,075,774
Asset management fee	1,208,471	1,221,716
Asset custody fee	36,128	35,796
Directors' compensation	4,800	4,800
Audit fee	15,000	15,000
Other operating expenses	36,369	35,755
Total operating expenses	<u>7,284,598</u>	<u>7,388,843</u>
Operating income	<u>6,958,400</u>	<u>6,944,123</u>
Non-operating income:		
Interest income	1,568	1,907
Interest on refund of consumption taxes	195	195
Refund of real estate taxes	-	4,403
Total non-operating income	<u>1,763</u>	<u>6,311</u>
Non-operating expenses:		
Interest expenses	836,767	791,888
Interest expenses on investment corporation bonds	17,424	17,235
Amortization of deferred organization expenses	8,145	8,145
Amortization of investment corporation bond issuance costs	1,899	1,910
Borrowing related expenses	149,843	143,017
Others	26	28
Total non-operating expenses	<u>1,014,106</u>	<u>962,224</u>
Ordinary income	<u>5,946,058</u>	<u>5,988,210</u>
Extraordinary income:		
Subsidy income	* <sup>2</sup> 34,914	-
Total extraordinary income	<u>34,914</u>	<u>-</u>
Extraordinary losses:		
Loss on prepayment of long-term loans payable in trust	* <sup>3</sup> 191,738	-
Total extraordinary losses	<u>191,738</u>	<u>-</u>
Income before income taxes	<u>5,789,234</u>	<u>5,988,210</u>
Incomes taxes – current	1,152	1,103
Incomes taxes – deferred	2	0
Total income taxes	<u>1,154</u>	<u>1,104</u>
Profit	<u>5,788,029</u>	<u>5,987,106</u>
Retained earnings brought forward	662	1,114
Unappropriated retained earnings (undisposed loss)	5,788,742	5,988,220

(3) Statement of Unit Holders' Equity

Previous Period (from Dec. 1, 2014 to May 31, 2015)

(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	Unappropriated retained earnings (undisposed loss)	Total surplus		
Balance at the beginning of the period	238,527,550	(1,609,811)	236,917,738	5,475,024	5,475,024	242,392,763	242,392,763
Change during the period							
Surplus cash distributions		(1,002,104)	(1,002,104)			(1,002,104)	(1,002,104)
Dividends from surplus				(5,474,362)	(5,474,362)	(5,474,362)	(5,474,362)
Profit				5,788,079	5,788,079	5,788,079	5,788,079
Total change during the period		(1,002,104)	(1,002,104)	313,717	313,717	(688,386)	(688,386)
Balance at the end of the period	*1238,527,550	(2,611,916)	235,915,634	5,788,742	5,788,742	241,704,376	241,704,376

The Reporting Period (from June 1, 2015 to Nov. 30, 2015)

(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	Unappropriated retained earnings (undisposed loss)	Total surplus		
Balance at the beginning of the period	238,527,550	(2,611,916)	235,915,634	5,788,742	5,788,742	241,704,376	241,704,376
Change during the period							
Surplus cash distributions		(996,912)	(996,912)			(996,912)	(996,912)
Dividends from surplus				(5,787,628)	(5,787,628)	(5,987,628)	(5,787,628)
Profit				5,987,106	5,987,106	5,987,106	5,987,106
Total change during the period		(996,912)	(996,912)	199,478	199,478	(797,433)	(797,433)
Balance at the end of the period	*1238,527,550	(3,608,828)	234,918,722	5,988,220	5,988,220	240,906,942	240,906,942

(4) Statement of Cash Distribution

(Unit: Yen)

	For the period from Dec. 1, 2015 to May 31, 2015	For the period from June 1, 2015 to Nov. 30, 2015
I Unappropriated retained earnings (undisposed loss)	5,788,742,539	5,988,220,742
II Distributions in excess of retained earnings		
Deduction from unit holders' capital	996,912,000	835,952,250
III Distributions	6,784,540,000	6,822,616,500
(Distributions per unit)	(3,920)	(3,942)
Of which, distributions of retained earnings	5,787,628,000	5,986,664,250
(Of which, distributions of retained earnings per unit)	(3,344)	(3,459)
Of which, distributions in excess of retained earnings	996,912,000	835,952,250
(Of which, distributions in excess of retained earnings per unit)	(576)	(483)
IV Retained earnings carried forward	1,114,539	1,556,492
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 profits 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 5,787,628,000 yen which was the amount equivalent to the maximum integral multiples of number of investment units issued and outstanding (1,730,750 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 the article 88 of incorporation, NPR shall make Surplus Cash Distributions (SCD), 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 per 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 as a result of financing actions.</p> <p>Accordingly, NPR declared SCD of 832,490,750 yen, as a return of unit</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 profits 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 5,986,664,250 yen which was the amount equivalent to the maximum integral multiples of number of investment units issued and outstanding (1,730,750 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 the article 88 of incorporation, NPR shall make Surplus Cash Distributions (SCD), 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 per 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 as a result of financing actions.</p> <p>Accordingly, NPR declared SCD of 835,952,250 yen, as a return of unit</p>

	<p>holders' capital, which was the amount equivalent to approximately 28.5% of depreciation expense of 2,926,750,754 yen for the period. And, NPR made One-time Surplus Cash Distributions of 164,421,250 yen based on an assessment of temporary earnings dilution of 95 yen per unit as a result of financing actions.</p>	<p>holders' capital, which was the amount equivalent to approximately 28.5% of depreciation expense of 2,935,990,820 yen for the period.</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, 2014 to May 31, 2015	For the period from June 1, 2015 to Nov. 30, 2015
Cash flows from operating activities:		
Income before income taxes	5,789,234	5,988,210
Depreciation	2,926,750	2,935,990
Amortization of organization expenses	8,145	8,145
Amortization of investment corporation bond issuance costs	1,899	1,910
Interest income	(1,568)	(1,907)
Interest expense	854,192	809,123
Loss on prepayment of long-term loans payable in trust	191,738	-
Decrease (Increase) in operating accounts receivable	(44,837)	(110,312)
Decrease (Increase) in consumption taxes refund receivables	1,319,884	-
Decrease (Increase) in prepaid expenses	(10,681)	52,367
Decrease (Increase) in long-term prepaid expenses	124,047	109,210
Increase (Decrease) in operating accounts payable	(176,126)	(383,508)
Increase (Decrease) in accounts payable-other	17,176	3,353
Increase (Decrease) in accrued expenses	72,147	14,268
Increase (decrease) in accrued consumption taxes	860,904	(591,758)
Increase (Decrease) in advances received	(3,480)	23,317
Others, net	(13,135)	702
Subtotal	<u>11,916,290</u>	<u>9,626,130</u>
Interest received	1,568	1,907
Interest paid	(874,038)	(817,873)
Income taxes paid	(1,214)	(1,221)
Net cash used in operating activities	<u>11,042,605</u>	<u>8,808,942</u>
Cash flows from investing activities:		
Purchases of property and equipment	(289)	(759)
Purchases of property and equipment in trust	(134,164)	(438,204)
Proceeds from tenant leasehold and security deposits in trust	432,817	340,689
Repayments from tenant leasehold and security deposits in trust	(203,271)	(329,016)
Net cash used in investing activities	<u>95,092</u>	<u>(427,290)</u>
Cash flows from financing activities:		
Proceeds from long-term loans payable	14,000,000	-
Repayments of long-term loans payable in trust	(14,050,000)	-
Payment of settlement fund for prepayment of long-term loans payable in trust	(562,000)	-
Payments for investment corporation bond issuance costs	(3,305)	-
Payments for investment unit issuance expenses	(20,124)	-
Payment of distributions of retained earnings	(5,474,220)	(5,787,023)
Payment of distributions in excess of retained earnings	(1,001,976)	(996,772)
Net cash provided by financing activities	<u>(7,111,626)</u>	<u>(6,783,795)</u>
Net increase (decrease) in cash and cash equivalents	<u>4,026,072</u>	<u>1,597,856</u>
Cash and cash equivalents at the beginning of period	<u>17,355,217</u>	<u>21,381,289</u>
Cash and cash equivalents at the end of period <sup>(*1)</sup>	<u>*1 21,381,289</u>	<u>*1 22,979,146</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" data-bbox="571 315 1203 456"> <tr> <td>Buildings</td> <td>3-66 years</td> </tr> <tr> <td>Structures</td> <td>2-60 years</td> </tr> <tr> <td>Machinery and equipment</td> <td>17 years</td> </tr> <tr> <td>Tools, furniture and fixtures</td> <td>2-18 years</td> </tr> </table> <p>(2) Intangible assets (including trust assets) The straight-line method is used.</p>	Buildings	3-66 years	Structures	2-60 years	Machinery and equipment	17 years	Tools, furniture and fixtures	2-18 years
Buildings	3-66 years								
Structures	2-60 years								
Machinery and equipment	17 years								
Tools, furniture and fixtures	2-18 years								
<p>2. Accounting method of deferred charges</p>	<p>(1) Organization expenses All organization expenses are amortized over five years using the straight-line method.</p> <p>(2) Investment corporation bond issuance costs Investment corporation bond issuance costs are amortized over the remaining life of the bonds using the 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 are not applicable for the fiscal period ended May 31, 2015 and the fiscal period ended Nov. 30, 2015.</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) 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.</p>								

(8) Notes to Financial Statements

(Notes to Balance Sheet)

\*1. Commitment line agreement

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

	As of May 31, 2015	As of Nov. 30, 2015
Total amount of committed line of credit	8,000,000 thousand yen	8,000,000 thousand yen
Borrowings drawn down	-thousand yen	-thousand yen
Balance of unused committed line of credit	8,000,000 thousand yen	8,000,000 thousand yen

As of May 31, 2015

\*2. 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 Nov. 30, 2015

\*2. Minimum net assets as required by Article 67, Paragraph 4 of the Act on Investment Trusts and Investment Corporations:

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, 2014 to May 31, 2015	For the period from June 1, 2015 to Nov. 30, 2015
(1) Property-related revenues		
Rental revenues		
Rental revenues	12,446,758	12,390,334
Common area charges	794,667	791,434
Total	13,241,425	13,181,769
Other rental revenues		
Received utilities cost	822,623	954,600
Others	178,950	196,596
Total	1,001,574	1,151,196
Total property-related revenues	14,242,999	14,332,966
(2) Property-related expenses		
Rental expenses		
Subcontract expenses	788,501	747,337
Utilities cost	904,882	955,454
Taxes and dues	1,225,111	1,248,122
Non-life insurance premium	24,200	23,813
Repair and maintenance	96,904	148,516
Depreciation	2,926,750	2,935,990
Custodian fee	14,708	13,770
Other expenses	2,769	2,769
Total rental expenses	5,983,828	6,075,774
(3) Operating income from property leasing ( (1)-(2) )	8,259,170	8,257,192

\*2. Subsidy income in the reporting period refers to the location incentive ordinance of the City of Tosu.

\*3. Loss on prepayment of long-term loans payable in trust in the previous period refers to the offset amount, in connection with the prepayment of the long-term loans payable in trust on March 31, 2015, between (1) the unwound amount of the difference between the book value of the long-term loans payable in trust as of the date of prepayment, which is calculated based on depreciation of original book value on a straight line method, and the principal amount of the loans stated in the loan agreements, and (2) the amount of settlement money associated with the prepayment.

(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, 2014 to May 31, 2015	For the period from June 1, 2015 to Nov. 30, 2015
Number of investment units authorized	10,000,000 units	10,000,000 units
Number of investment units issued and outstanding	1,730,750 units	1,730,750 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, 2014 to May 31, 2015	For the period from June 1, 2015 to Nov. 30, 2015
Cash and deposits	18,144,925 thousand yen	19,648,024 thousand yen
Cash and deposits in trust	3,236,363 thousand yen	3,331,121 thousand yen
Cash and cash equivalents	21,381,289 thousand yen	22,979,146 thousand yen

(Notes Related to Lease Contracts)

Operating lease transactions (as lessor)

Unearned rental revenue

	As of May 31, 2015	As of Nov. 30, 2015
Due within one year	24,269,853 thousand yen	23,935,998 thousand yen
Due after one year	81,353,922 thousand yen	74,214,688 thousand yen
Total	105,623,775 thousand yen	98,150,687 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 for the purpose of reducing 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 mainly made 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.

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

(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 that are derived and estimated through reasonable assumptions. Since 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, 2015

The book value, the fair value and the difference between the values as of May 31, 2015, are as follows. Financial instruments for which fair value is 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	18,144,925	18,144,925	-
(2) Cash and deposits in trust	3,236,363	3,236,363	-
Total assets	21,381,289	21,381,289	-
(3) Current portion of long-term loans payable	23,300,000	23,302,197	2,197
(4) Investment corporation bonds payable	5,000,000	5,030,500	30,500
(5) Long-term loans payable	133,900,000	137,007,829	3,107,829
Total liabilities	162,200,000	165,340,527	3,140,527
(7) Derivative transactions	-	-	-

As of Nov. 30, 2015

The book value, the fair value and the difference between the values as of Nov. 30, 2015, are as follows. Financial instruments for which fair value is 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	19,648,024	19,648,024	-
(2) Cash and deposits in trust	3,331,121	3,331,121	-
Total assets	22,979,146	22,979,146	-
(3) Current portion of long-term loans payable	23,300,000	23,297,065	(2,937)
(4) Investment corporation bonds payable	5,000,000	5,049,100	49,100
(5) Long-term loans payable	133,900,000	136,732,905	2,832,905
Total liabilities	162,200,000	165,079,071	2,879,071
(7) Derivative transactions	-	-	-

(Note 1) Methods used to calculate fair values of financial instruments

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

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

(4) Investment corporation bonds payable

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

(6) Long-term loans payable in trust

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.

(7) Derivative transactions

Please refer to "Notes related to Derivative Transactions," below.

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

As 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.

(Units: Thousands of yen)

	As of May 31, 2015	As of Nov. 30, 2015
Tenant leasehold and security deposits	247,773	247,773
Tenant leasehold and security deposits in trust	10,393,308	10,445,198

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

As of May 31, 2015

(Units: Thousands of yen)

	Due within one year
Cash and deposits	18,144,925
Cash and deposits in trust	3,236,363

As of Nov. 30, 2015

(Units: Thousands of yen)

	Due within one year
Cash and deposits	19,648,024
Cash and deposits in trust	3,331,121

(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, 2015

(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	3,000,000
Long-term loans payable	23,300,000	-	25,300,000	6,400,000	48,300,000	53,900,000
Total	23,300,000	-	25,300,000	6,400,000	50,300,000	56,900,000

As of Nov. 30, 2015

(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	-	3,000,000
Long-term loans payable	23,300,000	2,000,000	23,300,000	31,400,000	23,300,000	53,900,000
Total	23,300,000	2,000,000	23,300,000	33,400,000	23,300,000	56,900,000

(Notes Related to Investment Securities)

For the periods ended May 31, 2015 and Nov. 30, 2015

None

(Notes Related to Derivative Transactions)

1. Derivative transactions for which hedge accounting is not applied

For the periods ended May 31, 2015 and Nov. 30, 2015

None

2. Derivative transactions for which hedge accounting is applied

The contract and notional amount as of May 31, 2015, 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	156,200,000	132,900,000	(Note)	(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) Long-term loans payable".

The contract and notional amount as of Nov. 30, 2015, 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	156,200,000	132,900,000	(Note)	(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) 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 period from Dec. 1, 2014 to May 31, 2015

None

For the period from June 1, 2015 to Nov. 30, 2015

None

## 2. Transactions and Account Balances with Affiliates

For the periods from Dec. 1, 2014 to May 31, 2015 and June 1, 2015 to Nov. 30, 2015

None

## 3. Transactions and Account Balances with Companies under Common Control

For the period from Dec. 1, 2014 to May 31, 2015

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	Chiyoda-ku, Tokyo	2,100	Real estate business	-	-	Lessee	Lease of properties in trust	11,376,993	Operating accounts receivable	250,439
										Advances received	2,283,581
								Proceeds of tenant leasehold and security deposits in trust	432,817	Tenant leasehold and security deposits in trust	10,301,444
								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	1,208,471	Accrued expenses	1,305,149

(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) Effective Jan. 1, 2015, Prologis Park Yokohama Tsurumi GK, one of the master leasing entities in NPR's real estate portfolio, merged with 26 other master leasing entities, and changed its trade name to Prologis REIT Master Lease GK on the same day.

(Note 4) With respect to 25 of the 29 properties held by NPR, NPR leases space to Prologis REIT Master Lease GK based on a pass-through type of master lease agreement, and Prologis REIT Master Lease GK subleases the space to tenants.

For the period from June 1, 2015 to Nov. 31, 2015

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	Chiyoda-ku, Tokyo	2,100	Real estate business	-	-	Lessee	Lease of properties in trust	13,719,019	Operating accounts receivable	361,217
										Advances received	2,306,443
								Proceeds of tenant leasehold and security deposits in trust	340,689	Tenant leasehold and security deposits in trust	10,313,117
								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	1,221,716	Accrued expenses	1,319,454

(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 25 of the 29 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 fiscal periods from Dec. 1, 2014 to May 31, 2015 and June 1, 2015 to Nov. 30, 2015

None

(Notes Related to Retirement Payment)

For the fiscal periods ended May 31, 2015 and Nov. 30, 2015

None

(Notes Related to Deferred Tax Accounting)

1. Primary components of deferred tax assets and liabilities

(Deferred tax assets)	(Unit: Thousands of yen)	
	As of May 31, 2015	As of Nov. 30, 2015
Enterprise tax payable	25	24
Total deferred tax assets	25	24
Net deferred tax assets	25	24

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

	(Unit: %)	
	As of May 31, 2015	As of Nov. 30, 2015
Statutory tax rate	34.16	32.31
(Adjustments)		
Deductible distributions of retained earnings	(34.15)	(32.30)
Others	0.01	0.01
Effective tax rate	0.02	0.02

(Notes Related to Asset Retirement Obligations)

For the fiscal periods from Dec. 1, 2014 to May 31, 2015 and June 1, 2015 to Nov. 30, 2015

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, 2014 to May 31, 2015	For the period from June 1, 2015 to Nov. 30, 2015
Book value			
	Balance at the beginning of the period	400,067,010	397,443,542
	Change during the period (Note 2)	(2,623,467)	(2,432,936)
	Balance at the end of the period	397,443,542	395,010,605
Fair value at the end of the period		439,740,000	448,320,000

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

(Note 2) The major factor of the decrease for the fiscal period ended May 31, 2015, is depreciation of 2,926,750 thousand yen. The major factor of the decrease for the fiscal period ended Nov. 30, 2015, is depreciation of 2,935,990 thousand yen.

(Note 3) The fair value as of the end of the reporting period is determined based on appraisal value provided by third party real estate appraisers.

(Notes Related to Segment and Related Information)

(Segment Information)

1. Overview of operating and reportable segments

Operating segments are components of NPR for which separate financial information is available and whose operating results are regularly evaluated by NPR's internal institution, which makes the highest management decision, to make decisions about how resources are allocated and assess their performances. Therefore, NPR has two reportable segments of the "global markets" and the "regional markets" (\*) based on the regions of investments.

(\*) NPR invests in real estate whose main use is logistics facilities. It makes investments by focusing on the areas in which the facilities are located and their features. NPR seeks to build a portfolio that is not concentrated in a specific region and invests in several areas of Japan that are vital to trade and logistics. By dividing Japan into its targeted global and regional markets, NPR aims to build a portfolio to minimize fluctuations in cash flow due to regional economic shifts or localized impacts from natural disasters.

As for investment strategies in the global markets, since such areas are vital for international trade and logistics, NPR aims to invest in locations surrounding the largest consumer bases that can also serve as important hubs within the domestic logistics network. The global markets are defined as the Kanto area, which refers to Tokyo, Kanagawa, Chiba, Saitama, Ibaraki, Tochigi and Gunma prefectures, and the Kansai area, which refers to Osaka, Hyogo, Kyoto, Nara, Wakayama, Shiga and Mie prefectures, respectively.

The regional markets are areas critical to Japan's domestic trade. NPR aims to invest in locations with substantial customer bases that play crucial roles in a widespread regional logistics network. The regional markets are defined as the Chubu, Tohoku and Kyushu areas which refer to Aichi, Shizuoka, Niigata, Toyama, Ishikawa, Fukui, Yamanashi, Nagano and Gifu prefectures; Aomori, Iwate, Miyagi, Akita, Yamagata and Fukushima prefectures and Fukuoka, Saga, Nagasaki, Kumamoto, Oita, Miyazaki and Kagoshima prefectures, respectively.

In addition, NPR is able to invest in areas besides the global and regional markets to the extent that such areas are adjacent to consumer areas or manufacturing areas, or if such areas are suitable and appropriate for logistics centers.

As of Nov. 30, 2015, NPR's properties classified into each segment are as follows:

Global markets: Prologis Park Ichikawa 1, Prologis Park Zama 1, Prologis Park Kawajima, Prologis Park Osaka 2, Prologis Park Maishima 3, Prologis Park Maishima 4, Prologis Park Takatsuki, Prologis Park Tokyo-Ohta, Prologis Park Zama 2, Prologis Park Funabashi 5/ Annex, Prologis Park Narita 1-A&B, Prologis Park Narita 1-C, Prologis Park Amagasaki 1, Prologis Park Amagasaki 2, Prologis Park Narashino 4, Prologis Park Tokyo-Shinkiba, Prologis Park Yokohama-Tsurumi, Prologis Park Osaka 4, Prologis Park Kawajima 2, Prologis Park Ebina, Prologis Park Kawanishi, Prologis Park Amagasaki 3 and Prologis Park Kobe

Regional markets: Prologis Park Kasugai, Prologis Park Kitanagoya, Prologis Park Tagajo, Prologis Park Tosu 2, Prologis Park Tosu 4 and Prologis Park Iwanuma 1

## 2. Basis of measurement for the amounts of income, assets, liabilities and other items for each reportable segment

The accounting policies of each reportable segment are consistent with policies disclosed in "Notes Concerning Significant Accounting Policies." Reported segment income is measured on the basis of operating income.

## 3. Information about segment results, assets, liabilities and other items

As of May 31, 2015

(Unit: Thousands of yen)

	Global markets	Regional markets	Reconciling adjustments	Amount on financial statements
Operating revenues <sup>(1)</sup>	12,686,877	1,556,121	-	14,242,999
Segment income <sup>(2)</sup>	6,697,142	721,811	(460,552)	6,958,400
Segment assets <sup>(2)</sup>	364,823,110	36,222,309	19,254,954	420,300,373
Other items				
Depreciation	2,558,644	368,106	-	2,926,750
Increase in property and equipment	259,298	43,984	-	303,282

(Note 1) Operating revenues of NPR are exclusively earned from external parties.

(Note 2) Reconciling adjustments to segment income of (460,552) thousand yen include general corporate expenses of 460,552 thousand yen that are not allocated to each reportable segment. General corporate expenses consist mainly of asset management fees, asset custody fees, administrative service fees and directors'

compensation and other. Reconciling adjustments to segment assets of 19,254,954 thousand yen include current assets of 18,335,986 thousand yen, investments and other assets of 853,946 thousand yen and deferred assets of 65,021 thousand yen.

As of Nov. 30, 2015

(Unit: Thousands of yen)

	Global markets	Regional markets	Reconciling adjustments	Amount on financial statements
Operating revenues <sup>(1)</sup>	12,746,461	1,586,504	-	14,332,966
Segment income <sup>(2)</sup>	6,697,784	719,157	(472,819)	6,944,123
Segment assets <sup>(2)</sup>	362,929,330	35,864,078	20,610,474	419,403,883
Other items				
Depreciation	2,566,901	369,089	-	2,935,990
Increase in property and equipment	491,521	11,532	-	503,053

(Note 1) Operating revenues of NPR are exclusively earned from external parties.

(Note 2) Reconciling adjustments to segment income of (472,819) thousand yen include general corporate expenses of 472,819 thousand yen that are not allocated to each reportable segment. General corporate expenses consist mainly of asset management fees, asset custody fees, administrative service fees and directors' compensation and other. Reconciling adjustments to segment assets of 20,610,474 thousand yen include current assets of 19,810,733 thousand yen, investments and other assets of 744,774 thousand yen and deferred assets of 54,966 thousand yen.

(Related Information)

For the period from Dec. 1, 2014 to May 31, 2015

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

Counterparty	Operating revenues	Related segment
Prologis REIT Master Lease GK	11,376,993	Global market, Regional market

(Note 1) Effective Jan. 1, 2015, Prologis Park Yokohama Tsurumi GK, one of the master leasing entities in NPR's real estate portfolio, merged with 26 other master leasing entities, and changed its trade name to Prologis REIT Master Lease GK on the same day.

(Note 2) With respect to 25 of the 29 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, 2015 to Nov. 30, 2015

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	13,719,019	Global market, Regional market

(Note 1) With respect to 25 of the 29 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, 2014 to May 31, 2015	For the period from June 1, 2015 to Nov. 30, 2015
Net assets per unit	139,652 yen	139,192 yen
Profit per unit	3,344 yen	3,459 yen

(Note 1) Profit or loss per unit is calculated by dividing profit 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 profit per unit is not stated as there is no dilutive equity issued and outstanding.

(Note 2) The basis for calculation of the profit per unit is as follows:

	For the period from Dec. 1, 2014 to May 31, 2015	For the period from June 1, 2015 to Nov. 30, 2015
Profit (Thousands of yen)	5,788,079	5,987,106
Amount not attributable to common unit holders (Thousands of yen)	-	-
Profit attributable to common unit holders (Thousands of yen)	5,788,079	5,987,106
Average number of investment units during the period (unit)	1,730,750	1,730,750

(Notes Related to Material Subsequent Events)

None

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

Changes in the number of investment units issued and outstanding and unit holders' equity from the date of establishment to the end of the reported fiscal period are as follows:

Date	Type of issue	Number of investment units issued and outstanding (Units)		Unit holders' equity (Note 1) (Thousands of yen)		Note
		Increase	Total	Increase	Total	
Nov. 7, 2012	Private placement for incorporation	400	400	200,000	200,000	(Note 2)
Feb. 13, 2013	Public offering	182,350	182,750	96,882,555	97,082,555	(Note 3)
June 10, 2013	Public offering	96,200	278,950	71,117,870	168,200,425	(Note 4)
Aug. 14, 2013	Surplus cash distribution (Return on capital)	-	278,950	(259,139)	167,941,285	(Note 5)
Dec. 2, 2013	Public offering	32,190	311,140	28,511,648	196,452,934	(Note 6)
Dec. 25, 2013	Secondary distribution	1,610	312,750	1,426,025	197,878,959	(Note 7)
Feb. 14, 2014	Surplus cash distribution (Return on capital)	-	312,750	(604,763)	197,274,196	(Note 8)
Mar. 1, 2014	Investment unit split	1,251,000	1,563,750	-	197,274,196	(Note 9)
Aug. 15, 2014	Surplus cash distribution (Return on capital)	-	1,563,750	(745,908)	196,528,287	(Note 10)
Sep. 16, 2014	Public offering	159,050	1,722,800	38,466,719	234,995,007	(Note 11)
Oct. 16, 2014	Secondary distribution	7,950	1,730,750	1,922,731	236,917,738	(Note 12)
Feb. 13, 2015	Surplus cash distribution (Return on capital)	-	1,730,750	(1,002,104)	235,915,634	(Note 13)
Aug. 14, 2015	Surplus cash distribution (Return on capital)	-	1,730,750	(996,912)	234,918,722	(Note 14)

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

(Note 2) NPR was incorporated through private placement at an issue price of 500,000 yen per unit.

(Note 3) New investment units were issued at a price of 550,000 yen per unit (531,300 yen after deduction of gross spread to underwriters) to raise funds for the acquisition of new properties.

(Note 4) New investment units were issued at a price of 763,420 yen per unit (739,271 yen after deduction of gross spread to underwriters) to raise funds for the acquisition of new properties.

(Note 5) Cash distributions for the fiscal period ended May 2013 in the amount of 1,418 yen per unit as return of capital. It was decided on July 12, 2013, and payment began on Aug. 14, 2013.

(Note 6) New investment units were issued at a price of 916,112 yen per unit (885,730 yen after deduction of gross spread to underwriters) to raise funds for the acquisition of new properties.

(Note 7) New investment units were issued at a price of 885,730 yen per unit through third-party allotment to raise funds for the payment of expenses associated with the issuance of new investment units and ancillary costs.

(Note 8) Cash distributions for the fiscal period ended Nov. 2013 in the amount of 2,168 yen per unit as return of capital. It was decided on Jan. 17, 2014, and payment began on Feb. 14, 2014.

(Note 9) With Mar. 1, 2014 as an effective date, NPR has implemented a 5-to-1 investment unit split.

(Note 10) Cash distributions for the fiscal period ended May 2014 in the amount of 477 yen per unit as return of capital. It was decided on July 14, 2014, and payment began on Aug. 15, 2014.

(Note 11) New investment units were issued at a price of 250,096 yen per unit (241,853 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 241,853 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 Nov. 2014 in the amount of 579 yen per unit as return of capital. It was decided on Jan. 19, 2015, and payment began on Feb. 13, 2015.

(Note 14) Cash distributions for the fiscal period ended May 2015 in the amount of 576 yen per unit as return of capital. It was decided on Jul.15, 2015 and payment began on Aug.14, 2015.

#### 4. Change of Directors

No change in directors of NPR or PLDRM during the reporting fiscal period.

#### 5. Reference Information

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

Type of asset	Region	Fourth fiscal period (As of May 31, 2015)		Fifth fiscal period (As of Nov. 30, 2015)	
		Retained amount (Millions of yen) (Note 3)	Ratio of total asset (%)	Retained amount (Millions of yen) (Note 3)	Ratio of total asset (%)
Real estate	Global markets (Note 1)				
	Kanto area	-	-	-	-
	Kansai area	4,381	1.0	4,351	1.0
	Regional markets (Note 2)				
	Chubu area	-	-	-	-
	Tohoku area	-	-	-	-
	Kyushu area	6,787	1.6	6,723	1.6
	Total	11,169	2.7	11,075	2.6
Beneficiary right in trust	Global markets (Note 1)				
	Kanto area	222,934	53.0	221,579	52.8
	Kansai area	134,304	32.0	133,614	31.9
	Regional markets (Note 2)				
	Chubu area	18,370	4.4	18,196	4.3
	Tohoku area	10,665	2.5	10,544	2.5
	Kyushu area	-	-	-	-
	Total	386,274	91.9	383,935	91.5
Total of real estate and others		397,443	94.6	395,010	94.2
Deposit and other assets		22,856	5.4	24,393	5.8
Total assets (Note 4)		420,300 (397,443)	100.0 (94.6)	419,403 (395,010)	100.0 (94.2)

(Note 1) As for the global markets, such areas are vital areas for international trade and logistics, and are locations surrounding 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) As for the regional market" such areas are critical to Japan's domestic trade and are locations which can 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) The 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 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.

(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:

1. 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	33,082	38,500	39,600	4.4	38,500	4.2	4.6	8.37
M-02	Prologis Park Zama 1	Beneficiary right in trust	27,900	26,970	30,200	30,400	4.8	30,200	4.6	5.0	6.89
M-03	Prologis Park Kawajima	Beneficiary right in trust	25,600	24,543	30,100	30,400	5.0	30,100	4.8	5.2	6.32
M-04	Prologis Park Osaka 2	Beneficiary right in trust	25,000	24,033	28,100	28,100	4.9	28,100	4.7	5.0	6.17
M-05	Prologis Park Maishima 3	Beneficiary right in trust	13,500	12,937	15,000	14,900	5.0	15,000	4.8	5.1	3.33
M-06	Prologis Park Kasugai	Beneficiary right in trust	12,500	11,961	15,500	15,600	5.4	15,500	5.2	5.5	3.09
M-07	Prologis Park Kitanagoya	Beneficiary right in trust	6,500	6,235	7,600	7,740	5.1	7,600	5.0	5.3	1.60
M-08	Prologis Park Tagajo	Beneficiary right in trust	5,370	5,101	5,550	5,590	5.6	5,550	5.4	5.8	1.33
M-09	Prologis Park Tokyo-Ohta	Beneficiary right in trust	29,500	29,182	32,000	32,700	4.3	32,000	4.1	4.5	7.28
M-10	Prologis Park Zama 2	Beneficiary right in trust	21,900	21,356	24,200	24,600	4.8	24,200	4.6	5.0	5.41
M-11	Prologis Park Funabashi 5 (Annex)	Beneficiary right in trust	9,500	10,841	12,700	12,800	4.7	12,700	4.5	4.9	2.72
			1,500								
M-12	Prologis Park Narita 1-A&B	Beneficiary right in trust	8,420	8,152	9,230	9,370	5.4	9,080	5.1	5.8	2.08
M-13	Prologis Park Narita 1-C	Beneficiary right in trust	4,810	4,658	5,170	5,220	5.4	5,110	5.1	5.8	1.19
M-14	Prologis Park Amagasaki 1	Beneficiary right in trust	17,600	17,493	19,700	20,000	4.8	19,300	4.6	5.0	4.35
M-15	Prologis Park Amagasaki 2	Beneficiary right in trust	19,200	18,759	20,900	21,200	4.8	20,600	4.6	5.0	4.74
M-16	Prologis Park Tokyo-Shinkiba	Beneficiary right in trust	13,600	13,471	14,700	14,900	4.3	14,700	4.2	4.5	3.36
M-17	Prologis Park Yokohama-Tsurumi	Beneficiary right in trust	13,800	13,501	15,000	15,100	4.8	15,000	4.6	4.9	3.41
M-18	Prologis Park Osaka 4	Beneficiary right in trust	21,000	20,465	22,900	22,700	4.9	22,900	4.7	5.0	5.18
M-19	Prologis Park Iwanuma 1	Beneficiary right in trust	5,670	5,443	6,150	6,260	5.7	6,150	5.6	5.9	1.40



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-20	Prologis Park Kawajima 2	Beneficiary right in trust	8,180	8,077	8,640	8,640	5.1	8,640	4.9	5.3	2.02
B-01	Prologis Park Maishima 4	Beneficiary right in trust	11,500	11,045	12,900	12,800	4.9	12,900	4.7	5.0	2.84
B-02	Prologis Park Takatsuki	Real estate	4,410	4,351	4,840	4,830	5.1	4,840	4.8	5.2	1.09
B-03	Prologis Park Tosu 2	Real estate	3,030	2,972	3,410	3,370	5.3	3,410	5.0	5.4	0.75
B-04	Prologis Park Tosu 4	Real estate	3,810	3,751	4,220	4,290	5.3	4,220	5.0	5.4	0.94
B-05	Prologis Park Narashino 4	Beneficiary right in trust	20,000	19,517	22,000	21,900	4.7	22,000	4.5	4.8	4.94
B-06	Prologis Park Ebina	Beneficiary right in trust	8,250	8,222	8,680	8,670	4.9	8,680	4.7	5.0	2.04
B-07	Prologis Park Kawanishi	Beneficiary right in trust	13,600	13,500	13,900	13,500	5.0	13,900	4.8	5.3	3.36
B-08	Prologis Park Amagasaki 3	Beneficiary right in trust	9,090	9,030	9,650	9,810	4.7	9,490	4.5	5.0	2.24
B-09	Prologis Park Kobe	Beneficiary right in trust	6,410	6,348	6,880	6,980	5.1	6,780	5.0	5.5	1.58
Total			405,050	395,010	448,320	451,970	-	447,150	-	-	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 are rounded down to nearest million yen.

(Note 2) "Book value" represents the value on the balance sheet after depreciation and are rounded down to nearest million yen.

(Note 3) NPR has retained Jones Lang LaSalle K.K., CBRE K.K. and Japan Real Estate Institute to appraise the value of the properties. "Appraisal value as of the end of the reporting fiscal period" represents the appraisal value as set forth on the relevant study reports by real estate appraisers as of Nov. 30, 2015.

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

2. Overview of Assets Held (property age, occupancy rate and annual rent)

Property number	Property name	Property age (years) <sup>(1)</sup>	Leasable area(m <sup>2</sup> ) <sup>(2)</sup>	Leased area(m <sup>2</sup> ) <sup>(3)</sup>	Gross number of tenants <sup>(4)</sup>	Occupancy rate (%) <sup>(5)</sup>	Annual rent (Millions of yen) <sup>(6)</sup>	Security deposit (Millions of yen) <sup>(7)</sup>	Average lease contract (years) <sup>(8)</sup>	Average remaining lease contract (years) <sup>(9)</sup>
M-01	Prologis Park Ichikawa 1	7.1	125,014.12	124,618.61	13	99.7	2,065	867	9.9	6.2
M-02	Prologis Park Zama 1	6.5	113,471.12	113,471.12	7	100.0	1,828	564	8.2	4.3
M-03	Prologis Park Kawajima	4.5	144,897.54	131,269.21	6	90.6	1,679	571	5.2	2.0
M-04	Prologis Park Osaka 2	8.6	130,565.80	130,045.19	7	99.6	1,739	580	6.8	2.1
M-05	Prologis Park Maishima 3	7.8	74,925.40	74,030.69	4	98.8	951	387	8.5	3.2
M-06	Prologis Park Kasugai	7.9	91,746.61	89,813.78	7	97.9	1,036	428	3.1	1.4
M-07	Prologis Park Kitanoagoya	6.5	42,751.60	42,751.60	3	100.0	529	165	4.3	1.5
M-08	Prologis Park Tagajo	6.7	39,098.87	39,098.87	4	100.0	424	201	4.1	1.2
M-09	Prologis Park Tokyo-Ohta	10.2	73,325.14	73,138.21	17	99.7	1,694	695	4.1	2.6
M-10	Prologis Park Zama 2	3.3	95,121.43	90,021.82	4	94.6	1,368	551	5.6	2.8
M-11	Prologis Park Funabashi 5 (Annex)	11.0	56,556.95	56,556.95	4	100.0	774	367	6.6	1.4
M-12	Prologis Park Narita 1-A&B	10.8	62,058.81	55,220.54	9	89.0	618	139	2.5	1.2
M-13	Prologis Park Narita 1-C	8.6	32,230.25	32,230.25	3	100.0	395	75	2.3	0.4
M-14	Prologis Park Amagasaki 1	10.3	91,446.75	91,446.75	1	100.0	(Note 10)	(Note 10)	15.0	10.3
M-15	Prologis Park Amagasaki 2	8.7	91,369.37	90,955.84	8	99.5	1,226	528	6.9	2.5
M-16	Prologis Park Tokyo-Shinkiba	8.5	31,022.88	30,378.82	8	97.9	839	395	5.9	2.0
M-17	Prologis Park Yokohama-Tsurumi	7.6	63,973.26	63,598.58	4	99.4	940	414	5.2	3.1
M-18	Prologis Park Osaka 4	3.6	106,135.15	103,567.63	8	97.6	1,376	552	4.6	2.1
M-19	Prologis Park Iwanuma 1	7.2	40,520.43	40,520.43	3	100.0	433	265	4.8	1.1
M-20	Prologis Park Kawajima 2	1.8	42,005.07	42,005.07	2	100.0	(Note 10)	(Note 10)	7.8	6.2
B-01	Prologis Park Maishima 4	5.3	57,234.13	57,234.13	1	100.0	(Note 10)	(Note 10)	12.0	6.8
B-02	Prologis Park Takatsuki	3.9	19,898.05	19,898.05	1	100.0	(Note 10)	(Note 10)	15.0	11.2

Property number	Property name	Property age (years) <sup>(1)</sup>	Leasable area(m <sup>2</sup> ) <sup>(2)</sup>	Leased area(m <sup>2</sup> ) <sup>(3)</sup>	Gross number of tenants <sup>(4)</sup>	Occupancy rate (%) <sup>(5)</sup>	Annual rent (Millions of yen) <sup>(6)</sup>	Security deposit (Millions of yen) <sup>(7)</sup>	Average lease contract (years) <sup>(8)</sup>	Average remaining lease contract (years) <sup>(9)</sup>
B-03	Prologis Park Tosu 2	3.4	21,778.87	21,778.87	1	100.0	(Note 10)	(Note 10)	10.0	6.7
B-04	Prologis Park Tosu 4	3.9	28,765.31	28,765.31	1	100.0	(Note 10)	(Note 10)	15.3	11.5
B-05	Prologis Park Narashino 4	2.4	91,529.07	91,529.07	1	100.0	(Note 10)	(Note 10)	10.0	7.8
B-06	Prologis Park Ebina	5.7	32,500.08	32,500.08	1	100.0	(Note 10)	(Note 10)	5.7	4.3
B-07	Prologis Park Kawanishi	2.0	75,493.23	75,493.23	1	100.0	(Note 10)	(Note 10)	10.0	8.0
B-08	Prologis Park Amagasaki 3	2.2	39,527.85	39,527.85	1	100.0	(Note 10)	(Note 10)	10.0	7.8
B-09	Prologis Park Kobe	2.0	32,511.56	32,511.56	1	100.0	(Note 10)	(Note 10)	15.2	13.3
Total		6.5	1,947,474.70	1,913,978.11	131	98.3	26,688	10,702	7.3	4.2

(Note 1) "Property age" of each property is calculated based on the date in the property registration as of Nov. 30, 2015, and rounded to the nearest first tenth. Although Prologis Park Zama 2 also has an annex, the property age is calculated based only on the main structure of the property, as the annex is relatively small. Also, a convenience store building that is jointly owned by the owners of Prologis Park 1-A&B and Prologis Park 1-C is also excluded.

(Note 2) "Leasable area" equals to the gross leasable space in each property or property in trust based on lease agreements and floor plans included in lease agreements, plus available space based on floor plans, rounded down to the nearest square meter. "Leasable area", "Leased area" and "Occupancy rate" does not include the area of the convenience store building that is jointly owned by the owners of Prologis Park Narita 1-A&B and Prologis Park Narita 1-C. The same applies hereinafter.

(Note 3) "Leased area" equals to gross floor area of leased space in each property or property in trust as of Nov. 30, 2015, based on the lease agreements and floor plans included in lease agreements.

(Note 4) "Gross number of tenants" is based on the lease agreements with tenants for warehouses, offices and stores for each property or property in trust as of Nov. 30, 2015. For properties with pass-through master lease agreements, this is the total number of end-tenants.

(Note 5) "Occupancy rate" is as of Nov. 30, 2015, calculated by dividing total leased area for each property by the total leasable area. The total occupancy rate is calculated by dividing the aggregate total leased area for the relevant properties by the aggregate total leasable area for the relevant properties. Figures are rounded to the nearest tenth.

(Note 6) "Annual rent" is based on total annual rent (including common area charges) as of Nov. 30, 2015, as indicated in the relevant lease agreements for all warehouses, offices and stores for each property or property in trust. If the relevant agreements include monthly contracted rent, anticipated annual rent is calculated in accordance with the terms provided in the agreements. Figures are rounded down to the nearest million yen.

(Note 7) "Security deposit" is calculated as the total security deposit as indicated in the relevant lease agreements for all warehouses, offices and stores for each property or property in trust as of Nov. 30, 2015, rounded down to the nearest million yen.

(Note 8) "Average lease contract" is calculated as the weighted average of length of lease contract indicated in the relevant lease agreements for all warehouses, offices and stores for each property or property in trust as of Nov. 30, 2015, by the rent and figures are rounded to the nearest tenth.

(Note 9) "Average remaining lease contract" is calculated as the weighted average of length of remaining lease contract indicated in the relevant lease agreements for all warehouses, offices and stores for each property or property in trust as of Nov. 30, 2015, by the rent and figures are rounded to the nearest tenth.

(Note 10) 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

#### (a) 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 Tokyo-Ohta (Ohta, Tokyo)	Refurbishment of interior, replacement of security facilities, etc.	From May 2016 to Oct. 2016	234	-	-
Prologis Park Ichikawa 1, other (Ichikawa, Chiba, other)	Installation of LED lighting	From Feb. 2016 to Nov. 2016	167	-	-
Prologis Park Ichikawa 1, other (Ichikawa, Chiba, other)	Countermeasure work of BCP	From Jan. 2016 to Nov. 2016	376	-	-

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

(b) 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 651 million yen in the reporting fiscal period which is a sum of capital expenditures of 503 million yen and repair and maintenance expenses of 148 million yen.

Name (Location)	Purpose	Expenditure Period	Amount spent (Millions of yen) <sup>(1)</sup>
Prologis Park Amagasaki 1 (Amagasaki, Hyogo)	Repair work of exterior walls and other facilities	From Apr. 2015 to Nov. 2015	252
Prologis Park Ichikawa 1, other (Ichikawa, Chiba, other)	Installation of LED lighting	From Jul. 2015 to Nov. 2015	70
Prologis Park Ichikawa 1, other (Ichikawa, Chiba, other)	Repair work of hazardous material storage	From Sep. 2015 to Nov. 2015	57
Others	-	-	122
Total			503

(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

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

None

(b) 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

Sixth Fiscal Period from Jun. 1, 2015 to Nov. 30, 2015

(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	1,095,447	982,868	896,184	945,640	493,565
Property revenues	943,128	903,518	828,998	862,037	457,628
Other property related revenues	152,319	79,350	67,186	83,603	35,936
(2) Total of property related expenses	526,300	385,271	408,335	424,852	256,200
Property taxes	82,786	73,854	70,576	84,171	52,132
Subcontract expenses	100,222	40,056	46,841	42,657	40,248
Utilities cost	119,798	61,130	59,391	69,841	30,347
Non-life insurance premium	1,686	1,477	1,726	1,809	1,020
Repair and maintenance	21,269	12,978	3,131	21,726	9,094
Depreciation	199,878	193,054	226,168	204,146	122,757
Custodian fee	660	500	500	500	600
Other expenses	-	2,219	-	-	-
(3) Operating income from property leasing ( = (1)-(2) )	569,147	597,597	487,849	520,788	237,364
NOI ( (3) + Depreciation)	769,025	790,651	714,017	724,934	360,121

(Units: Thousands of yen)

Property number	M-06	M-07	M-08	M-09	M-10
Property name	Prologis Park Kasugai	Prologis Park Kitagoya	Prologis Park Tagajo	Prologis Park Tokyo-Ohta	Prologis Park Zama 2
Operating days	183	183	183	183	183
(1) Property related revenues	558,924	279,453	223,858	909,621	779,654
Property revenues	513,592	264,513	208,169	818,678	703,084
Other property related revenues	45,332	14,939	15,688	90,943	76,570
(2) Total of property related expenses	258,838	137,344	114,130	306,512	317,526
Property taxes	57,965	30,423	10,015	58,524	64,290
Subcontract expenses	35,086	30,671	26,216	41,754	35,357
Utilities cost	33,258	14,377	15,336	69,022	62,989
Non-life insurance premium	1,108	474	388	1,051	1,196
Repair and maintenance	10,021	1,776	6,017	5,971	1,516
Depreciation	120,899	59,121	55,656	129,688	151,577
Custodian fee	500	500	500	500	500
Other expenses	-	-	-	-	100
(3) Operating income from property leasing ( = (1)-(2) )	300,085	142,108	109,728	603,109	462,127
NOI ( (3) + Depreciation)	420,985	201,230	165,384	732,797	613,705

(Units: Thousands of yen)

Property number	M-11	M-12	M-13	M-14	M-15
Property name	Prologis Park Funabashi 5 (include Annex)	Prologis Park Narita 1-A&B	Prologis Park Narita 1-C	Prologis Park Amagasaki 1	Prologis Park Amagasaki 2
Operating days	183	183	183	183	183
(1) Property related revenues	402,875	336,935	216,996	(Note)	707,789
Property revenues	384,081	304,237	197,910		613,160
Other property related revenues	18,794	32,697	19,086		94,628
(2) Total of property related expenses	182,165	164,839	95,819		314,244
Property taxes	32,468	23,565	16,348		58,209
Subcontract expenses	48,965	26,759	14,154		32,319
Utilities cost	13,664	24,022	16,583		82,820
Non-life insurance premium	708	705	398		1,087
Repair and maintenance	11,984	14,464	5,632		4,152
Depreciation	73,373	74,823	42,201		135,197
Custodian fee	999	500	500	499	
Other expenses	-	-	-	-	
(3) Operating income from property leasing ( = (1)-(2) )	220,710	172,095	121,177	346,140	393,523
NOI ( (3) + Depreciation)	294,084	246,919	163,378	456,224	528,720

(Note) 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	M-16	M-17	M-18	M-19	M-20
Property name	Prologis Park Tokyo-Shinkiba	Prologis Park Yokohama-Tsurumi	Prologis Park Osaka 4	Prologis Park Iwanuma 1	Prologis Park Kawajima 2
Operating days	183	183	183	183	183
(1) Property related revenues	454,868	500,781	744,776	287,747	(Note)
Property revenues	412,803	469,938	696,172	216,811	
Other property related revenues	42,064	30,843	48,603	70,936	
(2) Total of property related expenses	152,060	227,853	324,187	169,231	
Property taxes	36,816	51,887	78,251	21,184	
Subcontract expenses	20,807	32,162	38,111	16,323	
Utilities cost	34,311	33,471	37,980	60,557	
Non-life insurance premium	442	777	1,329	443	
Repair and maintenance	441	3,134	1,317	4,752	
Depreciation	58,741	105,620	166,698	65,471	
Custodian fee	500	500	500	500	
Other expenses	-	300	-	-	
(3) Operating income from property leasing ( = (1)-(2) )	302,807	272,927	420,588	118,515	172,305
NOI ( (3) + Depreciation)	361,548	378,548	587,286	183,986	238,843

(Note) 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-01	B-02	B-03	B-04	B-05
Property name	Prologis Park Maishima 4	Prologis Park Takatsuki	Prologis Park Tosu 2	Prologis Park Tosu 4	Prologis Park Narashino 4
Operating days	183	183	183	183	183
(1) Property related revenues					
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) )	229,770	97,746	62,339	74,791	388,725
NOI ( (3) + Depreciation)	324,380	129,560	94,056	111,015	532,584

(Note) 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-06	B-07	B-08	B-09
Property name	Prologis Park Ebina	Prologis Park Kawanishi	Prologis Park Amagasaki 3	Prologis Park Kobe
Operating days	183	183	183	183
(1) Property related revenues				
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) )	188,152	322,799	175,248	146,919
NOI ( (3) + Depreciation)	225,711	410,211	234,527	198,739

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