



AUG 22, 2017

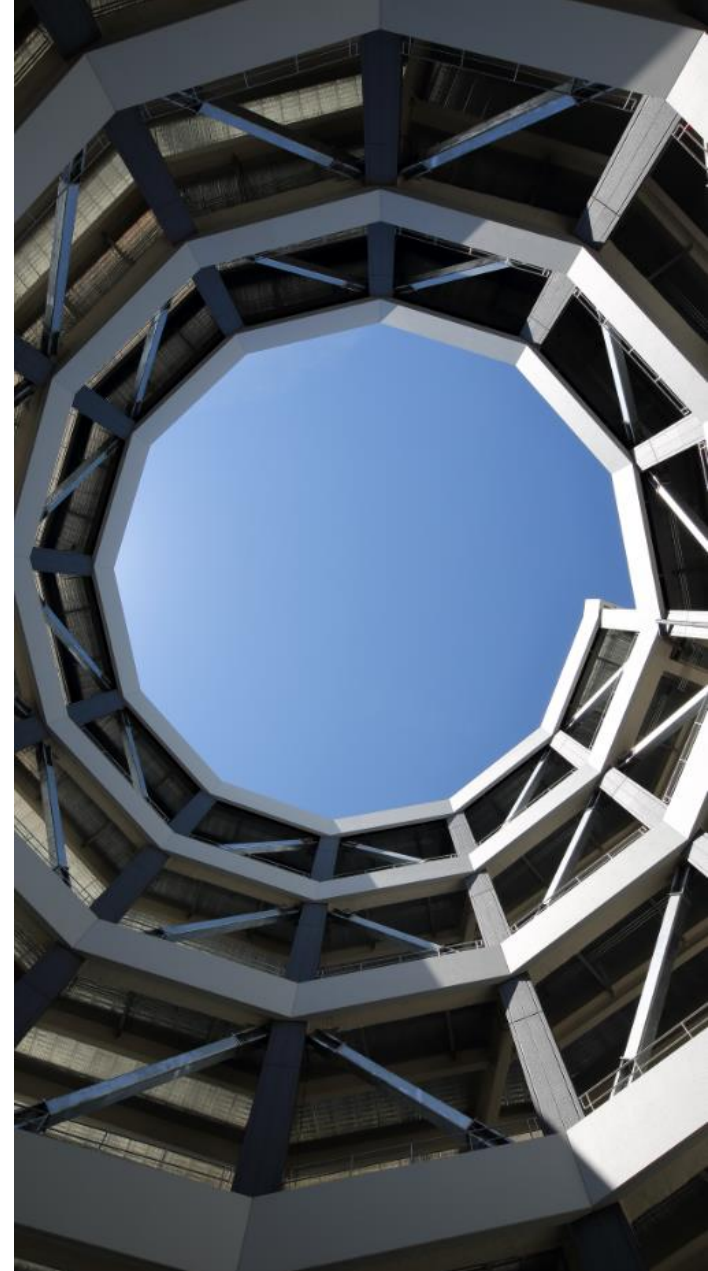
Nippon Prologis REIT, Inc.

Fiscal Period Ended May 31, 2017
Unaudited



PROLOGIS REIT MANAGEMENT K.K.

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Section I – NPR Highlights and Updates

Highlights and Updates since Previous Fiscal Period

Continued external growth through follow-on offerings in two fiscal periods in a row

- Portfolio size exceeded JPY 500 bn
- Since IPO, stabilized DPU and NAV per unit significantly grew

Conducted strategic disposition of assets

- Sold Prologis Park Maishima 4 and Prologis Park Tagajo
- Completed JPY 110.5 bn loan refinancing, utilizing capital gains from disposition

Further strengthened the stability of best-in-class portfolio and balance sheet

- Portfolio mix and tenant mix are now highly diversified
- Balance sheet with conservative leverage and long / diversified debt duration

Maintained high occupancy and continued rent growth

- Average occupancy of 97.5% and +0.5% weighted average rent growth
- Continued rent growth for nine consecutive periods

Maintaining robust acquisition pipeline from sponsor

- Pipeline now consists of 14 assets worth JPY 170 - 180 bn



Completed Successful Follow-on Offering

Total Acquisition Price	Average Property Age	Average Appraisal NOI Yield ⁽²⁾	Occupancy Rate	WALE ⁽³⁾
JPY 55.8 bn	0.8 years	4.5%	97.1%	8.5 years



Prologis Park Ibaraki

Acquisition Price	JPY38,300 mn	Location	Ibaraki, Osaka
Year Built	Sep. 2016	Occupancy Rate	95.6%
GFA	160,746 sqm	Appraisal NOI Yield ⁽²⁾	4.5%



Prologis Park Narashino 5

Acquisition Price	JPY13,600 mn	Location	Narashino, Chiba
Year Built	Mar. 2016	Occupancy Rate	100.0%
GFA	58,975 sqm	Appraisal NOI Yield ⁽²⁾	4.5%



Prologis Park Koga 2

Acquisition Price	JPY3,930 mn	Location	Koga, Ibaraki
Year Built	Apr. 2017	Occupancy Rate	100.0%
GFA	19,711 sqm	Appraisal NOI Yield ⁽²⁾	5.0%

1. Data at the time of acquisition.
2. Average appraisal NOI yield is a weighted average based on acquisition prices.
3. WALE stands for Weighted Average Lease Expiry. Calculated based on anticipated annual rent.

Most Advanced Use of High Quality Logistics Space



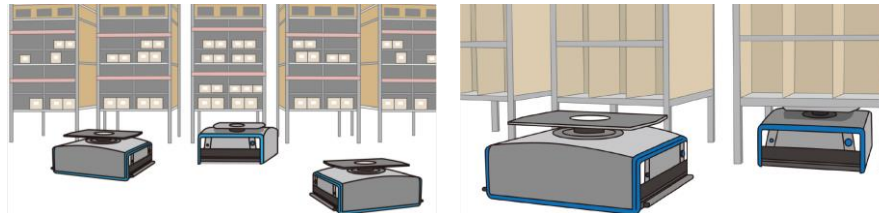
State-of-the-art facility of Prologis to provide tenants with a better workplace to meet their growing e-commerce needs

- Ample space, as well as safe and comfortable facility, enables tenants to introduce efficient equipment

Unmanned conveyer to be introduced

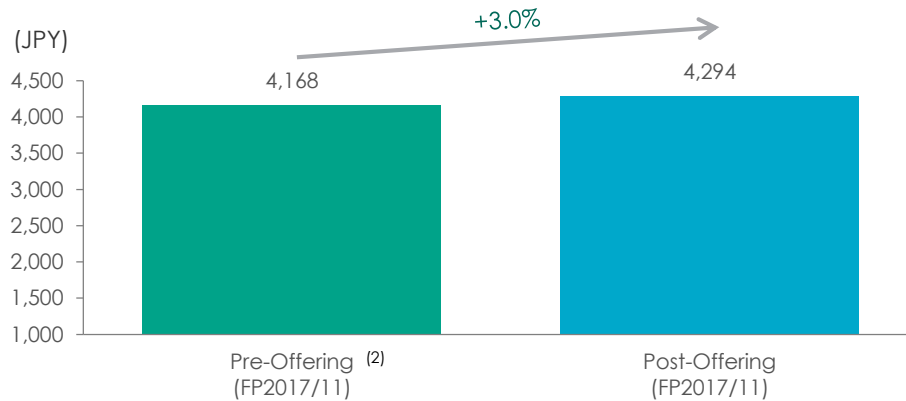
- Convey goods in trackless space
- Handle goods in any size and any shape
- Automatically improve efficiency by AI

Robot used by



Increased Unit Holder Value and Liquidity

DPU (Stabilized) ⁽¹⁾



Accretion from the Offering

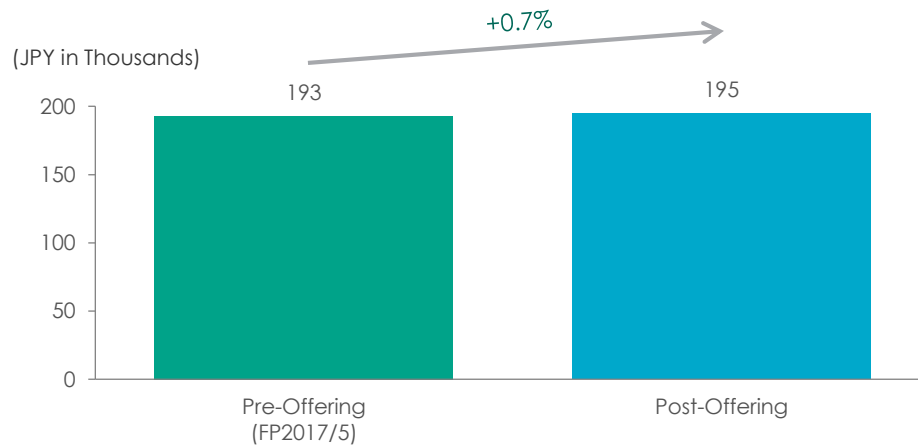
Stabilized DPU Accretion (FP2017/11)

3.0%

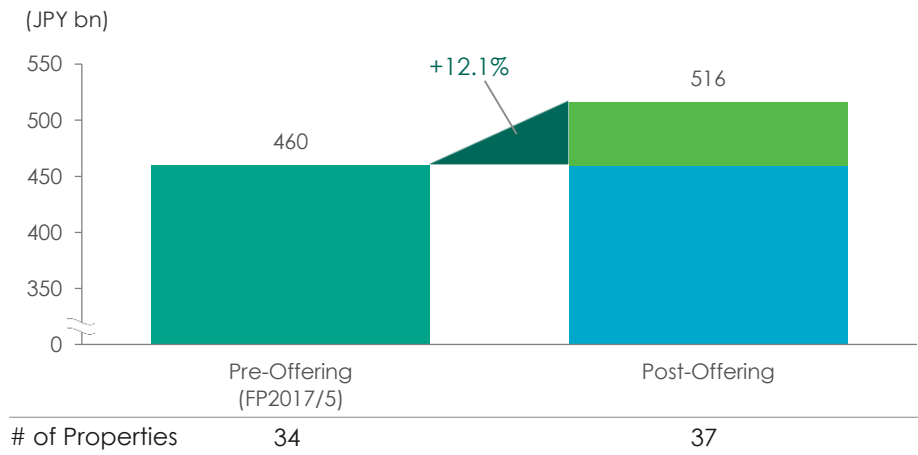
Appraisal NAV per Unit Accretion

0.7%

Appraisal NAV per Unit ⁽²⁾



Asset Size

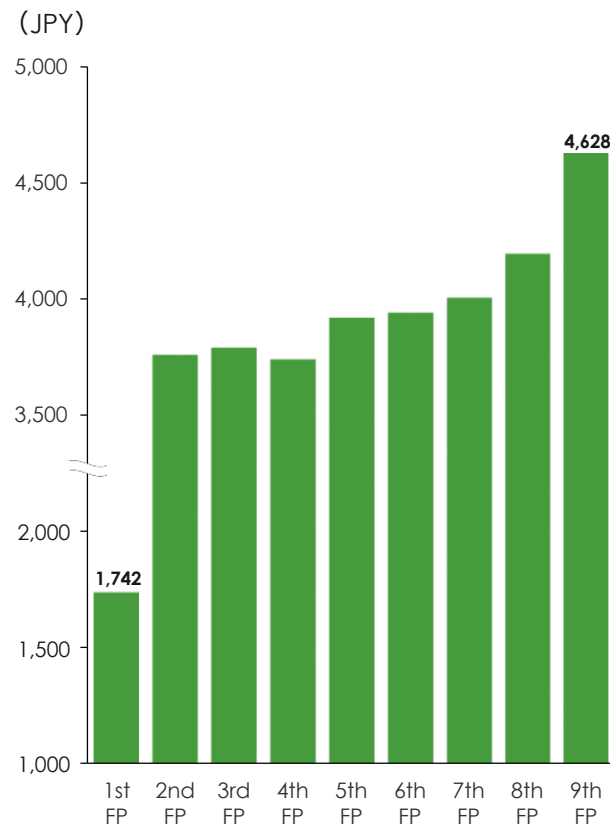


# of Properties	34	37
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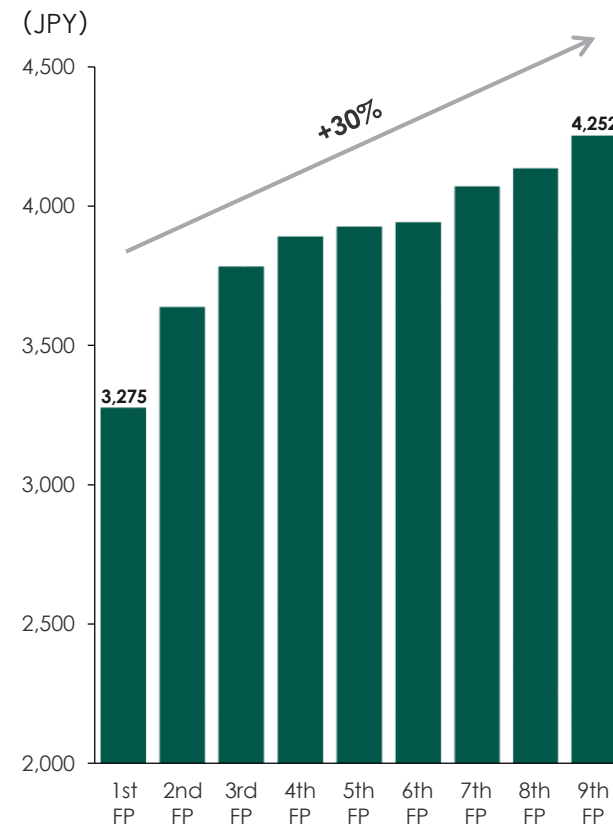
1. Stabilized DPU accretion is calculated by comparing estimated stabilized DPU as of FP2017/11 (post-acquisition and post-offering) with stabilized DPU as of FP2017/11 (pre-acquisition and pre-offering).
2. Appraisal NAV per unit accretion is calculated by comparing "Post-offering" appraisal NAV per unit with appraisal NAV per unit as of May 31, 2017.

Enhanced Unit Holder Value

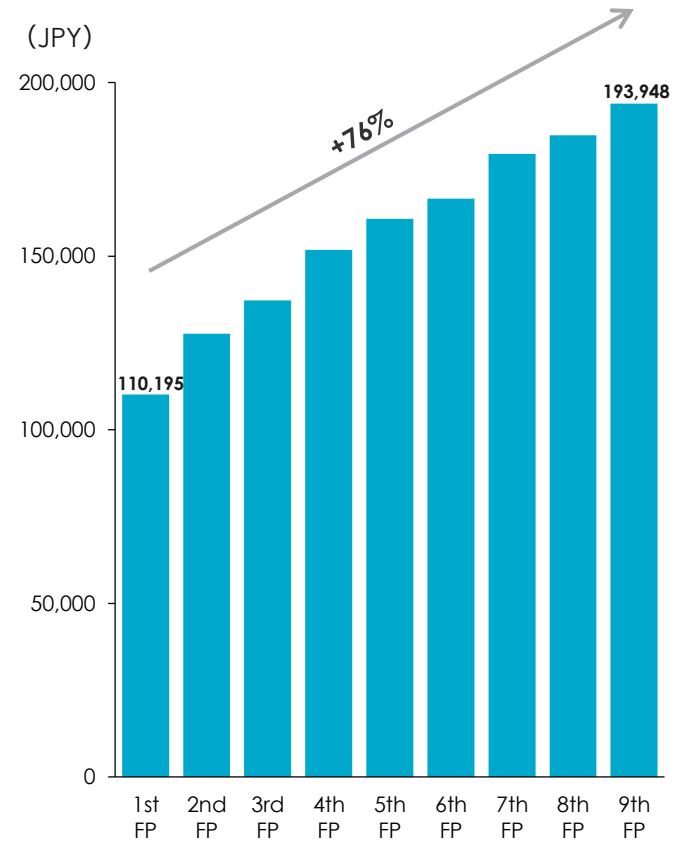
DPU (actual)⁽¹⁾



DPU (stabilized)⁽¹⁾⁽²⁾



NAV per Unit⁽¹⁾⁽³⁾



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

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

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

Strategic Disposition of Assets

Disposition of Prologis Park Maishima 4 and Prologis Park Tagajo

Disposed of Prologis Park Maishima 4 and Prologis Park Tagajo with the goal of achieving a strategic portfolio composition

- Aim to rebalance the portfolio and further enhance portfolio competitiveness
- Maximize value at disposition by taking advantage of the scarcity of Class-A logistics facilities

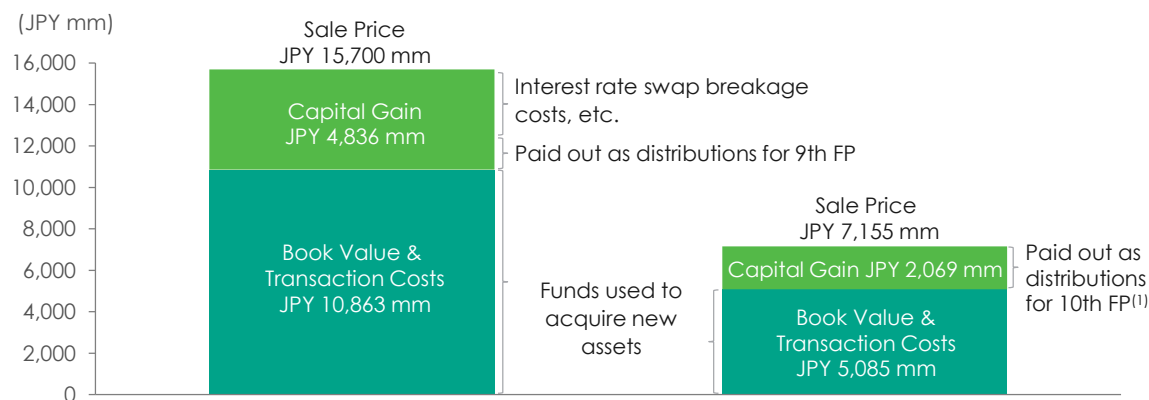
Refinanced debt using capital gains in order to reduce future borrowing costs and to maximize the average remaining debt duration

- Utilization of some capital gains for interest rate swap breakage costs to achieve refinancing of JPY 110.5 bn of loan at a lower rate than previously possible
- Extension of remaining debt duration achieved through refinancing

Disposed Assets



Realized Capital Gains



	Prologis Park Maishima 4	Prologis Park Tagajo
Disposition Date	April 17, 2017 (9th FP)	June 26, 2017 (10th FP)
Disposition Value	JPY 15,700 mm	JPY 7,155 mm
Book Value & Transaction Costs	JPY 10,863 mm	JPY 5,085 mm
Capital Gain	JPY 4,836 mm	JPY 2,069 mm
Appraisal Value ⁽²⁾	JPY 13,400 mm	JPY 5,710 mm

1. Expecting non-operating costs. Does not guarantee that all of it will be paid out as distributions.

2. As of Nov. 30, 2016.

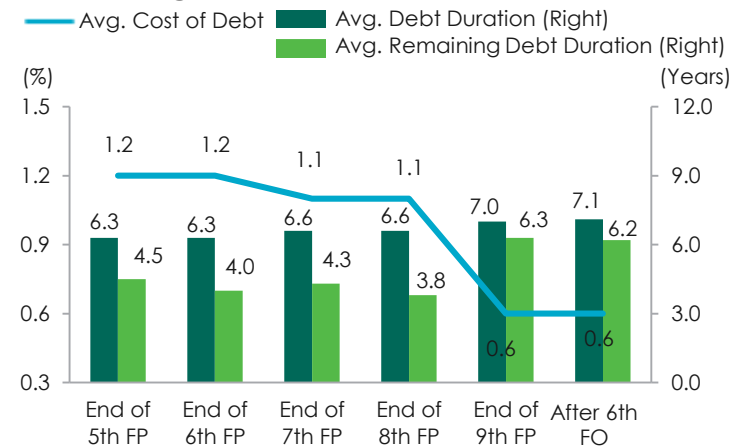
Debt Maturity Schedule after Refinancing

Summary of Debt Refinancing

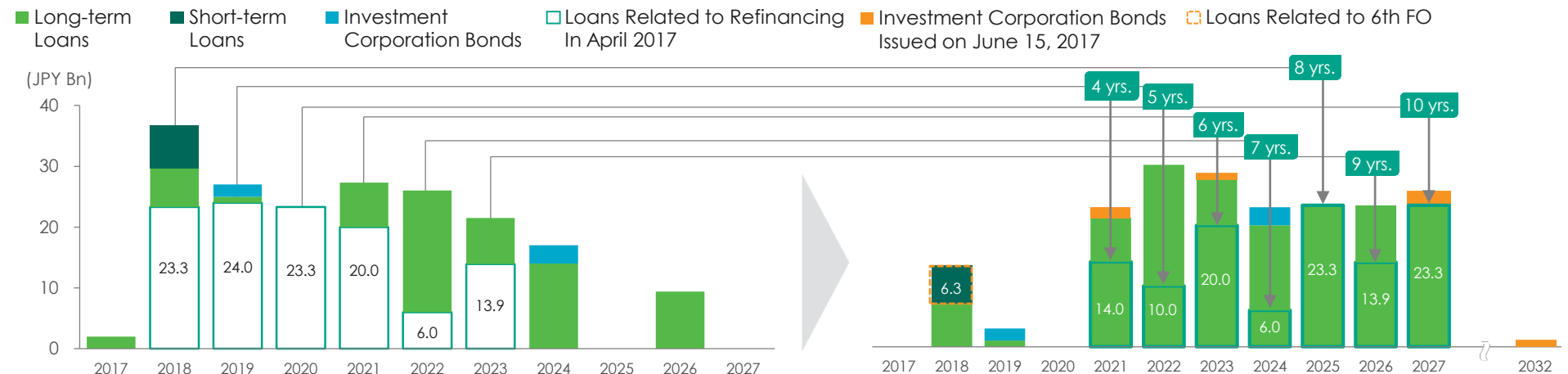
- JPY 110.5 bn bank loans were refinanced through allocation of part of capital gain for interest rate swap breakage costs
- Interest rates were fixed through interest swap agreements
→ Achieved an extension of average remaining debt duration and reduction of average cost of debt

	Avg. Remaining Debt Duration	Avg. Cost of Debt		Avg. Remaining Debt Duration ⁽¹⁾	Avg. Cost of Debt ⁽¹⁾
Refinanced Loans	3.0 years	1.4%	➔	7.4 years (+4.4 years)	0.6% (▲0.7%)
NPR's Entire Borrowings	3.9 years	1.0%		6.4 years (+2.5 years)	0.6% (▲0.4%)

Average Cost of Debt⁽²⁾ and Average Remaining Debt Duration



Well Laddered Debt Repayment Schedule



1. As of Apr. 28, 2017.

2. "Average Cost of Debt" calculated as interest rate on interest-bearing debt fixed by interest swap agreement.



Section II – Strategies and Future Growth

NPR's Investment Highlights

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



Focus on High-Quality Class-A Logistics Facilities

Portfolio Size (acquisition price)

JPY 516.7 bn

Average NOI Yield




































5.3%⁽³⁾ / 5.4%⁽⁴⁾

Average Age

6.5 years

Portfolio PML

1.2%

IPO Properties		Acquired in 1st FO		Acquired in 2nd FO	Acquired in 3rd FO	Acquired in 4th FO	Acquired in 5th FO		
 M-01 Prologis Park Ichikawa 1 JPY 33,900 mm	 M-02 Prologis Park Zama 1 JPY 27,900 mm	 M-09 Prologis Park Tokyo-Ohta JPY 29,500 mm	 M-10 Prologis Park Zama 2 JPY 21,900 mm	 M-16 Prologis Park Tokyo-Shinkiba JPY 13,600 mm	 M-20 Prologis Park Kawajima 2 JPY 8,180 mm	 M-21 Prologis Park Kitamoto JPY 12,600mm	 M-24 Prologis Park Narita 3 JPY 9,240mm	 B-11 Prologis Park Koga 1 JPY 7,680mm	
 M-03 Prologis Park Kawajima JPY 25,600 mm	 M-04 Prologis Park Osaka 2 JPY 25,000 mm	 M-11 Prologis Park Funabashi 5 JPY 11,000 mm	 M-12 Prologis Park Narita 1-A&B JPY 8,420 mm	 M-17 Prologis Park Yokohama-Tsurumi JPY 13,800 mm	 B-06 Prologis Park Ebina JPY 8,250 mm	 M-22 Prologis Park Joso JPY 7,120mm	 B-12 Prologis Park Kobe 2 JPY 13,700mm		
 M-05 Prologis Park Maishima 3 JPY 13,500 mm	 M-06 Prologis Park Kasugai JPY 12,500 mm	 M-13 Prologis Park Narita 1-C JPY 4,810 mm	 M-14 Prologis Park Amagasaki 1 JPY 17,600 mm	 M-18 Prologis Park Osaka 4 JPY 21,000 mm	 B-07 Prologis Park Kawanishi JPY 13,600 mm	 M-23 Prologis Park Osaka 5 JPY 17,600mm	 M-26 Prologis Park Ibaraki JPY 38,300mm		
 M-07 Prologis Park Kitanagoya JPY 6,500 mm	 B-02 Prologis Park Takatsuki JPY 4,410 mm	 M-15 Prologis Park Amagasaki 2 JPY 19,200 mm	 B-05 Prologis Park Narashino 4 JPY 20,000 mm	 M-19 Prologis Park Iwanuma 1 JPY 5,670 mm	 B-08 Prologis Park Amagasaki 3 JPY 9,090 mm	 B-10 Prologis Park Sendai Izumi JPY 4,820mm	 B-13 Prologis Park Koga2 JPY 3,930mm		
 B-03 Prologis Park Tosu 2 JPY 3,030 mm	 B-04 Prologis Park Tosu 4 JPY 3,810 mm								
Acquired in 6th FO									

1. As of Aug. 1, 2017.

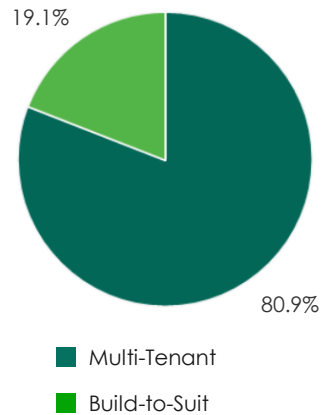
2. Values associated with properties are the original acquisition prices.

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

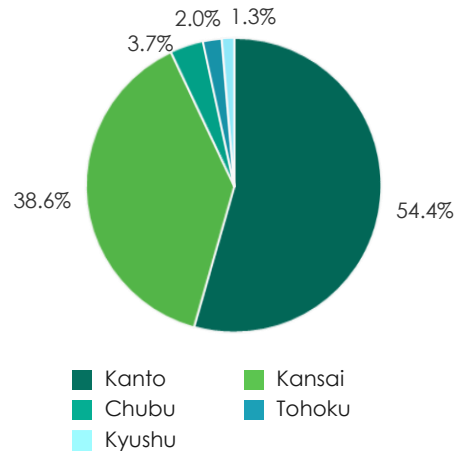
4. Adjusted forecasted NOI for 11th FP divided by total acquisition price (weighted average).

Best-in-Class Portfolio Focused Strategy

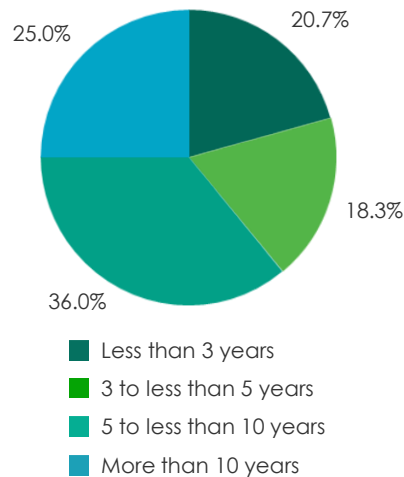
Property Type



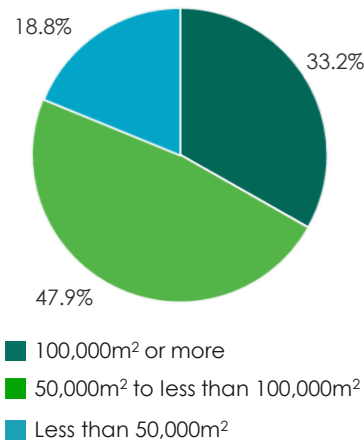
Area



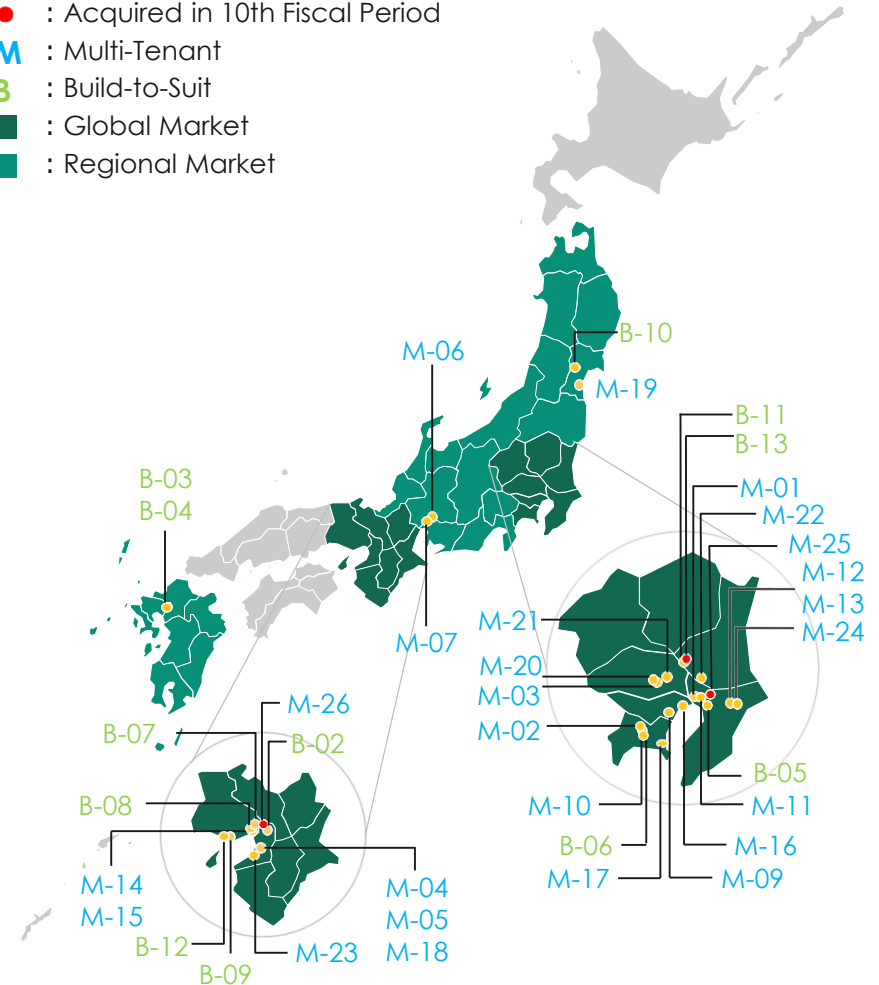
Property Age



Leasable Area



- : Properties as of May 31, 2017 (Excluding Prologis Park Tagajo)
- : Acquired in 10th Fiscal Period
- M : Multi-Tenant
- B : Build-to-Suit
- : Global Market
- : Regional Market



Strong Sponsor Pipeline Fuels External Growth

	Status	Region / Area	Property Name	(Expected) Year Built	Property Type	(Expected) GFA (sqm)
Exclusive Negotiation Rights Granted by the Prologis Group	Completed	Kanto	Prologis Park Narita 1-D	Jan. 2015	Multi-Tenant	28,192
			Prologis Park Yoshimi	Dec. 2015	Multi-Tenant	102,593
			Prologis Park Chiba New Town	May 2016	Multi-Tenant	109,981
	Under Development	Kanto	Prologis Park Ichikawa 3	Dec. 2017	Multi-Tenant	64,406
			Prologis Park Higashimatsuyama	Feb. 2018	Multi-Tenant	71,347
Planned Assets ⁽²⁾	Under Development	Kanto	Prologis Park Koga 3	Jul. 2018	BTS	31,255
			Prologis Park Tsukuba 1	Aug. 2018	BTS	70,000
			Prologis Park MFLP Kawagoe*	Oct. 2018	Multi-Tenant	130,000
		Kansai	Prologis Park Kyotanabe	Oct. 2018	Multi-Tenant	161,356
		Tohoku	Prologis Park Sendai Izumi 2*	Sep. 2018	BTS	38,000
	Future Development	Kanto	Prologis Park Ebina 2	TBD	TBD	38,000
			Prologis Park Tsukuba 2*	TBD	TBD	69,000
		Kansai	Prologis Park Kobe 3	TBD	TBD	38,700
			Prologis Park Kobe 4	TBD	TBD	26,000
Future Project		Kansai	Prologis Inagawa Project*	TBD	TBD	258,000

* New Assets Added to Pipeline.

1. As of Aug. 22, 2017. We have no definite contracts to acquire the above properties. This property list should not be deemed a commitment or guarantee of our future acquisitions. The sale of the properties by the Prologis Group is subject to its internal approval.

NPR Portfolio and Pipeline Properties - Tokyo Metropolitan Area



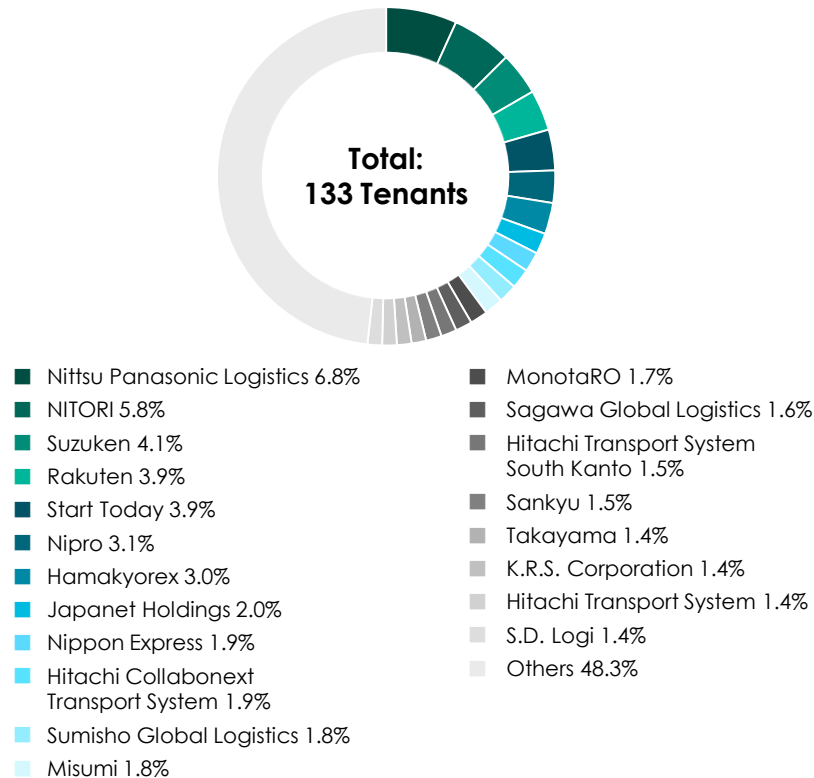
NPR Portfolio and Pipeline Properties - Osaka Metropolitan Area



Earnings Stability from Diversified Portfolio

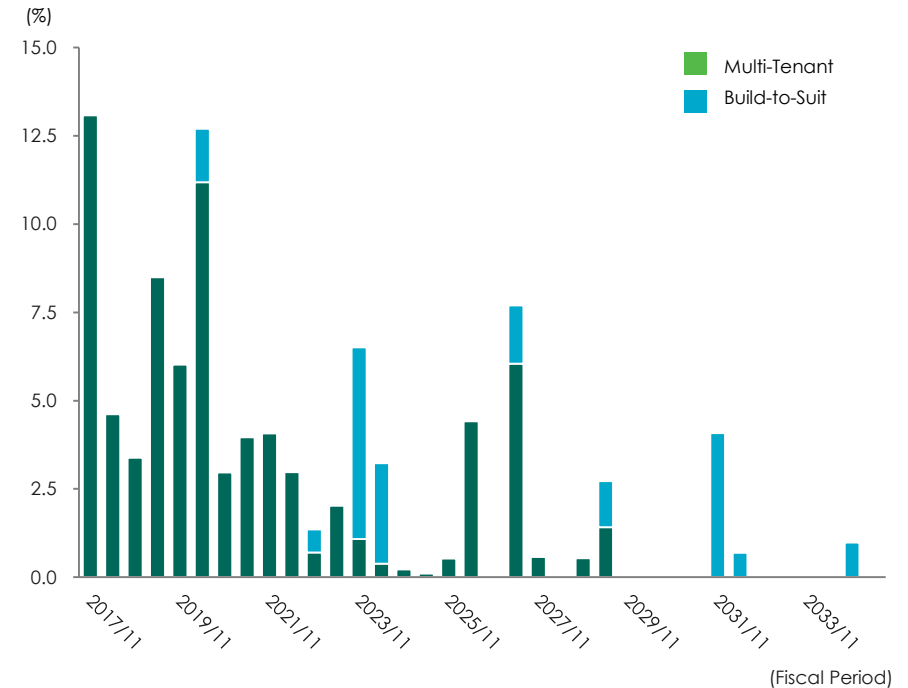
Further Tenant Diversification⁽¹⁾

Based on size of leased area



Well-Staggered Lease Expiration Schedule⁽²⁾

Based on anticipated annual rent



Number of Tenants

133 tenants

WALE⁽⁴⁾

4.6 years

Top 20 Tenants Leased Area (%)⁽³⁾

51.7%

Fixed Term Lease

100.0%

1. 3 new properties acquired on Aug. 1, 2017 are calculated based on lease agreements contracted as of May 31, 2017.

2. Includes short-term lease agreements and office space. Excludes lease agreements to which the Act on Land and Building Leases is not applicable.

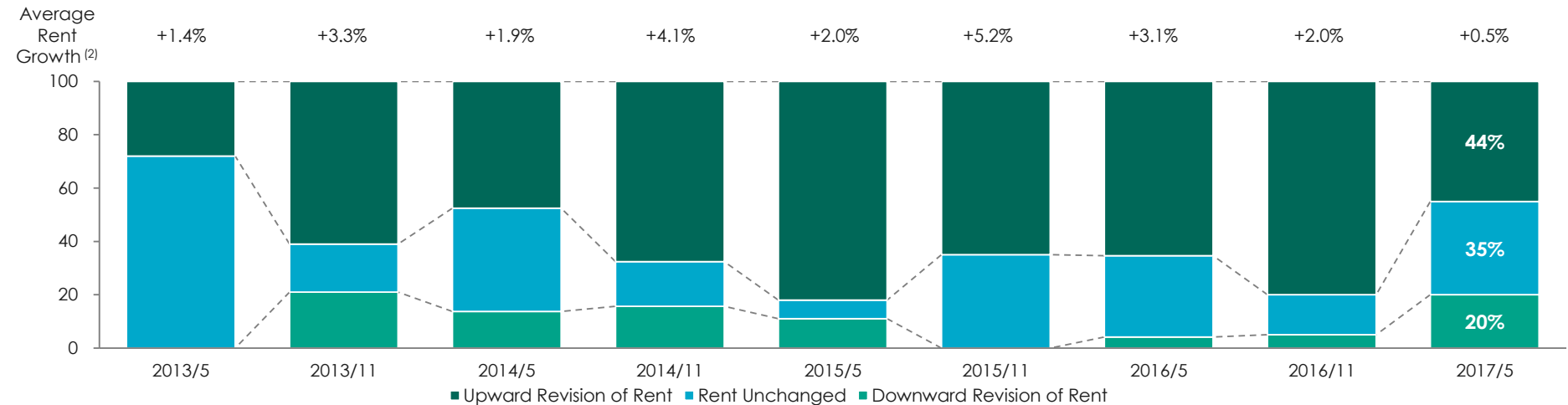
3. Calculated based on the contracted floor area.

4. WALE stands for Weighted Average Lease Expiry. Calculated based on anticipated annual rent.

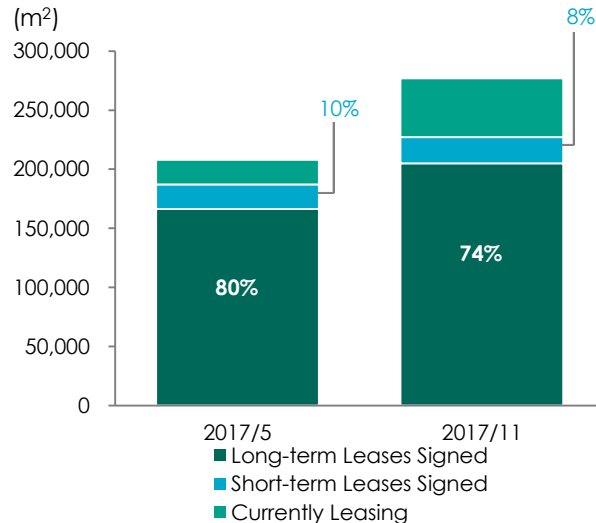
Leasing Strategy Achieves Solid Operational Performance

Average Rent Growth and Historical Rent Revision⁽¹⁾

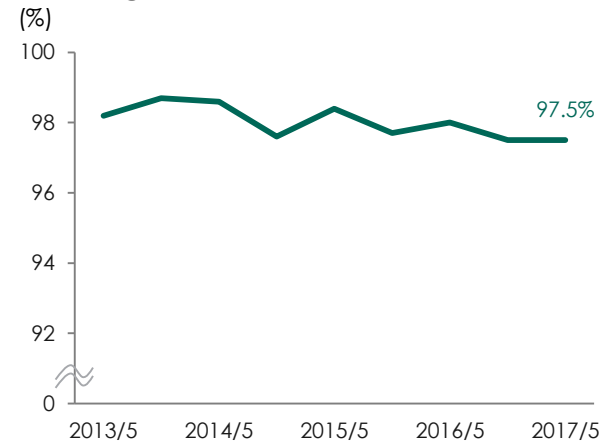
(% of GFA of Leases)



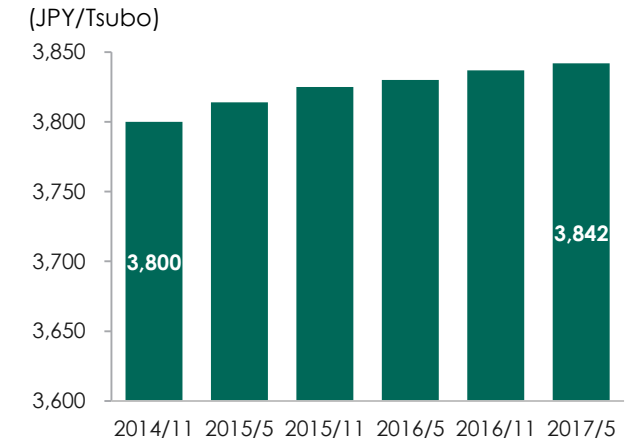
Leasing Activities (Leased Area Base)



Maintaining High Occupancy (Average)



Historical Rent per Tsubo (28 properties)⁽³⁾



1. The results of leasing activities do not include office and store space, and the percentages shown are based on the size of contracted floor area.

2. Calculated based on monthly nominal rents including common area management charges.

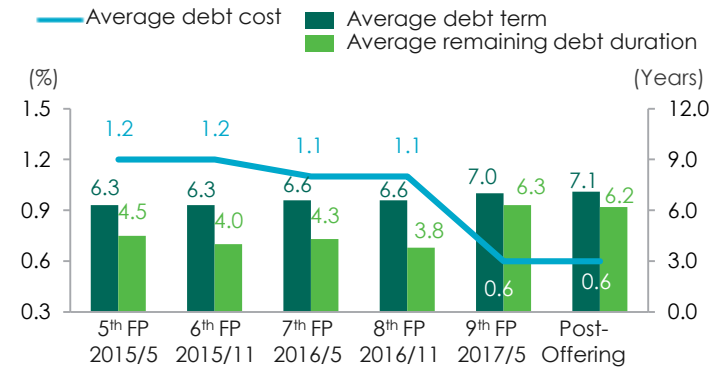
3. Calculated by dividing rental revenue by total leased area (calculated on a monthly basis). Includes 28 properties held as of the end of the 4th FP (excludes Prologis Park Maishima 4 which was disposed on Apr. 17, 2017). The 5 properties acquired during the 4th FP are included in calculation for the 4th FP.

Financial Structure Positioned for Long-Term Stability and Efficiency

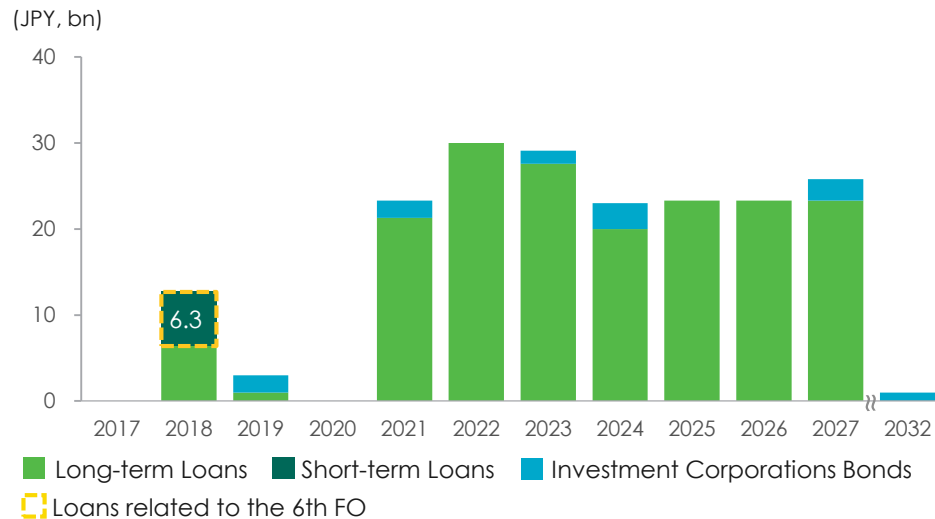
Financial Highlights

Credit Rating	LTV ⁽²⁾	Borrowing Capacity ⁽³⁾
JCR: AA (Stable)	36.9%	Approx. JPY 130 bn
Long-Term Debt Ratio	Fixed Interest Rate Ratio	Average Remaining Debt Duration ⁽⁴⁾
96.8%	96.2%	6.2 years

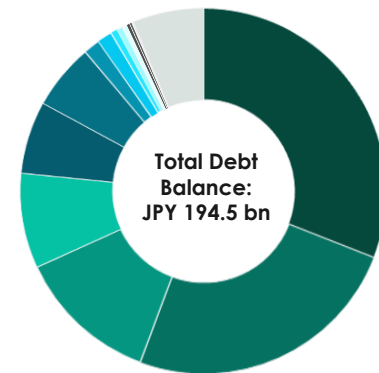
Average Cost of Debt ⁽⁵⁾, Average Debt Term and Average Remaining Debt Duration ⁽⁴⁾



Debt Maturity Schedule



Our Debt Providers



Sumitomo Mitsui Banking Corporation	30.9%
Bank of Tokyo-Mitsubishi UFJ	24.7%
Sumitomo Mitsui Trust Bank	12.5%
Mizuho Bank	8.4%
Development Bank of Japan	6.4%
Mitsubishi UFJ Trust & Banking Corporation	5.8%
Norinchukin Bank	1.5%
Resona Bank	1.3%
Aozora Bank	0.6%
Fukuoka Bank	0.5%
77 Bank	0.4%
Mizuho Trust & Banking Corporation	0.3%
Iyo Bank	0.2%
Tokio Marine & Nichido Fire Insurance	0.1%
Nippon Life Insurance	0.1%
Bonds	6.2%

1. As of Aug. 8, 2017.

2. The balance of interest bearing debt divided by total assets. Forecasted as of Jul. 31, 2017.

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

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

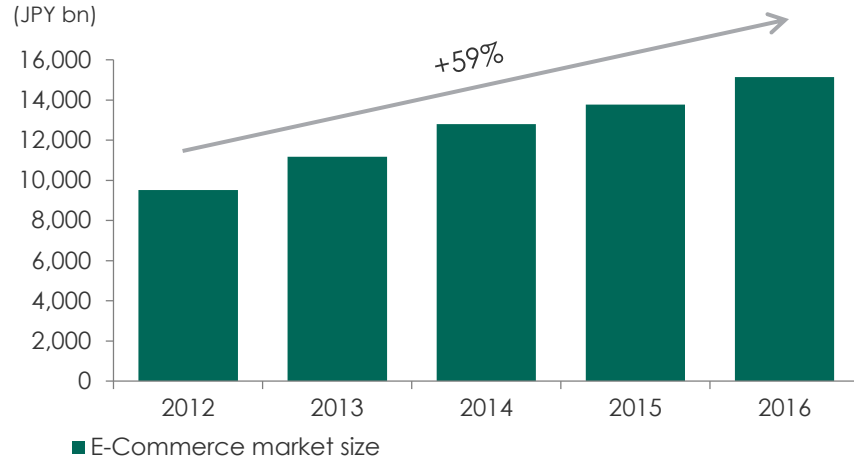
5. Includes financing-related costs paid to the financial institutions.



Section III – Japan Logistics Real Estate Market

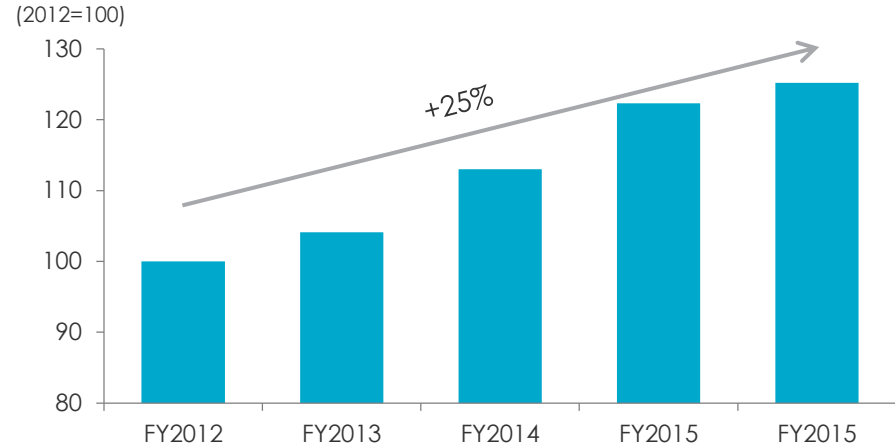
Increasing Demand for High-Quality Logistics Facilities

Growing E-Commerce Market



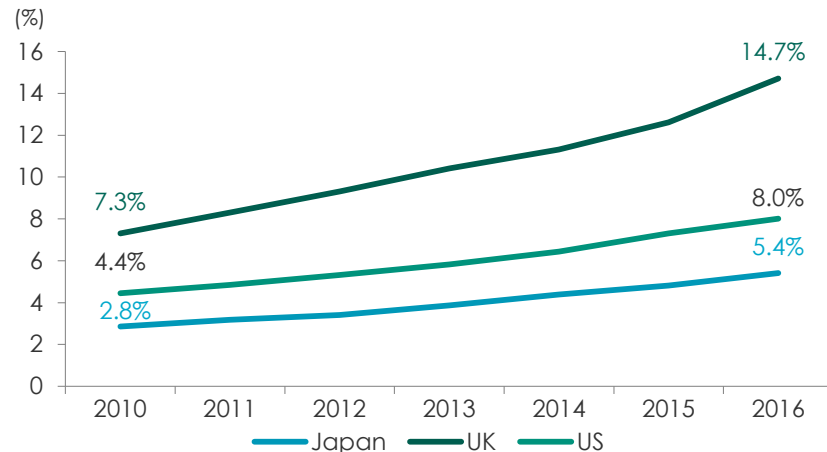
Source: METI

3PL Business Industrial Revenue Growth



Source: CBRE

E-Commerce Penetration Remains Low in Japan



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

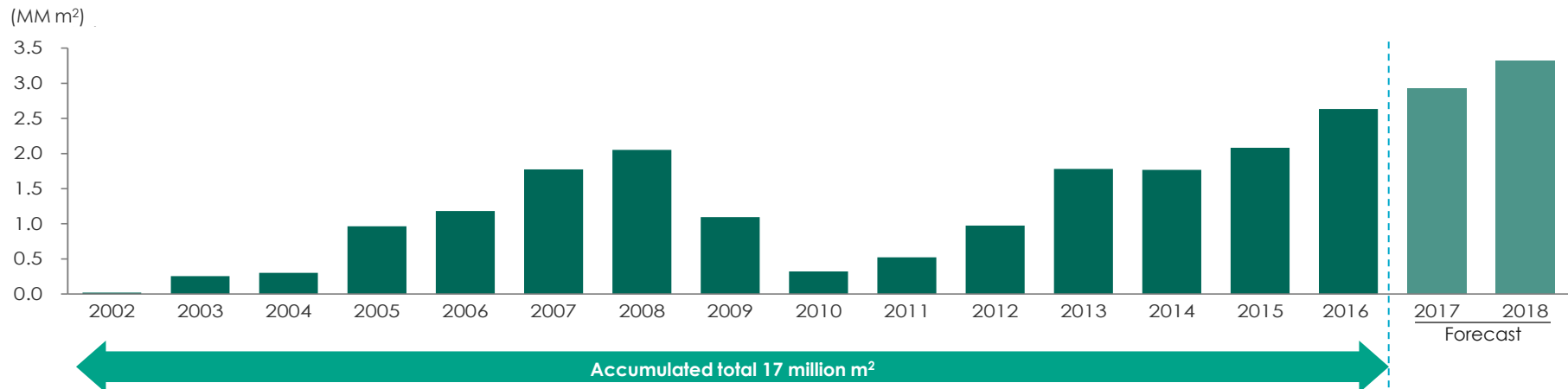
- Demand for advanced logistics facilities being driven by robust growth of e-commerce and 3PL business
- Significant growth of Japanese e-commerce to require most advanced modern logistics facilities

Stock of High-Quality Logistics Facilities Remains Scarce

Stock of Advanced Logistics Facilities



Supply of Large Logistics Facilities⁽²⁾

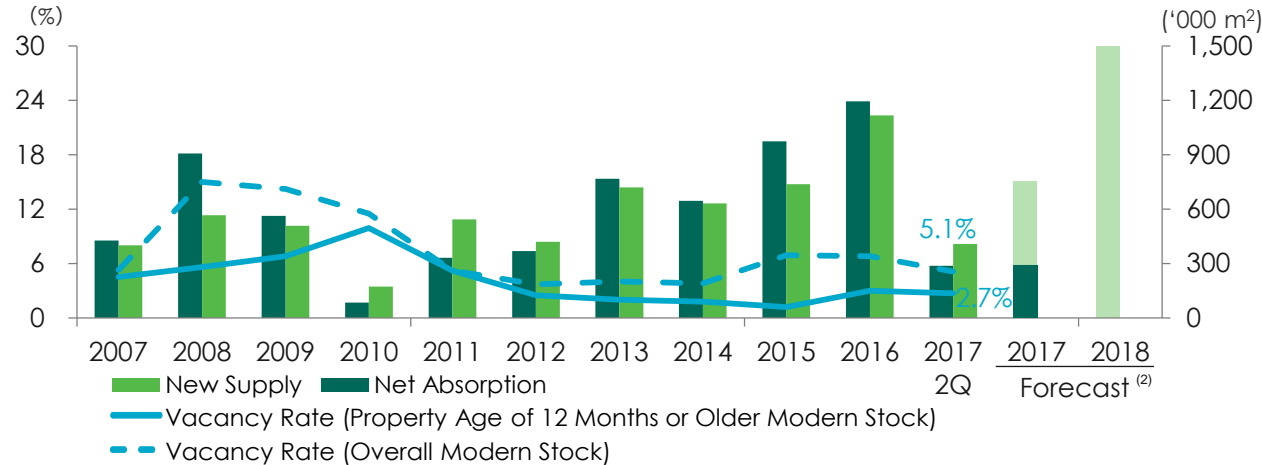


Source: CBRE

1. Based on a survey conducted by CBRE at our and the Asset Manager's request. In calculating the proportion of advanced logistics facilities, the estimated total gross floor area is based on data as of Mar. 31, 2016 and the gross floor area for advanced logistic facilities is based on data as of Dec. 31, 2016.
2. Survey data covered logistics facilities for lease held by corporations investing in real estate and real estate development companies with a gross floor area of 5,000 tsubo or more. The survey did not include logistics facilities owned by logistics companies and therefore did not cover all logistics facilities for lease having a gross floor area of 5,000 tsubo or more.

Vacancy Rates Remain below Average

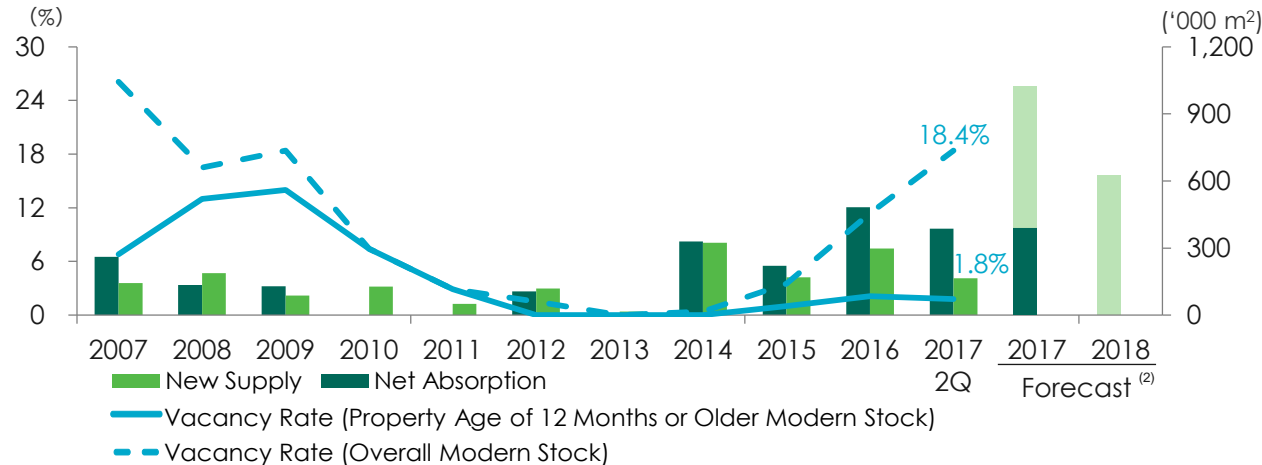
Greater Tokyo Area: New Supply, Net Absorption and Vacancy Rates⁽¹⁾



Greater Tokyo Area

- Vacancy rate as of June 30, 2017: 5.1% (2.7% for properties which are more than a year old)
- Estimated supply for 2017: approx. 750,000m²
Estimated supply for 2018: approx. 1,500,000m²

Greater Osaka Area: New Supply, Net Absorption and Vacancy Rates⁽¹⁾



Greater Osaka Area

- Vacancy rate as of June 30, 2017: 18.4% (1.8% for properties which are more than a year old)
- Estimated supply for 2017: approx. 1,000,000m²
Estimated supply for 2018: approx. 600,000m²

Source: CBRE

1. Survey data covered logistics facilities for lease held by corporations investing in real estate and real estate development companies with a gross floor area of 10,000 tsubo or more. The survey did not include logistics facilities owned by logistics companies and therefore did not cover all logistics facilities for lease having a gross floor area of 10,000 tsubo or more.
2. 2017 Q3, Q4, and 2018 figures are estimates.

Key Takeaways

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





Section IV – Financial Results for 9th Fiscal Period and Forecasts for 10th and 11th Fiscal Periods

Financial Highlights - 8th Fiscal Period to 11th Fiscal Period

	8th FP (Nov. 30, 2017)	9th FP (May 31, 2017)	10th FP (Nov. 30, 2017)	11th FP (May 31, 2018)
(JPY mm)	Actual	Actual	Forecast	Forecast
Operating Rental Revenues	15,639	16,416	17,257	17,708
Gains from Dispositions	-	4,836	2,069	-
Operating Revenue	15,639	21,253	19,326	17,708
Expenses Related to Property Rental Business	(3,123)	(3,399)	(3,674)	(3,792)
NOI	12,516	13,017	13,582	13,915
Depreciation	(3,326)	(3,588)	(3,774)	(3,924)
Other Operating Expenses	(1,477)	(1,346)	(1,601)	(1,652)
Operating Income	7,712	12,918	10,276	8,338
Non-Operating Expenses	(931)	(1,702)	(762)	(624)
Ordinary Income	6,780	11,215	9,513	7,713
Extraordinary Loss	-	(2,392)	-	-
Net Income	6,780	8,822	9,512	7,712
CAPEX	615	618	662	662
Distributions Per Unit (excl. SCD)	3,681	4,628	4,625	3,749
Distributions Per Unit (total)	514	-	-	543
Distributions Per Unit	4,195	4,628	4,625	4,292
Average Occupancy Rate	97.3%	97.5%	97.6%	97.7%
LTV	38.4%	39.0%	36.9%	37.1%
No. of Assets at Period End	33	35	37	37
Total Assets (JPY '00 mm)	4,471	4,663	5,167	5,167

One-time Items in 9th FP

- Operating revenue
Capital gains from disposition of
PP Maishima 4: JPY +4,836 mm
- Non-operating expenses
Ancillary costs of loan refinancing:
JPY (655 mm)
- Extraordinary loss
Interest rate swap breakage costs
associated with refinancing:
JPY (2,392 mm)

One-time Items in 10th FP

- Operating revenue
Expected capital gains from disposition
of PP Tagajo: JPY +2,069 mm

Financial Highlights - 9th Fiscal Period

9th Fiscal Period (May 31, 2017)				8th FP (Nov. 30, 2016)
Previous Forecast (as of Jan. 17, 2017)	Forecast (A) (as of Apr. 14, 2017)	Actual (B)	(B) - (A)	Actual

Operating Results (JPY mm)

Operating Revenues	16,563	21,230	21,253	+22	15,639
Operating Income	7,981	12,871	12,918	+46	7,712
Ordinary Income	6,886	11,177	11,215	+37	6,780
Net Income	6,885	8,484	8,822	+337	6,780

Distributions Per Unit (JPY)

Distributions Per Unit (total)	4,150	4,451	4,628	+177	4,195
Distributions per unit (excl. SCD)	3,612	4,451	4,628	+177	3,681
Surplus Cash Distributions (SCD)	538	-	-	±0	514

Other Statistics (JPY mm)

NOI	13,117	12,933	13,017	+84	12,516
LTV	39.0%	38.9%	39.0%	+0.1%	38.4%
Total Assets	487,164	489,048	487,739	(1,308)	459,990
Interest-Bearing Debt	190,200	190,200	190,200	±0	176,800
CAPEX	626	647	618	(29)	615
AFFO ⁽¹⁾	10,007	7,364	7,734	+369	9,627
AFFO Payout Ratio ⁽²⁾	79.1%	115.2%	114.1%	(1.1%)	80.3%

- Maintained high occupancy rates
- Average occupancy during the period: 97.5%
- Period-end occupancy: 97.0%

Factors of Variance in 9th FP Net Income Forecast (as of Apr. 14, 2017) vs. Actual Results

- Change in NOI: JPY +84 mm
 - Increase in rental income: JPY +10 mm
- Change in property taxes: JPY +21 mm
- Others: JPY +53 mm
- Increase in other operating expenses: JPY (36 mm)
- Reduction in cost of debt : JPY +10 mm
- Increase in non-operating costs: JPY (19 mm)
- Reduction in interest rate swap
breakage costs: JPY +299 mm

Financial Highlights - Forecasts for 10th and 11th Fiscal Periods

9th FP (May 31, 2017)	10th Fiscal Period (Nov. 30, 2017)				11th FP (May 31, 2018)
Actual (A)	Original Forecast (as of Jan. 17, 2017)	Last Forecast (as of Apr. 14, 2017)	Forecast (B)	(B) - (A)	Forecast

- Expect to maintain high occupancy rates
- Avg. occupancy for 10th FP: 97.6%
- Avg. occupancy for 11th FP: 97.7%

Operating Results (JPY mm)

Operating Revenues	21,253	16,692	18,200	19,326	(1,926)	17,708
Operating Income	12,918	7,927	9,749	10,276	(2,642)	8,338
Ordinary Income	11,215	6,907	8,797	9,513	(1,702)	7,713
Net Income	8,822	6,906	8,796	9,512	+690	7,712

Distributions Per Unit (JPY)

Distributions Per Unit (total)	4,628	4,165	4,614	4,625	(3)	4,292
Distributions per unit (excl SCD)	4,628	3,623	4,614	4,625	(3)	3,749
Surplus Cash Distributions (SCD)	-	542	-	-	±0	543

Other Statistics (JPY mm)

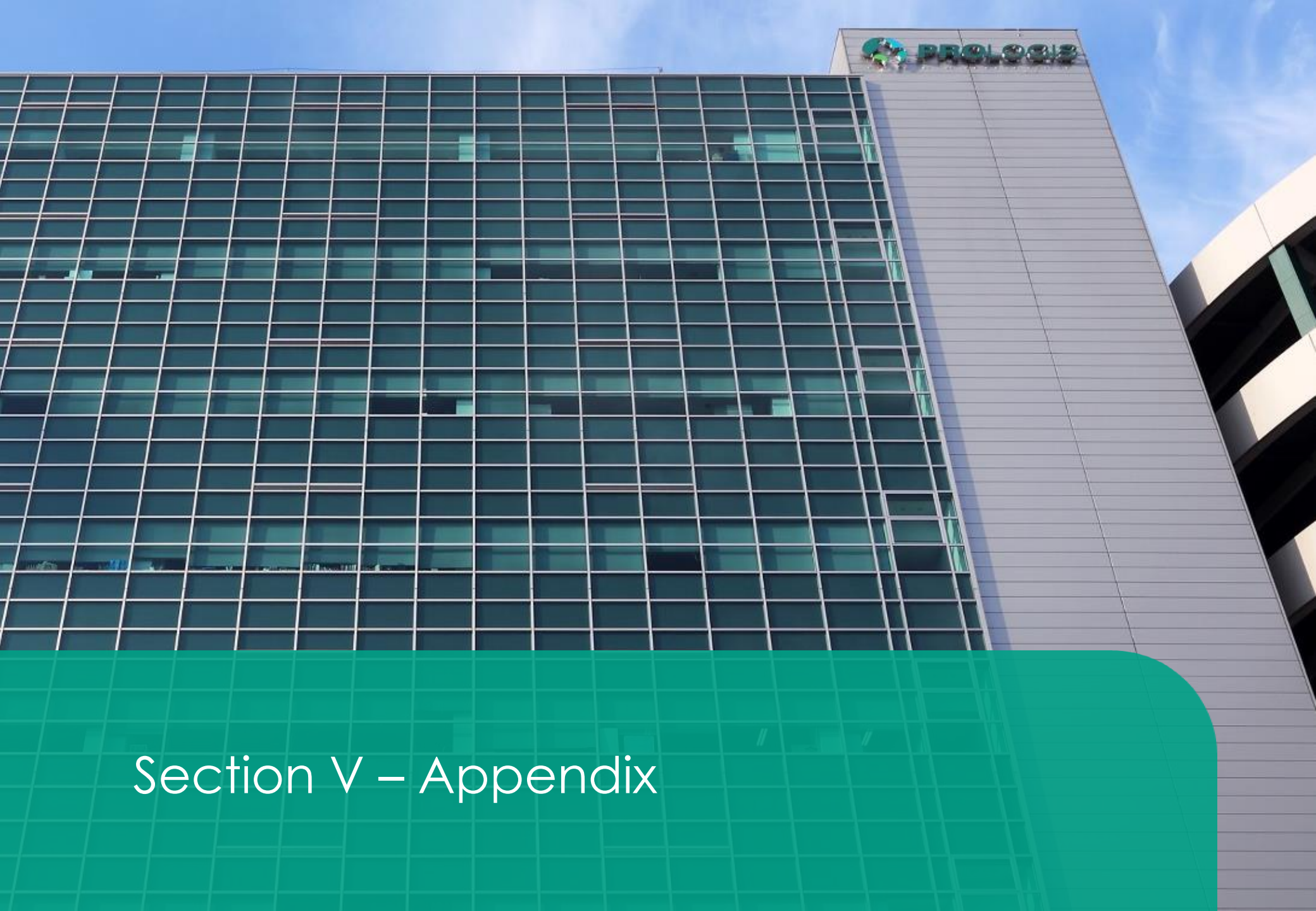
NOI	13,017	13,077	12,618	13,582	+565	13,915
LTV	39.0%	39.1%	38.9%	36.9%	(2.1%)	37.1%
Total Assets	487,739	486,160	489,055	527,050	+39,310	524,933
Interest-Bearing Debt	190,200	190,200	190,200	194,500	+4,300	194,500
CAPEX	618	641	651	662	+44	662
AFFO ⁽¹⁾	7,734	10,038	9,699	10,719	+2,985	11,138
AFFO Payout Ratio ⁽²⁾	114.1%	79.1%	90.7%	88.7%	(25.3%)	79.3%

9th FP vs. 10th FP Variance Factors of Revenues & Profit

- Revenues
 - Revenues from the 3 newly acquired assets (+)
 - Capital gain from PP Maishima 4 (9th FP) > PP Tagajo (10th FP) (-)
 - Reduction in rental revenues due to disposition of PP Maishima 4 and PP Tagajo (-)
- Expenses
 - Change in property taxes (-)
 - Effect of lower debt costs (+)
 - Absence of costs related to refinancing (+)
- Others
 - Absence of interest rate swap breakage costs (+)

10th FP vs. 11th FP Variance Factors of Revenues & Profit

- Revenues & Expenses
 - Full effect of 3 newly acquired assets (+)
 - Absence of capital gain from disposal of PP Tagajo (-)
- Expenses
 - Property tax fully expensed on the 3 newly acquired assets (-)
 - Absence of costs related to FO (+)



Section V – Appendix

9th Fiscal Period (Ended May 31, 2017) - Balance Sheet

Assets (JPY, thousands)	8th Fiscal Period	9th Fiscal Period
Current assets		
Cash and deposits	22,486,471	30,584,674
Cash and deposits in trust	3,606,415	3,549,872
Operating accounts receivable	469,750	788,887
Prepaid expenses	282,017	358,899
Deferred tax assets	11	12
Consumption taxes receivable	-	1,171,410
Other current assets	28	116
Total current assets	26,844,695	36,453,874
Fixed assets		
Property and equipment		
Buildings, net	6,859,227	6,769,376
Structures, net	178,552	169,267
Tools, furniture and fixtures, net	3,499	3,247
Land	3,834,204	3,834,204
Buildings in trust, net	236,023,112	250,169,199
Structures in trust, net	4,255,622	4,699,961
Machinery and equipment in trust, net	10,010	9,679
Tools, furniture and fixtures in trust, net	346,605	391,169
Other tangible assets in trust, net	4	0
Land in trust	180,810,277	183,343,823
Construction in progress in trust	9,416	12,723
Total property and equipment	432,330,534	449,402,653
Intangible assets		
Other intangible assets	3,913	4,964
Total intangible assets	3,913	4,964
Investments and other assets		
Long-term prepaid expenses	766,310	1,842,707
Security deposit	10,000	10,000
Other	400	400
Total investments and other assets	776,710	1,853,107
Total fixed assets	433,111,157	451,260,725
Deferred assets		
Organization expenses	14,932	6,787
Investment corporation bond issuance costs	19,961	18,057
Total deferred assets	34,893	24,845
Total assets	459,990,746	487,739,445

Liabilities (JPY, thousands)	8th Fiscal Period	9th Fiscal Period
Current liabilities		
Operating accounts payable	1,207,293	1,044,413
Short-term loans payable	7,000,000	7,000,000
Current portion of long-term loans payable	2,000,000	2,000,000
Accounts payable	367,598	463,939
Accrued expenses	1,521,492	1,369,150
Accrued consumption taxes	930,723	-
Income taxes payable	829	842
Advances received	2,670,668	2,704,557
Other current liabilities	260,708	136,894
Total current liabilities	15,959,314	14,719,799
Non-current liabilities		
Investment corporation bonds payable	5,000,000	5,000,000
Long-term loans payable	162,800,000	176,200,000
Tenant leasehold and security deposits	247,773	247,773
Tenant leasehold and security deposits in trust	11,341,892	11,984,729
Other non-current liabilities	4,012	2,558
Total non-current liabilities	179,393,678	193,435,061
Total liabilities	195,352,992	208,154,860
Net assets (JPY, thousands)		
Unit holders' equity		
Unit holders' capital		
Unit holders' capital, gross	263,424,563	277,275,843
Deduction of unit holders' capital	(5,568,369)	(6,515,132)
Unit holders' capital	257,856,193	270,760,711
Surplus		
Unappropriated retained earnings (undisposed loss)	6,781,561	8,823,872
Total surplus	6,781,561	8,823,872
Total unit holders' equity	264,637,754	279,584,584
Total net assets	264,637,754	279,584,584
Total liabilities and net assets	459,990,746	487,739,445

9th Fiscal Period (Ended May 31, 2017) - Statement of Income

JPY, thousands	8th Fiscal Period	9th Fiscal Period
Operating revenues		
Operating rental revenues	14,452,576	15,339,816
Other rental revenues	1,187,237	1,076,683
Gain on sales of real estate properties	-	4,836,630
Total operating revenues	15,639,813	21,253,130
Operating expenses		
Expenses related to property rental business	6,449,921	6,987,577
Asset management fee	1,371,547	1,231,161
Asset custody fee	39,074	39,082
Directors' compensation	4,800	4,800
Audit fee	15,000	15,000
Other operating expenses	46,849	56,770
Total operating expenses	7,927,193	8,334,391
Operating income	7,712,620	12,918,738
Non-operating income		
Interest income	93	107
Reversal of distributions payable	2,288	834
Interest on refund of consumption taxes	4,775	-
Refund of real estate taxes and other	7,153	-
Others	739	-
Total non-operating income	15,050	942
Non-operating expenses		
Interest expense on loans payable	776,859	736,614
Interest expense on investment corporation bonds	17,235	17,424
Amortization of organization expenses	8,145	8,145
Amortization of investment corporation bond issuance costs	1,912	1,903
Borrowing related expenses	142,531	819,875
Investment unit issuance expenses	-	24,950
Offering costs associated with the issuance of investment units	-	57,947
Others	18	37,011
Total non-operating expenses	946,703	1,703,872
Ordinary income	6,780,967	11,215,808
Extraordinary loss		
Interest rate swap breakage costs	-	2,392,420
Total extraordinary loss	-	2,392,420
Income before income taxes	6,780,967	8,823,387
Incomes taxes – current	843	859
Incomes taxes – deferred	(1)	(0)
Total income taxes	842	858
Net Income	6,780,125	8,822,529
Retained earnings brought forward	1,435	1,343
Unappropriated retained earnings	6,781,561	8,823,872

Portfolio Details

FP of Acquisition	No.	Property Name	Location	Acquisition Price (JPYmm)	Appraisal Value (JPYmm)	Leasable Area (m ²)	Share	Age (years)	Appraisal NOI Yield (%) ⁽²⁾	Actual NOI Yield (%) ⁽³⁾	Occupancy Rate	PML	Construction
1 st FP	M-01	Prologis Park Ichikawa 1	Ichikawa, Chiba	33,900	42,700	125,014	6.6%	8.6	5.3%	4.8%	93.5%	0.6%	Kajima Corporation
	M-02	Prologis Park Zama 1	Zama, Kanagawa	27,900	33,100	113,471	5.4%	8.0	5.3%	5.6%	98.1%	0.8%	Fujita Corporation
	M-03	Prologis Park Kawajima	Hiki, Saitama	25,600	32,500	144,897	5.0%	6.0	6.1%	6.6%	100.0%	7.5%	Shimizu Corporation
	M-04	Prologis Park Osaka 2	Osaka, Osaka	25,000	30,500	130,553	4.8%	10.1	5.7%	5.1%	91.1%	0.8%	Shimizu Corporation
	M-05	Prologis Park Maishima 3	Osaka, Osaka	13,500	15,200	74,874	2.6%	9.3	5.5%	4.1%	75.2%	8.9%	Shimizu Corporation
	M-06	Prologis Park Kasugai	Kasugai, Aichi	12,500	16,500	91,779	2.4%	9.4	6.8%	5.6%	81.5%	3.9%	Obayashi Corporation
	M-07	Prologis Park Kitagoya	Kitagoya, Aichi	6,500	8,340	42,751	1.3%	8.0	6.3%	6.5%	100.0%	7.7%	Nippon Steel Engineering
	B-02	Prologis Park Takatsuki	Takatsuki, Osaka	4,410	5,160	19,898	0.9%	5.4	5.7%	5.9%	100.0%	5.3%	Fujita Corporation
	B-03	Prologis Park Tosu 2	Tosu, Saga	3,030	3,690	21,778	0.6%	4.9	6.0%	6.2%	100.0%	0.5%	Fujita Corporation
	B-04	Prologis Park Tosu 4	Tosu, Saga	3,810	4,570	28,765	0.7%	5.4	6.1%	5.8%	100.0%	0.6%	Obayashi Corporation
	Sub-total / Average			156,150	192,260	-	30.2%	8.2	-	-	-	-	-
2 nd FP	M-09	Prologis Park Tokyo-Ohta	Ota, Tokyo	29,500	35,700	73,296	5.7%	11.7	4.9%	5.0%	99.7%	3.6%	Taisei Corporation
	M-10	Prologis Park Zama 2	Zama, Kanagawa	21,900	27,600	95,121	4.2%	4.8	5.7%	5.8%	100.0%	0.8%	Fujita Corporation
	M-11	Prologis Park Funabashi 5 Annex	Funabashi, Chiba	11,000	13,600	56,556	2.1%	12.5	5.6%	5.8%	100.0%	4.3%	Konoike Construction
	M-12	Prologis Park Narita 1-A&B	Narita, Chiba	8,420	9,840	62,058	1.6%	12.3	6.2%	6.6%	96.7%	3.9%	Shimizu Corporation
	M-13	Prologis Park Narita 1-C	Narita, Chiba	4,810	5,650	32,230	0.9%	10.1	6.2%	6.8%	100.0%	3.9%	The Zenitaka Corporation
	M-14	Prologis Park Amagasaki 1	Amagasaki, Hyogo	17,600	20,600	91,446	3.4%	11.8	5.5%	5.2%	100.0%	4.6%	Taisei Corporation
	M-15	Prologis Park Amagasaki 2	Amagasaki, Hyogo	19,200	21,800	91,399	3.7%	10.2	5.3%	5.2%	99.5%	4.4%	Taisei Corporation
	B-05	Prologis Park Narashino 4	Narashino, Chiba	20,000	24,200	91,529	3.9%	3.9	5.3%	5.4%	100.0%	1.1%	Shimizu Corporation
	Sub-total / Average			132,430	158,990	-	25.6%	9.2	-	-	-	-	-
3 rd FP	M-16	Prologis Park Tokyo-Shinkiba	Koto, Tokyo	13,600	16,500	31,022	2.6%	10.0	4.7%	5.3%	97.6%	5.9%	Obayashi Corporation
	M-17	Prologis Park Yokohama-Tsurumi	Yokohama, Kanagawa	13,800	16,900	63,973	2.7%	9.1	5.4%	5.6%	99.4%	1.1%	Toa Corporation
	M-18	Prologis Park Osaka 4	Osaka, Osaka	21,000	23,700	106,135	4.1%	5.1	5.3%	5.7%	97.5%	2.7%	Maeda Corporation
	M-19	Prologis Park Iwanuma 1	Iwanuma, Miyagi	5,670	6,900	40,520	1.1%	8.7	6.6%	6.8%	100.0%	3.2%	Nishimatsu Construction
	Sub-total / Average			54,070	64,000	-	10.5%	7.7	-	-	-	-	-
4 th FP	M-20	Prologis Park Kawajima 2	Hiki, Saitama	8,180	9,200	42,005	1.6%	3.3	5.4%	5.9%	100.0%	9.0%	Nishimatsu Construction
	B-06	Prologis Park Ebina	Ebina, Kanagawa	8,250	9,780	32,500	1.6%	7.2	5.3%	5.4%	100.0%	6.0%	Fujita Corporation
	B-07	Prologis Park Kawanishi	Kawanishi, Hyogo	13,600	14,600	75,493	2.6%	3.5	5.0%	6.1%	100.0%	3.7%	Shimizu Corporation
	B-08	Prologis Park Amagasaki 3	Amagasaki, Hyogo	9,090	10,200	39,527	1.8%	3.7	5.1%	5.2%	100.0%	4.4%	Nishimatsu Construction
	B-09	Prologis Park Kobe	Kobe, Hyogo	6,410	7,200	32,511	1.2%	3.5	5.6%	5.8%	100.0%	0.4%	Taisei Corporation
	Sub-total / Average			45,530	50,980	-	8.8%	4.2	-	-	-	-	-
7 th FP	M-21	Prologis Park Kitamoto	Kitamoto, Saitama	12,600	13,500	69,432	2.4%	3.2	5.2%	5.6%	100.0%	3.6%	Taisei Corporation
	M-22	Prologis Park Joso	Joso, Ibaraki	7,120	7,470	37,165	1.4%	2.6	5.1%	5.6%	100.0%	4.5%	Nishimatsu Construction
	M-23	Prologis Park Osaka 5	Osaka, Osaka	17,600	18,300	78,087	3.4%	2.4	4.9%	5.3%	100.0%	3.5%	Fujita Corporation
	B-10	Prologis Park Sendai Izumi	Sendai, Miyagi	4,820	5,170	26,353	0.9%	1.7	5.9%	6.0%	100.0%	1.4%	Nishimatsu Construction
	Sub-total / Average			42,140	44,440	-	8.2%	2.6	-	-	-	-	-
9 th FP	M-24	Prologis Park Narita 3	Sambu, Chiba	9,240	9,460	52,982	1.8%	9.0	5.3%	5.7%	92.2%	0.3%	Takenaka Corporation
	B-11	Prologis Park Koga 1	Koga, Ibaraki	7,680	7,970	34,158	1.5%	0.6	5.1%	5.8%	100.0%	0.3%	Fujita Corporation
	B-12	Prologis Park Kobe 2	Kobe, Hyogo	13,700	14,100	62,468	2.7%	0.6	5.1%	5.4%	100.0%	0.3%	Fujita Corporation
	Sub-total / Average			30,620	31,530	-	5.9%	3.2	-	-	-	-	-
	Overall Total / Average (34 properties)			460,940	542,200	2,211,759	89.2%	7.2	5.4%	5.5%	96.9%	-	-
New Acquisition	M-25	Prologis Park Narashino 5	Narashino, Chiba	13,600	13,600	58,159	2.6%	1.2	4.5%	-	100.0%	4.6%	Hazama Ando Corporation
	M-26	Prologis Park Ibaraki	Ibaraki, Osaka	38,300	38,300	154,182	7.4%	0.7	4.5%	-	95.6%	2.1%	Shimizu Corporation
	B-13	Prologis Park Koga 2	Koga, Tochigi	3,930	3,930	19,699	0.8%	0.1	5.0%	-	100.0%	3.5%	Fujita Corporation
	Sub-total / Average			55,830	55,830	232,041	10.8%	0.8	4.5%	-	97.1%	-	-
	Overall Total / Average (37 properties)			516,770	598,030	2,443,801	100.0%	6.5	5.3%	-	96.9%	1.2%	-

1. As of May 31, 2017. Excluding Prologis Park Tagajo which was disposed as of June 26, 2017, and including 3 new properties acquired on Aug. 1, 2017.
2. Appraisal NOI divided by total acquisition price. Average appraisal NOI yield is a weighted average based on acquisition prices.

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

Summary of Latest Appraisals

No.	Property Name	Acquisition Price (JPYmm)	9th Fiscal Period End						8th Fiscal Period End	
			Appraisal Value (JPYmm)		Direct Cap Rate		Book Value (JPYmm)	Unrealized Gain (JPYmm)	Appraisal Value (JPYmm) ⁽²⁾	Direct Cap Rate ⁽²⁾
				Change from 8th FP		Change from 8th FP				
Properties Acquired during the 1st Fiscal Period										
M-01	Prologis Park Ichikawa 1	33,900	42,700	1,700	4.1%	-0.1	32,668	10,031	41,000	4.2%
M-02	Prologis Park Zama 1	27,900	33,100	1,200	4.4%	-0.2	26,430	6,669	31,900	4.6%
M-03	Prologis Park Kawajima	25,600	32,500	800	4.7%	-0.1	23,948	8,551	31,700	4.8%
M-04	Prologis Park Osaka 2	25,000	30,500	700	4.6%	-0.1	23,586	6,913	29,800	4.7%
M-05	Prologis Park Maishima 3	13,500	15,200	0	4.7%	-0.1	12,647	2,552	15,200	4.8%
M-06	Prologis Park Kasugai	12,500	16,500	400	5.0%	-0.2	11,732	4,767	16,100	5.2%
M-07	Prologis Park Kitanagoya	6,500	8,340	380	4.7%	-0.2	6,082	2,257	7,960	4.9%
B-02	Prologis Park Takatsuki	4,410	5,160	110	4.8%	-0.1	4,255	904	5,050	4.9%
B-03	Prologis Park Tosu 2	3,030	3,690	160	4.9%	-0.2	2,877	812	3,530	5.1%
B-04	Prologis Park Tosu 4	3,810	4,570	200	4.9%	-0.2	3,642	927	4,370	5.1%
Sub-total		156,150	192,260	5,650	-	-	-	-	186,610	-
Properties Acquired during the 2nd Fiscal Period										
M-09	Prologis Park Tokyo-Ohta	29,500	35,700	800	3.9%	-0.1	29,141	6,558	34,900	4.0%
M-10	Prologis Park Zama 2	21,900	27,600	1,200	4.4%	-0.2	20,956	6,643	26,400	4.6%
M-11	Prologis Park Funabashi 5	11,000	13,600	300	4.3%	-0.1	10,683	2,916	13,300	4.4%
M-12	Prologis Park Narita 1-A&B	8,420	9,840	200	5.1%	-0.1	8,082	1,757	9,640	5.2%
M-13	Prologis Park Narita 1-C	4,810	5,650	110	5.1%	-0.1	4,538	1,111	5,540	5.2%
M-14	Prologis Park Amagasaki 1	17,600	20,600	400	4.6%	-0.1	17,168	3,431	20,200	4.7%
M-15	Prologis Park Amagasaki 2	19,200	21,800	400	4.6%	-0.1	18,426	3,373	21,400	4.7%
B-05	Prologis Park Narashino 4	20,000	24,200	1,200	4.3%	-0.2	19,086	5,113	23,000	4.5%
Sub-total		132,430	158,990	4,610	-	-	-	-	154,380	-
Properties Acquired during the 3rd Fiscal Period										
M-16	Prologis Park Tokyo-Shinkiba	13,600	16,500	900	3.9%	-0.1	13,323	3,176	15,600	4.0%
M-17	Prologis Park Yokohama-Tsurumi	13,800	16,900	900	4.3%	-0.2	13,222	3,677	16,000	4.5%
M-18	Prologis Park Osaka 4	21,000	23,700	200	4.6%	-0.1	20,014	3,685	23,500	4.7%
M-19	Prologis Park Iwanuma 1	5,670	6,900	410	5.3%	-0.2	5,254	1,645	6,490	5.5%
Sub-total		54,070	64,000	2,410	-	-	-	-	61,590	-
Properties Acquired during the 4th Fiscal Period										
M-20	Prologis Park Kawajima 2	8,180	9,200	230	4.8%	-0.1	7,881	1,318	8,970	4.9%
B-06	Prologis Park Ebina	8,250	9,780	640	4.4%	-0.3	8,111	1,668	9,140	4.7%
B-07	Prologis Park Kawanishi	13,600	14,600	100	4.7%	-0.1	13,237	1,362	14,500	4.8%
B-08	Prologis Park Amagasaki 3	9,090	10,200	290	4.5%	-0.1	8,854	1,345	9,910	4.6%
B-09	Prologis Park Kobe	6,410	7,200	150	4.9%	-0.1	6,195	1,004	7,050	5.0%
Sub-total		45,530	50,980	1,410	-	-	-	-	49,570	-
Properties Acquired during the 7th Fiscal Period										
M-21	Prologis Park Kitamoto	12,600	13,500	200	4.8%	-0.1	12,495	1,004	13,300	4.9%
M-22	Prologis Park Josu	7,120	7,470	220	4.8%	-0.1	7,032	437	7,250	4.9%
M-23	Prologis Park Osaka 5	17,600	18,300	200	4.6%	-0.1	17,540	759	18,100	4.7%
B-10	Prologis Park Sendai Izumi	4,820	5,170	110	5.4%	-0.1	4,749	420	5,060	5.5%
Sub-total		42,140	44,440	730	-	-	-	-	43,710	-
Properties Acquired during the 9th Fiscal Period										
M-24	Prologis Park Narita 3	9,240	9,460	220	4.9%	-0.1	9,220	-	9,240	5.0%
B-11	Prologis Park Koga 1	7,680	7,970	290	4.9%	-0.1	7,661	308	7,680	5.0%
B-12	Prologis Park Kobe 2	13,700	14,100	400	4.9%	-0.1	13,680	419	13,700	5.0%
Sub-total		30,620	31,530	910	-	-	-	-	30,620	-
Properties Acquired during the 10th Fiscal Period										
M-25	Prologis Narashino 5	13,600	13,600	-	4.4%	-	-	-	-	-
M-26	Prologis Ibaraki	38,300	38,300	-	4.4%	-	-	-	-	-
B-13	Prologis Koga 2	3,930	3,930	-	4.9%	-	-	-	-	-
Sub-total		55,830	55,830	-	-	-	-	-	-	-
Overall Total (37 properties)		516,770	598,030	-	-	-	-	-	-	-

1. As of May 31, 2017. Excluding Prologis Park Tagajo which was disposed on Jun. 26, 2017, and including 3 new properties acquired on Aug. 1, 2017.
2. As of Nov. 30, 2016. Except M-24 is as Sept. 30, 2016 and B-11 and B-12 are as of Oct. 31, 2016.

Prologis Group's Corporate Responsibility Initiatives

Environmental Stewardship

Operations

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

Capital Deployment

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

Social Responsibility

Community Engagement

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

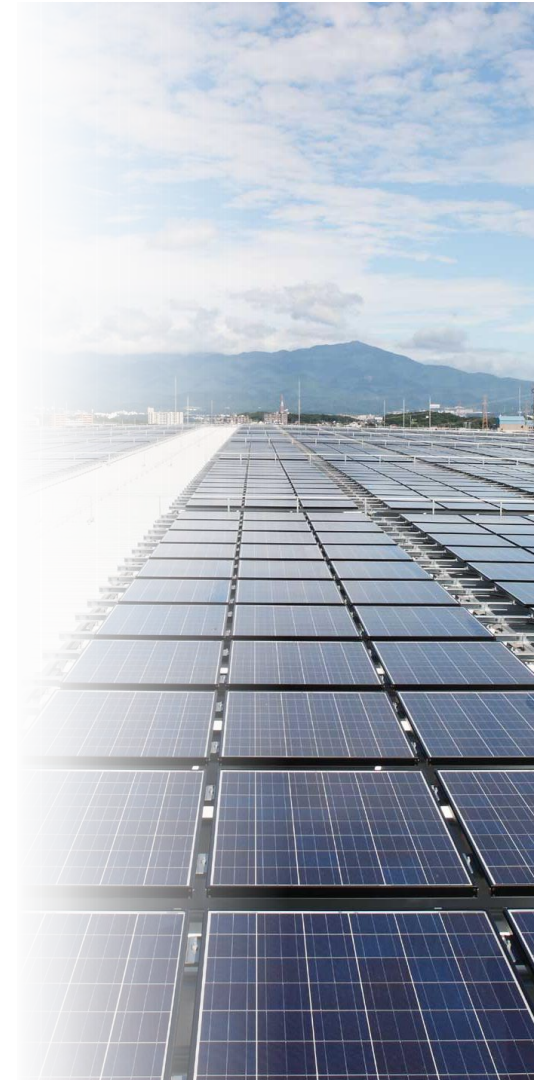
Governance and Ethics

Corporate Governance

- Governance practices
- Independent directors
- Business conduct hotline

Ethics

- Code of business conduct
- Employee training
- Communications



Prologis Group's Commitment to Corporate Responsibility

Global Real Estate Sustainability Benchmark (GRESB) Survey



- Recognized as the Global Sector Leader, ranking the first out of 51 companies globally
- Earned the first in the Japanese listed real estate sector
- Awarded the prestigious "Green Stars" for the second consecutive year

Dow Jones Sustainability Asia/Pacific Index

- A member of the Dow Jones Sustainability Asia/Pacific Index from September 21, 2015
- The only J-REIT included in the Index as of 2016

- Dow Jones Sustainability Asia/Pacific Index

A benchmark for investors who wish to consider sustainability in structuring their portfolio, based on the idea that businesses that take into consideration sustainability will realize long-term investor value

MEMBER OF
**Dow Jones
Sustainability Indices**
In Collaboration with RobecoSAM

MSCI Japan ESG Select Leaders Index

- Included in the MSCI Japan ESG Select Leaders Index on July 3, 2017

- MSCI Japan ESG Select Leaders Index

The index targets companies in the MSCI Japan IMI Top 500 Index with high environmental, social and governance ("ESG") performance relative to their sector peers

Focus on Sustainability and Corporate Responsibility

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



Prologis Park Kawajima 1, 2



Prologis Park Osaka 4



Prologis Park Ichikawa 1



Prologis Park Narashino4

Prologis Group's Commitment to Corporate Responsibility

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



Impact Day 2017
(Painting and cleaning at a foster home)



Volunteer activities for the
Museum of Logistics



Internship programs for
Junior High School Students
(Prologis Park Ichikawa 1)



Chair Course by Prologis
(Waseda University)

Strategic Capital Expenditure to Enhance Portfolio Value

Refurbishment

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



Prologis Park Tokyo-Ohta



Rendering after renovation / public space



Rendering after renovation / entrance



Rendering after renovation / lounge

Installation of BCP Facilities

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



Water receiving tank

Energy Saving Initiatives

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



Prologis Park Osaka 2

Debt

	Lenders	Amount (JPY mm)	Interest Rate	Borrowing Date	Maturity Date ⁽²⁾	Collateral
Short-term Borrowings	Sumitomo Mitsui Banking Corporation, The Bank of Tokyo-Mitsubishi UFJ	6,300	JBA 1-month TIBOR +0.17% ⁽³⁾	Aug. 8, 2017	Aug. 8, 2018	
	Sumitomo Mitsui Banking Corporation, The Bank of Tokyo-Mitsubishi UFJ, Sumitomo Mitsui Trust Bank, Mizuho Bank, Mitsubishi UFJ Trust & Banking Corporation, Aozora Bank, Development Bank of Japan, The Norinchukin Bank, Resona Bank	6,400	0.8101% ⁽⁴⁾	Dec. 3, 2013	Dec. 3, 2018	
	Sumitomo Mitsui Banking Corporation, The Bank of Tokyo-Mitsubishi UFJ, The Bank of Fukuoka, 77 Bank, Tokio Marine & Nichido Fire Insurance	1,000	JBA 3-month TIBOR +0.24% ⁽³⁾	Nov. 27, 2014	Nov. 27, 2019	
	Sumitomo Mitsui Banking Corporation, The Bank of Tokyo-Mitsubishi UFJ, Sumitomo Mitsui Trust Bank, Mizuho Bank, Mitsubishi UFJ Trust and Banking Corporation, Development Bank of Japan	7,300	0.0757% ⁽⁴⁾	Feb. 15, 2016	Feb. 15, 2021	
	Sumitomo Mitsui Banking Corporation, The Bank of Tokyo-Mitsubishi UFJ, Sumitomo Mitsui Trust Bank, Mizuho Bank, Mitsubishi UFJ Trust & Banking Corporation, Aozora Bank, Development Bank of Japan, The Norinchukin Bank, Resona Bank	14,000	0.2236% ⁽⁴⁾	Apr. 28, 2017	Apr. 28, 2021	
	Sumitomo Mitsui Banking Corporation, The Bank of Tokyo-Mitsubishi UFJ, Sumitomo Mitsui Trust Bank, Mizuho Bank, Mitsubishi UFJ Trust and Banking Corporation, Development Bank of Japan	6,000	0.1726% ⁽⁴⁾	Feb. 15, 2016	Feb. 15, 2022	
	Sumitomo Mitsui Banking Corporation, The Bank of Tokyo-Mitsubishi UFJ	14,000	0.5749% ⁽⁴⁾	Mar. 30, 2015	Mar. 31, 2022	
	Sumitomo Mitsui Banking Corporation, The Bank of Tokyo-Mitsubishi UFJ, Sumitomo Mitsui Trust Bank, Mizuho Bank, Mitsubishi UFJ Trust & Banking Corporation, Aozora Bank, Development Bank of Japan, The Norinchukin Bank, Resona Bank	10,000	0.262% ⁽⁴⁾	Apr. 28, 2017	Apr. 28, 2022	
Long-term Borrowings	Sumitomo Mitsui Banking Corporation, The Bank of Tokyo-Mitsubishi UFJ, Sumitomo Mitsui Trust Bank, Mizuho Bank, Mitsubishi UFJ Trust and Banking Corporation, Development Bank of Japan, The Norinchukin Bank, Resona Bank, The Bank of Fukuoka, The 77 Bank, Mizuho Trust & Banking Co., Ltd, Nippon Life Insurance Company	7,600	0.4129% ⁽⁴⁾	Mar. 15, 2016	Mar. 15, 2023	Unsecured and non-guaranteed
	Sumitomo Mitsui Banking Corporation, The Bank of Tokyo-Mitsubishi UFJ, Sumitomo Mitsui Trust Bank, Mizuho Bank, Mitsubishi UFJ Trust and Banking Corporation, Development Bank of Japan	20,000	0.3125% ⁽⁴⁾	Apr. 28, 2017	Apr. 28, 2023	
	Sumitomo Mitsui Banking Corporation, The Bank of Tokyo-Mitsubishi UFJ, Sumitomo Mitsui Trust Bank, Mizuho Bank, Mitsubishi UFJ Trust and Banking Corporation, Development Bank of Japan	10,000	0.39% ⁽⁴⁾	Feb. 15, 2016	Feb. 15, 2024	
	Sumitomo Mitsui Banking Corporation, The Bank of Tokyo-Mitsubishi UFJ	6,000	0.3725% ⁽⁴⁾	Apr. 28, 2017	Apr. 30, 2024	
	Sumitomo-Mitsui Banking Corporation, The Bank of Tokyo-Mitsubishi UFJ, Ltd., Sumitomo Mitsui Trust Bank, Limited, Mizuho Bank, Ltd., Mitsubishi UFJ Trust and Banking Corporation, Development Bank of Japan Inc., The Norinchukin Bank, Resona Bank, Limited, The Bank of Fukuoka, Ltd., The 77 Bank Ltd., Mizuho Trust & Banking Co., Ltd, The Iyo Bank, Ltd.	4,000	0.528% ⁽⁴⁾	Dec. 20, 2016	Dec. 20, 2024	
	Sumitomo Mitsui Banking Corporation, The Bank of Tokyo-Mitsubishi UFJ, Sumitomo Mitsui Trust Bank, Mizuho Bank, Mitsubishi UFJ Trust and Banking Corporation, Development Bank of Japan	23,300	0.4369% ⁽⁴⁾	Apr. 28, 2017	Apr. 28, 2025	
	Sumitomo Mitsui Banking Corporation, The Bank of Tokyo-Mitsubishi UFJ, Development Bank of Japan	13,900	0.524% ⁽⁴⁾	Apr. 28, 2017	Apr. 28, 2026	
	Sumitomo-Mitsui Banking Corporation, The Bank of Tokyo-Mitsubishi UFJ, Ltd., Sumitomo Mitsui Trust Bank, Limited, Mizuho Bank, Ltd., Mitsubishi UFJ Trust and Banking Corporation, Development Bank of Japan Inc., Resona Bank, Limited, The Bank of Fukuoka, Ltd., The 77 Bank Ltd., Mizuho Trust & Banking Co., Ltd, The Iyo Bank, Ltd.	9,400	0.7167% ⁽⁴⁾	Dec. 20, 2016	Dec. 18, 2026	
Investment Corporation Bonds	Sumitomo Mitsui Banking Corporation, The Bank of Tokyo-Mitsubishi UFJ, Sumitomo Mitsui Trust Bank, Mizuho Bank, Mitsubishi UFJ Trust	23,300	0.6327% ⁽⁴⁾	Apr. 28, 2017	Apr. 28, 2027	
	1st Unsecured Investment Corporation Bonds	2,000	0.338%	Nov. 27, 2014	Nov. 27, 2019	
	2nd Unsecured Investment Corporation Bonds	3,000	0.93%	Nov. 27, 2014	Nov. 27, 2024	
	3rd Unsecured Investment Corporation Bonds	2,000	0.18%	Jun. 15, 2017	Jun. 15, 2021	
	4th Unsecured Investment Corporation Bonds	1,500	0.28%	Jun. 15, 2017	Jun. 15, 2023	
	5th Unsecured Investment Corporation Bonds	2,500	0.50%	Jun. 15, 2017	Jun. 15, 2027	
	6th Unsecured Investment Corporation Bonds	1,000	0.86%	Jun. 15, 2017	Jun. 15, 2032	
Total		194,500	-	-	-	

- The above borrowing amounts are as of Aug. 8, 2017. We have entered into a commitment line agreement of JPY 20.0 bn with Sumitomo Mitsui Banking Corporation and The Bank of Tokyo-Mitsubishi UFJ Ltd.
- The maturity date will be the immediately following business day in case such date falls on a day that is not a business day and the immediate preceding business day in case such date falls in the next calendar month.

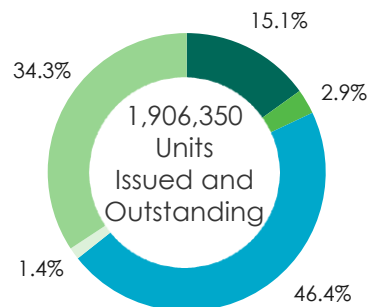
- The base interest rate refers to the Japanese yen TIBOR (Tokyo Interbank Offered Rate). For the current rate, please refer to the Japanese Bankers Association's website.
- These borrowings are at floating interest rates. We have entered into interest rate swap agreements to hedge the risks of interest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

Strong Alignment of Interests and Sound Corporate Governance

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

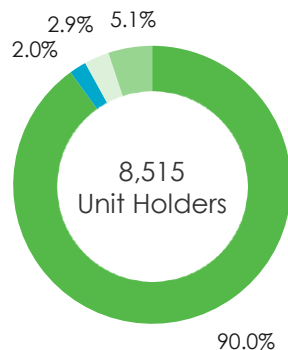
Unit Holder Composition

Breakdown by Units



- Prologis Group: 287,650 units
- Domestic individuals and others: 54,412 units
- Financial institutions: 883,616 units
- Domestic entities: 26,584 units
- Foreign entities and individuals: 654,088 units

Breakdown by Unit Holders



- Domestic individuals and others: 7,666 unit holders
- Financial institutions: 166 unit holders
- Domestic entities: 245 unit holders
- Foreign entities and individuals: 438 unit holders

Major Unit Holders

	Name	Units Owned	% of Units Issued ⁽²⁾
1	Japan Trustee Services Bank, Ltd. (Trust Acct.)	301,651	15.82%
2	Prologis Property Japan SPC	285,650	14.98%
3	The Master Trust Bank of Japan, Ltd. (Trust Acct.)	176,671	9.26%
4	Trust and Custody Services Bank, Ltd. (Securities Investment Trust Acct.)	135,225	7.09%
5	The Nomura Trust and Banking Company, Ltd. (Trust Acct.)	64,153	3.36%
6	NOMURA BANK (LUXEMBOURG) S. A.	46,451	2.43%
7	STATE STREET BANK WEST CLIENTS-TREATY 505234	44,605	2.33%
8	STATE STREET BANK AND TRUST COMPANY 505223	36,744	1.92%
9	THE BANK OF NEW YORK MELLON SA/NV 10	35,320	1.85%
10	THE BANK OF NEW YORK, NON-TREATY JASDEC ACCOUNT	17,122	0.89%
Total		1,143,592	59.98%

Focus on Class-A Logistics Facilities

Features:

- Gross floor area of approximately 16,500 m² (177,605 ft²) or more
- Proximity to population clusters and transportation hubs such as expressway interchanges and major airports or seaports
- Large floor area exceeding approximately 5,000 m² (53,820 ft²) per level with a floor weight capacity of at least 1.5 m² (16.1 ft²), an effective ceiling height of at least 5.5 m (59.2 ft²) and column spacing of at least 10 m (33 ft)
- Spiral ramps or slopes that allow trucks direct access to upper-floor distribution space
- Safety features such as seismic isolation and earthquake-proofing

Spiral Rampways



Large Loading Zones



Wide-Column Spacing



Renewable Energy



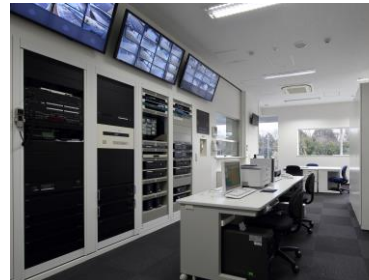
Restaurant



Convenience Store



24-Hour Security



Seismic Isolators



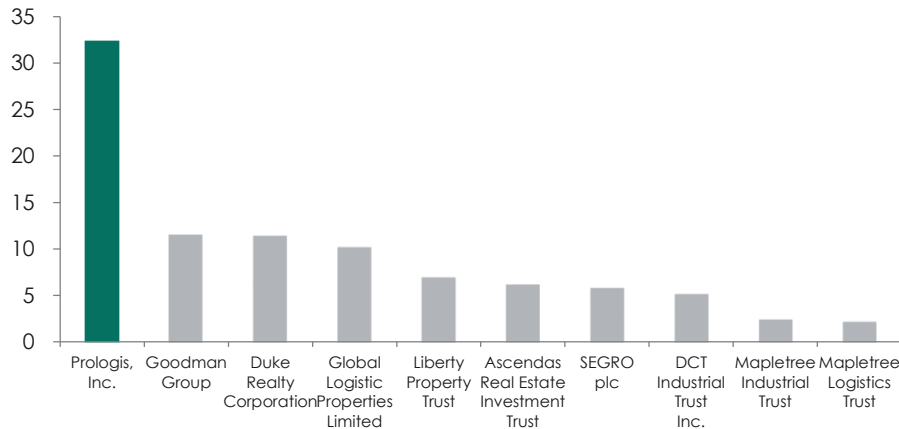
Sponsor Support from the Prologis Group

Operating Portfolio⁽¹⁾⁽²⁾

Americas	Europe	Asia
U.S. / Canada / Mexico / Brazil	UK / France / Germany / 9 others	Japan / China / Singapore
40.5 million m ²	17.0 million m ²	5.6 million m ²
2,385 facilities	784 facilities	153 facilities

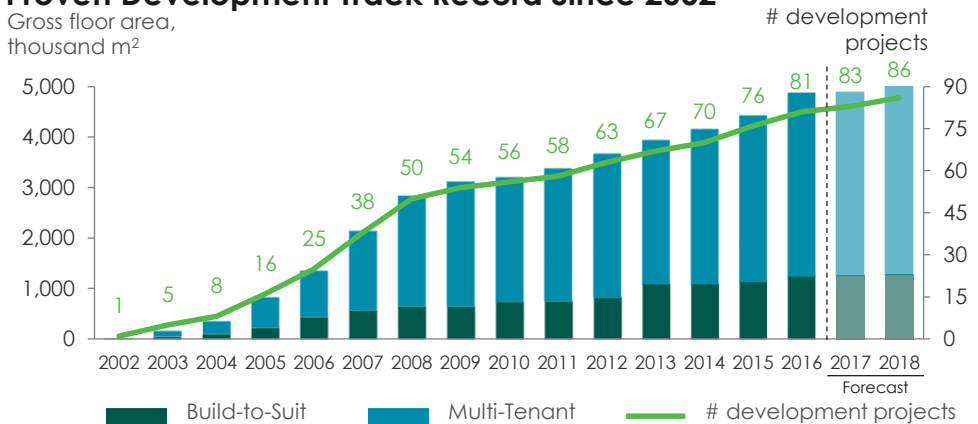
Largest Market Cap Among Peers⁽³⁾

(USD bn)

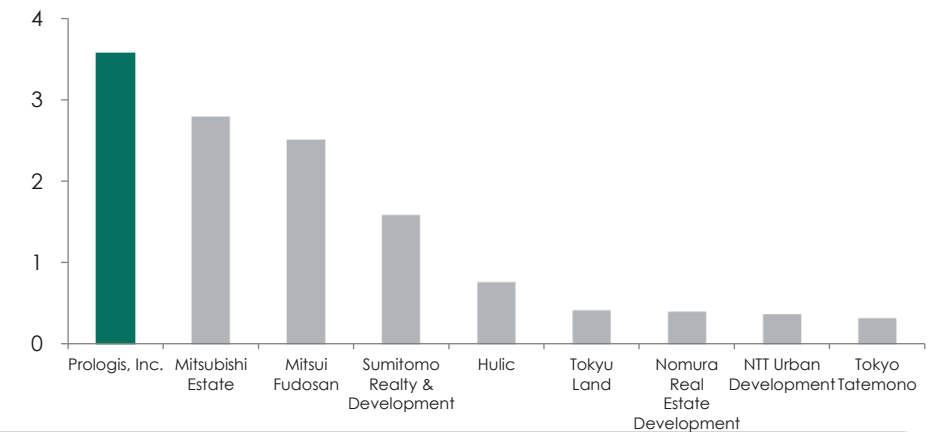


Proven Development Track Record Since 2002⁽²⁾

Gross floor area, thousand m²



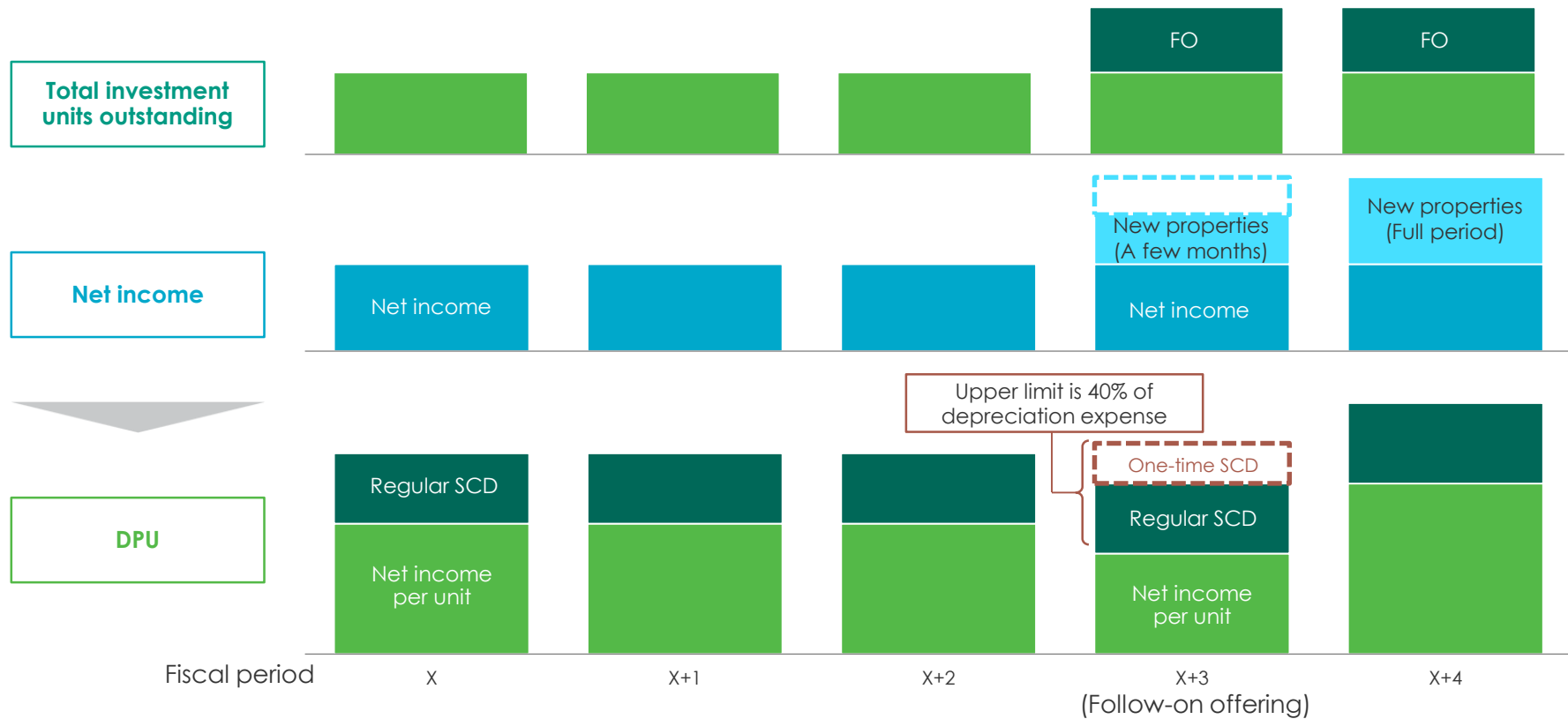
(JPY tr)



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

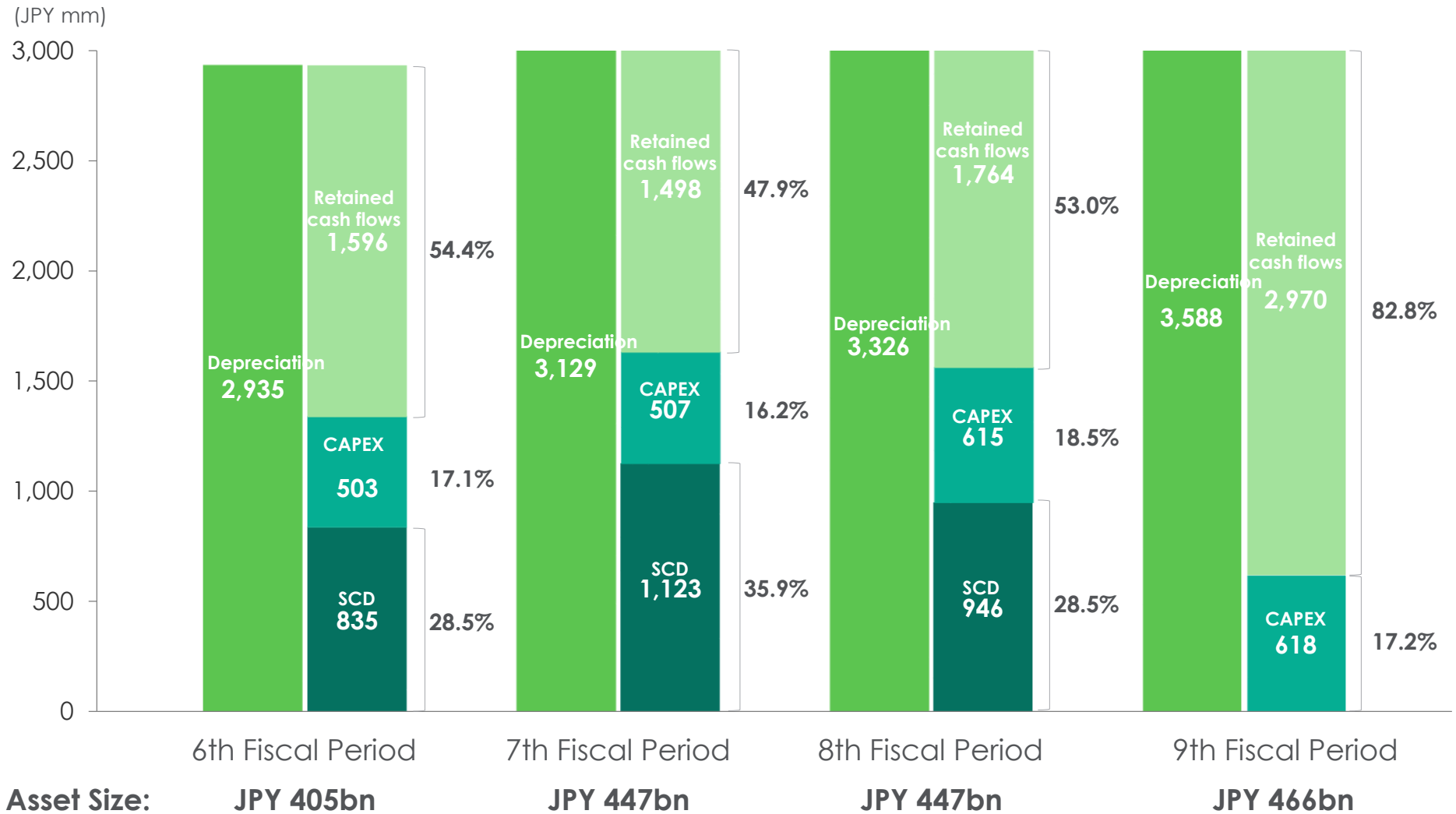
One-Time Surplus Cash Distributions

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



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

Historical SCD and CAPEX



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



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