Feb. 26, 2018

**FOR IMMEDIATE RELEASE**

# Nippon Prologis REIT Announces Debt Financing

Nippon Prologis REIT, Inc. ("NPR") today announced it will obtain debt financing (the "Bridge Loans").

I. Details of the Bridge Loans:

| Category | Lender | Borrowing Amount | Interest Rate (Note 1) (Note 2) | Borrowing Date | Borrowing Method | Repayment Date (Note 3) | Repayment Method (Note 4) | Collateral |
|---|---|---|---|---|---|---|---|---|
| Long -term | Sumitomo Mitsui Banking Corporation | 22.54 billion yen | Base interest rate (JBA 1-month Japanese yen TIBOR) +0.20% | Mar. 1, 2018 | Borrowing based on an individual term loan agreement dated Feb. 26, 2018, with the lenders shown on the left | 2 years from borrowing date | Paid in full upon maturity | Unsecured and non-guaranteed |
| | The Bank of Tokyo-Mitsubishi UFJ, Ltd. | 9.66 billion yen | | | | | | |

Notes:

1. The first interest payment date is Mar. 15, 2018, the second interest payment date is Apr. 27, 2018, and thereafter the interest payment date will be the last day of every month until and including the repayment date (excluding Feb. 29, 2020). An interest payment date that falls on a non-business day will be moved to the following business day or to the preceding business day if the following business day carries over to the next month.
2. The base interest rate refers to the Japanese yen Tokyo Interbank Offered Rate ("TIBOR") for one-month deposits announced by the JBA TIBOR Administration (General Incorporated Association) two business days before the interest payment date for the immediately preceding interest calculation period. The base interest rate will be revised on each interest payment date. However, if the interest calculation period of such deposits is less than one month, the base interest rate defined in the loan agreements will be applied according to the terms and conditions of the loan agreements.
   Please refer to the JBA TIBOR Administration's website (http://www.jbatibor.or.jp/english/) for changes in the JBA Japanese yen TIBOR.
3. The repayment date will be the following business day if the date falls on a non-business day or the preceding business day if the date carries over to the next month.
4. Each of the Bridge Loans will be repayable either in whole or in part before the maturity date in the event that certain requirements, including the submission of our prior written notice to lenders, are satisfied.

II. Rationale for Bridge Loans and Scheduled Prepayment:

The Bridge Loans will be allocated to a portion of the acquisition costs of the domestic trust beneficiary rights in Prologis Park Ichikawa 3, Prologis Park Narita 1-D and Prologis Park Yoshimi, out of the five new properties, (the total acquisition price of which is 43,560 million yen) and related expenses, which are described in the press release titled "Nippon Prologis REIT Announces Acquisition of Domestic Real Estate Trust Beneficiary Interests and Lease Contract with New Tenants," dated today. NPR will repay the Bridge Loans with a portion of the net proceeds from the offerings described in the press release titled "Nippon Prologis REIT Announces Issuance of New Investment Units and Secondary Offering of Investment Units," dated today (the "Offerings"), and net proceeds from the new concurrent borrowings which will be conducted on the next business day of the payment date for the Offerings, and cash on hand. For the new concurrent borrowings, NPR will announce the details once determined.

Disclaimer: This press release is an announcement concerning NPR's debt financing and has not been prepared for the purpose of solicitation for investment.

III. Total Amount, Purpose of Use and Scheduled Outlay Date of the Proceeds:

(1) Total amount: 32.2 billion yen

(2) Specific purpose of use: Allocated to a portion of the acquisition costs of the domestic trust beneficiary rights and related expenses

(3) Scheduled outlay date: Mar. 1, 2018

IV. Outstanding Loan Balance after Bridge Loans

(Unit: Millions of yen)

| | Before Borrowings | After Borrowings | Variance |
|---|---|---|---|
| Short-Term Loan (Note 1) | 6,300 | 6,300 | 0 |
| Long-Term Loan (Note 1) | 176,200 | 208,400 | +32,200 |
| Total Loan Amount | 182,500 | 214,700 | +32,200 |
| Investment Corporation Bonds | 12,000 | 12,000 | 0 |
| Total Interest-Bearing Debt | 194,500 | 226,700 | +32,200 |

Notes:

1. Short-term loan refers to loans due within one year from the borrowing date, and long-term loan refers to loans due within a period longer than one year from the borrowing date.
2. In addition to the above, NPR maintains a commitment line of 20 billion yen with three banks, and there is no outstanding loan balance under this commitment line.

V. Additional Information for Investors

Regarding the risks associated with the Bridge Loans, there are no material changes in "I Fund Information, 1. Fund Status, 3 Investment Risks" stated in the Annual Securities Report filed on Feb. 23, 2018 (Japanese only), and "II Reference Information, 2. Supplementary Information on Reference Materials, 3 Investment Risks" stated in the Securities Registration Statement filed on Feb. 26, 2018 (Japanese only).

Note:
This material is distributed to the Tokyo Stock Exchange Press Club (Kabuto Club); Ministry of Land, Infrastructure, Transport and Tourism Press Club; and Ministry of Land, Infrastructure, Transport and Tourism Press Club for Construction Publications.

For more information about Nippon Prologis REIT, please visit:
http://www.prologis-reit.co.jp/english/index.html

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