Feb. 26, 2018

FOR IMMEDIATE RELEASE

Nippon Prologis REIT Revises Forecast for the Fiscal Periods Ending May 31, 2018, and November 30, 2018

Nippon Prologis REIT, Inc. ("NPR") today revised its forecast for the fiscal periods ending May 31, 2018 (Dec. 1, 2017, to May 31, 2018) and Nov. 30, 2018 (June 1, 2018 to Nov. 30, 2018), as noted in "Summary of Financial Results (REIT) For the Tenth Fiscal Period Ended November 30, 2017," dated Jan. 15, 2018.

1. Reasons for revision and announcement:
   A resolution was reached at an NPR board of directors meeting today concerning the issuance of new investment units to repay the portion of debt financing (32.2 billion yen) (the "Bridge Loans") used to acquire the Acquisitions in the 11th Fiscal Period (see Attachment 1: Forecast Assumptions for the Fiscal Periods Ending May 31, 2018 and Nov. 30, 2018) and to finance a portion of the acquisition costs etc. of the Anticipated Acquisitions (see Attachment 1: Forecast Assumptions for the Fiscal Periods Ending May 31, 2018 and Nov. 30, 2018). The forecast of the results for the six-month periods ending May 31, 2018 and Nov. 30, 2018, announced in Summary of Financial Results (REIT) For the 10th Fiscal Period Ended Nov. 30, 2017, dated Jan. 15, 2018, requires revision due to a change in the assumptions used to compute them.

2. Forecast revisions for the fiscal periods ending May 31, 2018 and Nov. 30, 2018:

(1) Details of the results of the forecast revisions for the fiscal period ending May 31, 2018 (11th fiscal period from Dec. 1, 2017 to May 31, 2018):

	Operating revenues (Millions of yen)	Operating income (Millions of yen)	Ordinary income (Millions of yen)	Net income (Millions of yen)	Distributions per unit (including surplus cash distributions) (yen)	Distributions per unit (excluding surplus cash distributions) (yen)	Surplus cash distributions per unit (yen)
Previously announced forecast (A)	17,667	8,359	7,729	7,728	4,299	3,757	542
Revised forecast (B)	18,279	8,675	7,913	7,912	4,299	3,620	679
Amount of increase/decrease (C) ((B) – (A))	611	316	183	183	0	△137	137
Rate of increase/decrease ((C) / (A))	3.5%	3.8%	2.4%	2.4%	0.0%	△3.6%	25.3%

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(2) Details of the results of the forecast revisions for the fiscal period ending Nov. 30, 2018 (12th fiscal period from June 1, 2018 to Nov. 30, 2018):

	Operating revenues (Millions of yen)	Operating income (Millions of yen)	Ordinary income (Millions of yen)	Net income (Millions of yen)	Distributions per unit (including surplus cash distributions) (yen)	Distributions per unit (excluding surplus cash distributions) (yen)	Surplus cash distributions per unit (yen)
Previously announced forecast (A)	17,785	8,299	7,679	7,678	4,277	3,733	544
Revised forecast (B)	19,085	8,944	8,257	8,256	4,336	3,777	559
Amount of increase/decrease (C) ((B) – (A))	1,299	644	577	577	59	44	15
Rate of increase/decrease ((C) / (A))	7.3%	7.8%	7.5%	7.5%	1.4%	1.2%	2.8%

(Reference)
Fiscal period ending May 31, 2018: expected number of investment units outstanding at the end of the period: 2,185,950 units; expected net income per unit: 3,744 yen
Fiscal period ending Nov. 30, 2018: expected number of investment units outstanding at the end of the period: 2,185,950 units; expected net income per unit: 3,777 yen

Notes:
1. This forecast information is calculated based on the assumptions described in Attachment 1 “Forecast Assumptions for the Fiscal Periods Ending May 31, 2018 and Nov. 30, 2018.” Actual operating revenues, operating income, ordinary income, net income, distributions per unit (excluding surplus cash distributions) and surplus cash distributions per unit may vary due to acquisitions or dispositions of properties, changes in rent revenues attributable to tenant movements, changes in the property management environment due to unexpected repairs, changes in interest rates, the actual number of new units issued and the issue price of such units, or the issuance of additional investment units. This forecast should not be deemed a commitment or guarantee of the amount of cash distributions and surplus cash distributions.
2. This forecast may be revised if a substantial variation from the current forecast information is anticipated.
3. The figures are rounded down to the nearest million yen or yen, and ratios are rounded to the nearest tenth.

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

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【Attachment 1】

Forecast Assumptions for the Fiscal Periods Ending May 31, 2018 and Nov. 30, 2018

<table>
<tr><th>Item</th><th>Assumption</th></tr>
<tr><td>Accounting period</td><td>• Fiscal period ending May 31, 2018 (11th fiscal period) (from Dec. 1, 2017 to May 31, 2018) (182 days)
• Fiscal period ending Nov. 30, 2018 (12th fiscal period) (from June 1, 2018 to Nov. 30, 2018) (183 days)</td></tr>
<tr><td>Assets under management</td><td>• It is assumed that, in addition to its 37 properties held as of today (the “current properties”), NPR has acquired or will acquire the real estate trust beneficiary interests in the five new properties listed below (the “Five New Properties”), on the respective acquisition date noted next to each property, and that out of the Five New Properties, Prologis Park Ichikawa 3, Prologis Park Narita 1-D and Prologis Park Yoshimi (the “Acquisitions in the 11th Fiscal Period”) will be acquired as of Mar. 1, 2018 through the offerings resolved at today’s NPR board of directors meeting (the “Offerings”) and that with regard to the remaining two properties, Prologis Park Koga 3 will be acquired as of Oct. 1, 2018 and Prologis Park Tsukuba 1-A (collectively, the “Anticipated Acquisitions”) will not be acquired before Nov. 30, 2018. For details about the Five New Properties, please refer to the press release titled “Nippon Prologis REIT Announces Acquisition of Domestic Real Estate Trust Beneficiary Interests and Lease Contract with New Tenants,” dated today. It is also assumed there will be no change (including acquisition of new properties and dispositions of existing properties) in the operational status of the properties, other than the acquisition of the Five New Properties (excluding Prologis Park Tsukuba 1-A), until after Nov. 30, 2018.
<(Scheduled) Date of Acquisition of the Five New Properties>
<table>
<tr><th>the Five New properties</th><th>（Anticipated）Acquisition Date</th></tr>
<tr><td colspan="2">Acquisitions in the 11th Fiscal Period</td></tr>
<tr><td>Prologis Park Ichikawa 3</td><td>Mar. 1, 2018</td></tr>
<tr><td>Prologis Park Narita 1-D</td><td>Mar. 1, 2018</td></tr>
<tr><td>Prologis Park Yoshimi</td><td>Mar. 1, 2018</td></tr>
<tr><td colspan="2">Anticipated Acquisitions</td></tr>
<tr><td>Prologis Park Koga 3</td><td>Oct. 1, 2018</td></tr>
<tr><td>Prologis Park Tsukuba 1-A</td><td>Dec. 3, 2018</td></tr>
</table>
Prologis Park Koga 3 is currently under construction and is expected, as of today, to be completed on July 31, 2018. Prologis Park Tsukuba 1-A is currently also under construction and is expected to be completed on Sep. 28, 2018, as of today.
• The sales and purchase agreements pertaining to the Anticipated Acquisitions stipulate that transfer price of such Anticipated Acquisitions may be increased or decreased, respectively (the “Price Adjustment Clause”) for a certain amount calculated according to the prescribed formula based on any change in revenue of the relevant Anticipated Acquisition by the time when such property is acquired for any prescribed reason including any increase or decrease in estimated rent, outsourcing expenses, or repair expenses or capital expenditure (the “Reasons for Price Adjustment”). It is assumed that neither such change in revenue or associated increase or decrease in a transfer price of the Anticipated Acquisitions will not occur. For details of the Price Adjustment Clause, please refer to the press release titled “Nippon Prologis REIT Announces Acquisition of Domestic Real Estate Trust Beneficiary Interests and Lease Contract with New Tenants” dated today.
• Results may change due to the acquisition of new properties in addition to the Five New Properties or the disposition of existing properties, etc.</td></tr>
<tr><td>Operating revenues</td><td>• Operating rental revenues account for factors such as market trends and the competitiveness of each property based on information provided by the current owner of the Five New Properties and information on the current properties, held by Prologis REIT Management K.K. (the “Asset Manager”), and are estimated to be 18,279 million yen and 19,085 million yen for the fiscal periods ending May 31, 2018 and Nov. 30, 2018, respectively. The expected overall occupancy rates of the Five New Properties (excluding Prologis Park Tsukuba 1-A) and the current properties are estimated to be 97.4% and 97.4%</td></tr>
</table>

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	for the periods ending May 31, 2018 and Nov. 30, 2018, respectively. • Rent revenues from the Anticipated Acquisitions are calculated based on the lease agreements that are executed as of today. However, as the buildings of the Anticipated Acquisitions are under construction and are not yet completed, the contents of these lease agreements may be changed later. • For operating rental revenues, it is assumed tenants will pay rents without delinquency or withholding.
Operating expenses	• Operating rental expenses except depreciation are calculated by taking into account variable factors such as seasonal events, based on information provided by the current owner of the Five New Properties (excluding Prologis Park Tsukuba 1-A) and information on the current properties held by the Asset Manager, and are assumed to be 3,801 million yen and 4,055 million yen for the fiscal periods ending May 31, 2018 and Nov. 30, 2018, respectively. • Operating rental expenses incurred at the Anticipated Acquisitions may vary from the above estimates, as the buildings of the Anticipated Acquisitions are under construction and not yet completed as of today. • Depreciation expenses are calculated using the straight-line method in relation to the (anticipated) acquisition price including ancillary costs and are assumed to be 4,089 million yen and 4,293 million yen for the fiscal periods ending May 31, 2018 and Nov. 30, 2018, respectively. • Property tax and city planning tax are generally included in the purchase price of properties on a pro-rated basis of a calendar year and start to be expensed from the next calendar year. Accordingly, property tax and city planning tax for the Acquisitions in the 11th Fiscal Period and Prologis Park Koga 3 will be expensed starting from the fiscal period ending May 31, 2019. The total amount of property tax and city planning tax included in the purchase price of acquired properties in Aug. 1, 2017 (Prologis Park Narashino 5, Prologis Park Ibaraki and Prologis Park Koga 2, collectively, the "Properties Acquired in Aug. 1, 2017") and the Acquisitions in the 11th Fiscal Period are assumed to be 29 million yen (equivalent to expenses for 31 days) and 53 million yen (equivalent to expenses for 92 days) for the fiscal period ending May 31, 2018, respectively. The total amount of property tax and city planning tax included in the purchase price of the Acquisitions in the 11th Fiscal Period and Prologis Park Koga 3 is assumed to be 105 million yen (equivalent to expenses for 183 days for the Acquisitions in the 11th Fiscal Period, 61 days for Prologis Park Koga 3) for the fiscal period ending Nov. 30, 2018. • Regarding building repair expenses, the amount assumed to be necessary for each property is based on the repair and maintenance plans of the Asset Manager. However, repair expenses may differ substantially from the anticipated amount due to unexpected factors.
Non-operating expenses	• It is assumed NPR will recognize 103 million yen as total expenses incurred in relation to the offerings of the new investment units in the fiscal period ending May 31, 2018 (the "Offerings"). • It is assumed that 4 million yen and 2 million yen will be incurred in the fiscal period ending May 31, 2018, and Nov. 30, 2018, respectively as debt-related expenses in association with the acquisition of the Five New Properties (excluding Prologis Park Tsukuba 1-A). • As for interest expenses and other debt-related costs, 631 million yen and 665 million yen are expected to be incurred for the fiscal periods ending May 31, 2018 and Nov. 30, 2018, respectively. The non-cash expenditure, which is included in debt-related expenses, is expected to be 167 million yen and 173 million yen for the fiscal periods ending May 31, 2018 and Nov. 30, 2018, respectively.
Borrowings and bonds	• The balance of NPR's interest-bearing debt on an accounting basis as of today is assumed to be 194,500 million yen, including the balance of borrowings and investment corporation bonds. • It is assumed that NPR will obtain the Bridge Loans as of Mar. 1, 2018 in connection with the Acquisitions in the 11th Fiscal Period (for details of the Bridge Loans, please refer to the press release titled "Nippon Prologis REIT Announces Debt Financing" dated today.). Net proceeds from the Offerings will be used together with new concurrent borrowings, which will be received on the next business day of the payment date for the Offerings (the "Borrowings"), and cash on hand to repay the portion of the Bridge Loans and to pay the portion of the prices of the Anticipated Acquisitions, etc. Net proceeds from the issuance of new investment units through the third-party allotment will be kept as cash on hand, which will be deposited with financial institutions until the time of expenditure, and will be

	partially allocated to the acquisition of the Anticipated Acquisitions and future acquisitions of specified assets (as defined in Article 2, Paragraph 1 of the Act on Investment Trusts and Investment Corporations of Japan; the same applies hereinafter) or repayment of borrowings. For details, please refer to the press release titled "Nippon Prologis REIT Announces Issuance of New Investment Units and Secondary Offering of Investment Units," dated today. Thus, the balance of NPR's interest-bearing debt after the Borrowings is assumed to be 205,800 million yen. The actual amount of balance of interest-bearing debt may differ considerably from this assumption, depending on the actual number of new investment units issued and the final issue price of such units. • It is assumed that 5,000 million yen will be borrowed as of Oct. 1, 2018 in connection with the acquisition of Prologis Park Koga 3 (the "Scheduled Borrowing A"). As a result of the Scheduled Borrowing A, the balance of the interest-bearing debt is assumed to be 210,800 million yen. • It is also assumed that 6,500 million yen will be borrowed as of Dec. 3, 2018 in connection with the acquisition of Prologis Park Tsukuba 1-A (the "Scheduled Borrowing B") (collectively as the "Scheduled Borrowings" together with the Scheduled Borrowing A). As a result of the Scheduled Borrowings, the balance of the interest-bearing debt is assumed to be 217,300 million yen; however, the Scheduled Borrowing B is not included in the assumption for the forecast of the fiscal period ending May 2018 and Nov. 2018. • It is assumed that the short-term borrowings of 6,300 million yen, which are due to be repaid on Aug. 8, 2018, will be fully refinanced. NPR assumes there will be no investment corporate bonds due prior to the end of the fiscal period ending Nov. 30, 2018. • LTV as of Nov. 30, 2017 was 36.9% and LTV is estimated to be 37.5 % after the Borrowings and Scheduled Borrowings. For LTV calculation, please refer to the following formula: LTV(%) = interest-bearing debt / total assets×100(%) (as of Nov. 30, 2017) LTV(%) after the Scheduled Borrowings (Note 1) = Estimated total of interest-bearing debt after the Scheduled Borrowings / total assets after the Scheduled Borrowings × 100(%) Estimated total of interest-bearing debt after the Scheduled Borrowings = total interest-bearing debt as of Nov. 30, 2017 (194,500 million yen) + estimated total of interest-bearing debt related to the Borrowings (11,300 million yen) (Note 2) + estimated total of interest-bearing debt related to the Scheduled Borrowings (11,500 million yen) (Note 2) Total assets after the Scheduled Borrowings = total assets as of Nov. 30, 2017 (527,624 million yen) + net proceeds from the Offerings (27,216 million yen) (Note 3) + net proceeds from the third-party allotment (1,360 million yen) (Note 3) + estimated total of interest-bearing debt related to the Borrowings (11,300 million yen) (Note 2) + estimated total of interest-bearing debt related to the Scheduled Borrowings (11,500 million yen) (Note 2) (Note 1) NPR will acquire the Acquisitions in the 11th Fiscal Period using the Bridge Loans and cash on hand and repay the Bridge Loans with a portion of net proceeds from the Offerings, the Borrowings and cash on hand before the expiry date of the Bridge Loans. Also, a portion of net proceeds from the Offerings, a portion of net proceeds from the third-party allotment, the Scheduled Borrowings and cash on hand will be allocated to acquisition of the Anticipated Acquisitions. LTV after the Scheduled Borrowings is calculated based on figures after the Scheduled Borrowings. (Note 2) Represents the anticipated amount of interest-bearing debt related to the Borrowings and Scheduled Borrowings as of today. The anticipated amount of interest-bearing debt related to the Borrowings is based on the assumed net proceeds from the Offerings, which is calculated on a pro forma basis based on the closing price for ordinary trading of an investment unit of NPR on the Tokyo Stock Exchange as of Friday, Feb. 16, 2018. The actual

	borrowing amounts may vary depending on the total net proceeds from the Offerings. The anticipated amount of interest-bearing debt related to the Scheduled Borrowings is based on the estimate as of today. The actual borrowing amounts may vary before they are actually borrowed (however, NPR has no plan to change amounts of the Scheduled Borrowings as of today even if net proceeds from the Offerings and the third-party allotment vary.). These amounts may thus not necessarily correspond to actual amounts. NPR will announce details of the Borrowings and Scheduled Borrowings once they are determined. (Note 3) The net proceeds from the Offerings and the third-party allotment are calculated on a pro forma basis, based on the closing price for ordinary trading of an investment unit of NPR on the Tokyo Stock Exchange as of Friday, Feb. 16, 2018. Also, it is assumed that the domestic underwriter will pay the total issue amount for the third-party allotment. The net proceeds from the Offerings and the third-party allotment may be lower, and as a result the actual LTV after the Scheduled Borrowings may be higher, if the actual issue price of the investment units issued through the Offerings and the third-party allotment is lower than expected or if the third-party allotment does not take place in whole or in part. However, the net proceeds from the Offerings and the third-party allotment may be larger if the actual issue price of units issued through the Offerings and the third-party allotment is higher than expected, which would result in a lower LTV after the Scheduled Borrowings.
Investment units	• It is assumed that no additional units will be issued by the end of Nov. 30, 2018, aside from the current outstanding and issued 2,056,950 units as of today and the 122,860 units to be issued through the Offerings as well as the maximum 6,140 units to be issued through the third-party allotment as resolved at NPR's board of directors meeting held on Feb. 26, 2018. For details, please refer to the press release titled "Nippon Prologis REIT Announces Issuance of New Investment Units and Secondary Offering of Investment Units," dated today.
Distributions per unit (excluding surplus cash distributions)	• Distributions per unit (excluding surplus cash distributions) are calculated based on the premise of the distribution policy in the Articles of Incorporation of NPR that all net income shall be distributed. • Distributions per unit (excluding surplus cash distributions) may change due to various factors including any additional acquisitions or dispositions of properties, changes in rent revenues attributable to tenant moves, changes in the property management environment including unexpected repair, changes in interest rates, or any additional issuance of new investment units in the future.
Surplus cash distributions per unit	• Surplus cash distributions per unit are calculated based on the fund distribution policy in the NPR's Articles of Incorporation. It is assumed that the surplus cash distributions (including on an ongoing and one-time basis) in the fiscal period ending May 31, 2018, will be equal to approximately 36.3% of depreciation expenses for the fiscal period, which is assumed to be 1,484 million yen. In addition, it is assumed that the surplus cash distributions (surplus cash distributions on an ongoing basis) in the fiscal period ending Nov. 30, 2018, will be equal to approximately 28.5% of depreciation expenses for the fiscal period, which is assumed to be 1,221 million yen. • The amount of depreciation expenses may change depending on the amount of total assets under management, ancillary costs, capital expenditures, the allocation method of purchase prices for each asset and depreciable life, etc. Surplus cash distributions, which will be based on the amount of depreciation expenses, may change accordingly. • In principle, in addition to distributions of retained earnings, NPR intends to make surplus cash distributions on a regular basis in an amount no higher than 60% of depreciation expense and within an appropriate level to maintain financial soundness and stability, after considering alternative uses of cash such as the execution of long-term repair plans and capital expenditures, the repayment of borrowings and acquisition opportunities. However, NPR may decide not to make any surplus cash distributions for a fiscal period based on a consideration of factors such as economic or real estate market conditions and NPR's LTV ratio, credit rating, financial condition or the amount of anticipated profitability, which includes capital gains arising from property dispositions. In addition, in the event NPR needs to allocate its cash to emergency capital expenditures for unexpected damage on NPR's

	assets, etc., surplus cash distributions per unit may be reduced. • In addition, NPR may make one-time surplus cash distributions to maintain the stability of its distributions per unit in the event that distributions per unit are expected to temporarily decline to a certain degree due to dilution from an increase in the number of investment units or a substantial increase in costs as a result of its financing activities, such as the issuance of new investment units, including third-party allotments; the issuance of investment corporation bonds; or entering into additional borrowing contracts (including, in each case, the amortization, cancellation or repayment thereof). NPR intends to limit the total amount of surplus cash distributions (including surplus cash distributions on an ongoing basis and a one-time basis) that can be made at 40% of the depreciation expense for the relevant fiscal period. • For the time being, NPR intends 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. • To determine the amount of surplus cash distributions, NPR will consider the ratio of surplus cash distributions to adjusted funds from operations ("AFFO"). NPR defines AFFO as funds from operations ("FFO") minus capital expenditures plus non-cash expenditure included in debt-related expenses. FFO is defined as the sum of net income and non-cash expenses. For calculations, please refer to the following formulas: FFO = net income + depreciation + property-related amortization + loss on sale of real estate, etc. - gain on sale of real estate, etc. AFFO = FFO - capital expenditure + non-cash expenditure included in debt-related expenses • Capital expenditures are assumed to be 703 million yen and 700 million yen for the fiscal periods ending May 31, 2018, and Nov. 30, 2018, respectively. • NPR does not plan to pay surplus cash distributions in case such payment would cause the Distribution LTV, as defined below, to exceed 60%. Distribution LTV(%) = A / B x 100 A = interest-bearing debt (including investment corporation bonds) at the end of the fiscal period + balance of tenant leasehold deposits released at the end of the fiscal period 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 surplus cash distributions)
Others	• It is assumed that any revision that will have an impact on the forecast information above will be made in accordance with the laws and regulations, tax system, accounting standards, listing rules of the Tokyo Stock Exchange and rules of the Investment Trusts Association, Japan, etc. • It is assumed that no unexpected material change will arise in overall economic trends and real estate market conditions.

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

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【Attachment 2】
(Reference) Constructed Financial Performance Model: Adjusted Net Income

	Adjusted Net Income Based on Forecast as Announced on Jan. 15, 2018	Adjusted Net Income Based on Revised Forecast as Announced on Feb. 26, 2018
Operating revenues	17,667 million yen	19,528 million yen
Operating income	8,342 million yen	9,092 million yen
Ordinary income	7,713 million yen	8,386 million yen
Net income	7,712 million yen	8,385 million yen
Number of investment units outstanding	2,056,950 units	2,185,950 units
Distributions per unit (including surplus cash distributions)	4,291 yen	4,418 yen
Distributions per unit (excluding surplus cash distributions)	3,749 yen	3,836 yen
Surplus cash distributions per unit	542 yen	582 yen

<Assumptions for calculating Adjusted Net Income Based on Forecast as Announced on Jan. 15, 2018>
The following adjustments and assumptions are made based on the forecast for the fiscal period ending May 31, 2018, as of Jan. 15, 2018, without taking into account the offerings, the acquisition of the Five New Properties and other items:

- Public dues and taxes such as property tax and city planning tax for the Properties Acquired Aug. 1, 2017 are assumed to be 29 million yen for the fiscal period ending May 31, 2018.
- One-time expenses from operating rental expenses and other operating expenses are excluded from operating expenses.
- Considering the fluctuation of NOI and net income due to the adjustments mentioned above, 3 million yen of asset management fees based on NOI and net income is deducted from operating expenses.

<Assumptions for calculating Adjusted Net Income Based on Revised Forecast as Announced on Feb. 26, 2018>
The following adjustments and assumptions are made based on the forecast for the fiscal period ending May 31, 2018, as of Feb. 26, 2018, taking into account the offerings, the acquisition of the Five New Properties and other items:

- Public dues and taxes such as property tax and city planning tax for the Properties Acquired Aug. 1, 2017 are assumed to be 29 million yen for the fiscal period ending May 31, 2018.
- Operating rental revenues and expenses of the Five New Properties are calculated based on the assumption that all of the Five New Properties including Prologis Park Koga 3 and Prologis Park Tsukuba 1-A, which are to be acquired in the fiscal period ending Nov. 30, 2018 or after are operated for the whole of the fiscal period ending May 31, 2018.
- For each of the Five New Properties, including Prologis Park Koga 3 and Prologis Park Tsukuba 1-A, which are expected to be acquired in Oct. 1, 2018 and Dec. 3, 2018, respectively, public dues and taxes such as

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property taxes and city planning taxes are assumed to be incurred for the whole of the fiscal period ending May 31, 2018.

- The total amount of property tax and city planning tax for the Five New Properties is assumed to be 164 million yen for the fiscal period ending May 31, 2018.
- Expenses related to the issuance of new investment units and debt-related costs of 108 million yen are excluded from non-operating expenses.
- Interest expenses and other debt-related costs, which may fluctuate according to an adjustment of the period of operation of the Five New Properties, are added to non-operating expenses.
- One-time operating revenues and other operating expenses are excluded from operating expenses.
- Considering the fluctuation of NOI and net income due to the adjustments mentioned above, 151 million yen of asset management fees based on NOI and net income is added to operating expenses.
- Considering the adjustment mentioned above, one-time surplus cash distribution is excluded.

Please note that Adjusted Net Income is not intended to estimate the Net Income of certain specific fiscal periods. Accordingly, it cannot be regarded as a forecast for certain specific fiscal periods. Adjusted Net Income is not a financial measure determined in accordance with Japanese (or any other) GAAP and is therefore considered a non-GAAP financial measure. Furthermore, Adjusted Net Income information is not a guarantee that NPR will make distributions in the future at a certain level or that NPR will make distributions at all. The actual net income for the fiscal period ending May 31, 2018, and other specific fiscal period may differ significantly from Adjusted Net Income Based on Revised Forecast as announced on Feb. 26, 2018.

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