January 17, 2020

FOR IMMEDIATE RELEASE

Nippon Prologis REIT Announces Acquisition of Domestic Real Estate Trust Beneficiary Interests and Lease Contract with New Tenants

Prologis REIT Management K.K. (the "Asset Manager"), to which Nippon Prologis REIT, Inc. ("NPR") entrusts the management of its assets, announced today it will acquire three properties (the "New Properties") in the form of trust beneficiary interests and, subsequently, enter into lease contracts with new tenants.

Because the sellers and the lessee of the assets are considered related parties as provided in the Act on Investment Trusts and Investment Corporations (Act No. 198 of 1951, including amendments thereto) (the "Related Parties, etc.") and considered an interested party as set forth in the "Rules Regarding Related-party Transactions" included in the internal rules of the Asset Manager (the "Interested Parties"), the Asset Manager has obtained, in accordance with the Rules Regarding Related Party-Transactions, approval from NPR based on the approval of its board of directors at a meeting held today.

The details are described below.

1. Overview of the Acquisitions

Property Number	Property Name	Location	Anticipated Acquisition Date (Note 1)	Seller	Anticipated Acquisition Price (million yen) (Note 2)	Appraisal Value (million yen) (Note 3)	Appraisal NOI Yield (%) (Note 4)	Adjusted Forecast NOI Yield (%) (Note 5)
M-32	Prologis Park Chiba 1	Chiba, Chiba	February 5, 2020	Hakuba Special Purpose Company	31,000	31,000	4.5	4.3
M-33	Prologis Park MFLP Kawagoe	Kawagoe, Saitama		Norikura Special Purpose Company	14,800	14,800	4.4	4.5
B-18	Prologis Park Tsukuba 1-B	Tsukuba, Ibaraki		Tsukuba Special Purpose Company	13,500	13,500	4.7	5.0
Total/Average					59,300	59,300	4.5	4.5

(Note 1) "Anticipated acquisition date" indicates the anticipated acquisition date in the relevant trust beneficiary interests disposition contract (the "Sale and Purchase Agreement") that was executed with the current owners of the relevant property or the current holder of the relevant trust beneficiary interest.

(Note 2) "Anticipated acquisition price" indicates the transfer price of the New Properties in the relevant Sale and Purchase Agreement, rounded down to the nearest million yen and does not include national or local consumption taxes or expenses which will be incurred in connection with the acquisition.

(Note 3) JLL Morii Valuation & Advisory K.K. or Japan Real Estate Institute was retained to appraise the value of each property. "Appraisal value" is based on the appraisal values from the relevant appraisal reports as of

Disclaimer: This press release is an announcement concerning acquisitions of domestic trust beneficiary interests and lease contract with new tenants, and has not been prepared for the purpose of solicitation for investment.

November 30, 2019.

(Note 4) "Appraisal NOI yield" is the ratio of appraisal NOI to the anticipated acquisition price of each property based on the appraisal value as of November 30, 2019, rounded to the first decimal place. The figure of the weighted average of appraisal NOI yield of each of the New Properties is described in the "Total/Average" column.

"Appraisal NOI" is the stabilized net operating income (an amount with operating expenses deducted from operating income) for the direct capitalization analysis contained in the relevant appraisal report appraised by JLL Morii Valuation & Advisory K.K. or Japan Real Estate Institute, which represents revenue before deduction of depreciation. Appraisal NOI is different from net cash flow ("NCF"), calculated as the expected revenues of a property minus expected capital expenditure, to which interests on deposits, etc. are added and from which capital expenditures are deducted.

(Note 5) "Adjusted forecast NOI yield" is the ratio of adjusted forecast NOI to the anticipated acquisition price of each property, rounded to the first decimal place. The figure of the weighted average of adjusted forecast NOI yield of each of the New Properties is described in the "Total/Average" column.

"Adjusted forecast NOI" is an amount based on the relevant assumptions regarding operating revenues from the New Properties for the fiscal period ending November 30, 2020 (from June 1, 2020, to November 30, 2020), set forth in the press release "Nippon Prologis REIT Revises Forecast for Fiscal Period Ending May 31, 2020, and Announces Forecast for Fiscal Period Ending November 30, 2020," dated today, from which operating expenses and capitalized property tax and city planning tax, etc. are deducted and to which depreciation costs are added. It represents revenues before deduction of depreciation costs. Also, operating rental revenues and operating expenses for each of the New Properties are calculated based on the assumption that all the New Properties are operated on a full-year basis, and that the accounting period lasts 183 days.

(1)	Date of Sale and Purchase Agreement:	January 17, 2020
(2)	Seller:	Please refer to the below-mentioned "3. (2) Seller Profile"
(3)	Funds for Acquisitions:	A portion of the net proceeds from the issuance of new investment units determined at the board of directors meeting held today, the new borrowings which will be obtained on the date of acquisition of the New Properties (Note) and cash on hand
(4)	Settlement Method:	To be paid in a lump sum on the anticipated acquisition date
(5)	Annual Rent:	3,303 million yen (the New Properties total)

(Note) Details of the new borrowings will be announced once they have been determined.

2. Rationale for Acquisition and Lease Contract

Through the acquisition of the New Properties, NPR intends to acquire selected Class-A logistics facilities developed by the Prologis Group that meet NPR's investment criteria based on NPR's principle of achieving stable net operating income and increasing the size and the value of its portfolio to maximize unit holder value.

NPR will acquire the New Properties for all of which NPR has been granted exclusive negotiation rights by the Prologis Group, as described in the press releases "Nippon Prologis REIT Receives Exclusive Negotiation Rights for Five New Properties" dated December 15, 2017, and "NPR Announces Exclusive Negotiation Rights for Three New Properties" dated December 14, 2018.

NPR believes the acquisition of the New Properties will further improve the earnings stability of its portfolio by minimizing risks regarding the concentration of properties, enhancing property and customer diversification as well as diversification of the expiration date of lease agreements at its properties, continuing investments in a well-balanced portfolio of properties and adding relatively newly built Class-A logistics facilities with longer average lease remaining years.

Disclaimer: This press release is an announcement concerning acquisitions of domestic trust beneficiary interests and lease contract with new tenants, and has not been prepared for the purpose of solicitation for investment.

3. Description of the New Properties

(1) Overview

The following tables provide an overview of the real estate trust beneficiary interests of the New Properties.

Furthermore, the items described in the respective columns of the tables are explained below:

(i) "Location" indicates the official address or the address usually used by tenants and property management companies, etc. on the upper line, and the address indicated in the registry (one of several addresses, if any) on the lower line.

(ii) "Anticipated acquisition date" indicate the anticipated acquisition date in the relevant Sale and Purchase Agreement.

(iii) "Anticipated acquisition price" indicate the transfer price of the New Properties in the relevant Sale and Purchase Agreement, rounded down to the nearest million yen and does not include national or local consumption taxes or expenses which will be incurred in connection with the acquisition.

(iv) "Entrustment Date" indicates the date of establishment of the trust defined in the Trust Agreement.

(v) "Trustee" indicates the trustee or trustee-to-be of each asset, which is the trust beneficiary interest in real estate.

(vi) "Trust maturity date" indicates the trust maturity date defined in the Trust Agreement or the maturity date of the trust period to be amended with the acquisition by NPR.

(vii) "Ownership form" of "Land" and "Building" indicates the type of rights owned by the trustee.

(viii) "Land area" of "Land" and "Gross floor area", "Date of construction", "Purpose" and "Structure/No. of stories" of "Building" are based on the data recorded in the registry and may differ from the actual figures. "Gross floor area" is equal to the total gross floor area of the main building and accessory building. "Date of construction", "Purpose" and "Structure/No. of stories" are equal to the figures of the main building excluding accessory building.

(ix) "Zoning" of "Land" indicates the type of zoning as depicted in Article 7 and 8-1-1 of the City Planning Act (Act No. 100 of 1968, as amended).

(x) "BCR" of "Land" indicates the upper limit of the building coverage ratio as determined in city planning in accordance with the zoning. The upper limit of BCR could be lower or higher, depending on whether the property is fire-proof in the fire control area and/or other reasons and it may not necessarily be identical with the applied BCR.

(xi) "FAR" of "Land" indicates the upper limit of the floor area ratio. The upper limit of FAR could be lower or higher, depending on the width of roads adjacent to the land and it may not necessarily be identical with the FAR actually applied.

(xii) "Property type" of "Building" indicates "Multi-tenant" for properties that are "Multi-tenant logistics facilities" (those that are capable of serving multiple tenants) and "BTS" for properties that are "Build-to-suit logistics facilities" (those that are developed to meet a tenant's specific requirements).

(xiii) "Contractor" of "Building" indicates the contractor for each of the New Properties.

(xiv) "PML" of "Building" represents an outline of the reports on the evaluation results of the analyses of seismic risks conducted by Engineering and Risk Services Corporation and OYO RMS Corporation at the request of NPR and the Asset Manager. The contents of these reports are judgments and opinions of these risk reviewers as of a certain point of time, and the validity and accuracy of such contents are not guaranteed. None of the current properties of NPR is covered by seismic insurance, and NPR has no plan to obtain seismic insurance for any of the current properties or the New Properties.

(xv) "Environmental appraisal" of "Building" represents evaluation results described in

Disclaimer: This press release is an announcement concerning acquisitions of domestic trust beneficiary interests and lease contract with new tenants, and has not been prepared for the purpose of solicitation for investment.

certification reports of Comprehensive Assessment System for Built Environment Efficiency ("CASBEE"), evaluation results of Building-Housing Energy-efficiency Labeling System ("BELS") or certifications of the DBJ Green Building Certification rating program, if such evaluation results are obtained.

Also, in the event that an application is filed with each municipality and a result for such application is disclosed based on the comprehensive assessment system for built environment efficiency conducted by each municipality based on a basis of CASBEE, such disclosed result is described. The results of CASBEE, BELS and DBJ Green Building Certification show an evaluation based on certain judgment standards at a specific point in time and are no guarantee of any objectiveness of such evaluation, validity and accuracy of such evaluation results or the quality of evaluated buildings.

(xvi) "Engineering Report" represents an outline of the reports on the evaluation results of building assessment conducted by Earth-Appraisal Co., Ltd. and Tokio Marine & Nichido Consulting Co., Ltd. at the request of NPR and the Asset Manager. The contents of these reports are judgments and opinions of these building investigators as of a certain point of time, and the validity and accuracy of such contents are not guaranteed. "Report Date" indicates the date of investigation described in the respective Engineering Report prepared by the respective building investigator.

(xvii) "Property manager" indicates the property manager to which NPR will outsource the property management services.

(xviii) "Master lessee" indicates the party with which NPR has entered or will enter into the Master Lease Agreement. Even if NPR or the trustee enters into a Master Lease Agreement with a master lessee, the end tenant and NPR or the trustee are in the lessee-lessor relationship when existing end tenants do not accept the transfer of the lessor associated with the Master Lease Agreement.

(xix) "Type of master lease" indicates "Pass-through type" for a pass-through type master lease in which rent received by the lessor is in principle the same amount as the rent received by the master lessee from end tenants, and "Sublease type" for a sublease type master lease, in which a fixed amount of rent is received from the master lessee regardless of fluctuation in the rent received from end tenants, in accordance with the type of the master lease agreements with the master lessee. The master lease agreements for all the New Properties are the pass-through type.

(xx) "Gross number of tenants" of "Description of tenancy" is based on the lease agreements with tenants for warehouses or offices for each property in trust as of November 30, 2019 (excluding lease agreements with a term of less than one year). Such gross number of tenants includes the tenants where the leasing period of the relevant lease agreement was not commenced as of November 30, 2019. For properties with pass-through master lease agreements, it is based on the lease agreements executed between the master lessee and end tenants. The same shall apply below.

(xxi) "Type of lease agreement" of "Description of tenancy" is based on the lease agreements.

(xxii) "Name of major tenants" of "Description of tenancy" indicates the names of the tenants with the two biggest leased areas in each property in trust (for properties with a pass-through master lease agreement, the end tenant) (excluding tenants or end tenants whose lease agreements have a term of less than one year).

(xxiii) "Annual rent" of "Description of tenancy" is based on the total annual rent including common area charges as of November 30, 2019, as indicated in the relevant lease agreements for all warehouses or offices for each property in trust (excluding lease agreements with a term of less than one year) (or the annual rent calculated in accordance with the provisions of the lease agreements, if the relevant agreements include only the monthly rent). Figures are rounded down to the nearest million yen. Such annual rents also

include the annual rents stipulated in the lease agreements, where the leasing period of the relevant lease agreement was not commenced as of November 30, 2019.

(xxiv) "Security deposit" of "Description of tenancy" is calculated as the total amount of security deposit (or, if amortized, the security deposit amount after subtracting the relevant amortization amount) as indicated in the relevant lease agreements for all warehouses or offices for each property in trust as of November 30, 2019 (excluding lease agreements with a term of less than one year). Figures are rounded down to the nearest million yen. Such security deposits also include security deposits stipulated in the lease agreements, where the leasing period of the relevant lease agreement was not commenced as of November 30, 2019.

(xxv) "Leased area" of "Description of tenancy" indicates the total leased area based on the lease agreements for all warehouses or office for each property in trust as of November 30, 2019 (excluding lease agreements with a term of less than one year) and the floor plans included in such lease agreements (excluding lease agreements with a term of less than one year). Such leased area also includes the leased area stipulated in the lease agreements, where the leasing period of the relevant lease agreement was not commenced as of November 30, 2019.

(xxvi) "Leasable area" of "Description of tenancy" indicates the total leasable area based on the lease agreements for all warehouses or office for each property in trust and the floor plans included in the lease agreements executed as of November 30, 2019 (excluding lease agreements with a term of less than one year) plus vacant space based on floor plans.

(xxvii) "Occupancy rate" of "Description of tenancy" is as of November 30, 2019, or the date of lease commencement stipulated in the relevant lease agreements (excluding lease agreements with a term of less than one year; the figure for leased area includes the leased area stipulated in the lease agreements that were executed but not commenced as of November 30, 2019), calculated by dividing the aggregate total leased area for each property in trust by the aggregate total leasable area for the relevant properties in trust. Figures are rounded to the nearest tenth.

(xxviii) "Extra description" indicates items believed to be important in terms of the relationship of rights and use of each of the New Properties, as well as items believed to be important in consideration of their impact on the appraisal value, profitability and possibility of disposal of each of the New Properties as of the date of this press release.

(xxix) "Summary of the appraisal report" describes the summary of the appraisal report of each property which was appraised by JLL Morii Valuation & Advisory K.K. or Japan Real Estate Institute upon request from NPR and the Asset Manager. Such appraisal report only represents a judgment and an opinion of an appraiser as an evaluator at a certain point, and any adequacy, accuracy or feasibility of a transaction at such appraisal value is not guaranteed. There is no special interest between JLL Morii Valuation & Advisory K.K. or Japan Real Estate Institute and NPR or the Asset Manager.

Disclaimer: This press release is an announcement concerning acquisitions of domestic trust beneficiary interests and lease contract with new tenants, and has not been prepared for the purpose of solicitation for investment.

M-32 Prologis Park Chiba 1

Property name		Prologis Park Chiba 1
Location		210-27, Roppo-Cho, Inage Ward, Chiba, Chiba 210-27, Roppo-Cho, Inage Ward, Chiba, Chiba
Class of assets		Real estate trust beneficiary interests
Anticipated acquisition date		February 5, 2020
Anticipated acquisition price		31,000 million yen
Entrustment date		Acquisition date
Trustee		Mitsubishi UFJ Trust and Banking Corporation
Trust maturity date		Corresponding date of the acquisition date in 20 years
Land	Ownership form	Proprietary
	Land area	66,117.49 m^2
	Zoning	Industrial area
	BCR/FAR	60% / 200%
Building	Ownership form	Proprietary
	Gross floor area	138,547.18 m^2
	Date of construction	September 20, 2019
	Purpose	Warehouse / Office
	Structure/No. of stories	SRC, 5-story building
	Property type	Multi-tenant
	Contractor	Fujita Corporation
	PML	2.3%
	Environmental appraisal	-
Engineering Report	Engineering Firm	Earth-Appraisal Co., Ltd.
	Report Date	October 10, 2019
	Emergency and Short-term Repair and Maintenance Expenses	-
	Medium-to-Long term Repair and Maintenance Expenses	367,824 thousand yen / 12 years (30,652 thousand yen / year)
Property manager		ProLogis K.K.
Master lessee		Prologis REIT Master Lease GK
Type of master lease		Pass-through type
Collateral		None
Appraisal value		31,000 million yen
Real estate appraiser		Japan Real Estate Institute
Description of tenancy		
	Gross number of tenants	8
	Type of lease agreement	Fixed-term lease agreement
	Name of major tenant	AS ONE Corporation, REPRESENT Inc.
	Annual rent	Not disclosed (Note)
	Security deposit	Not disclosed (Note)
	Leased area	117,963.98 m^2
	Leasable area	127,045.44 m^2
	Occupancy rate	92.9%
Extra description		・This property is intended to be used in an integrated manner with Prologis Park Chiba 2, which is now under development on the adjacent piece of land. Therefore, prior to acquiring this property, NPR agreed with the seller of Prologis Park Chiba 1, who is also an owner of the adjacent land and developer of Prologis Park Chiba 2, on shared use of passages and facilities, etc., and to establish a servitude for the purpose of reciprocal shared use with respect to a part of the property.

Disclaimer: This press release is an announcement concerning acquisitions of domestic trust beneficiary interests and lease contract with new tenants, and has not been prepared for the purpose of solicitation for investment.

	・Soil contamination (selenium, lead, arsenic, fluorine and boron exceeding the specified standard) was confirmed in part of the subject land which has been designated as an area that is subject to reporting requirements under Article 11 (1) of the Soil Contamination Countermeasures Act of Japan upon any change in the character of the land. In addition, this part of the land has been found to contain remains of rock wool. Earth-Appraisal Co., Ltd., whom we have retained to investigate the soil contamination risk, has advised us that the land in question is properly managed despite the existence of contamination, and that it is unlikely there will be a negative impact on the tenants' health because it is mostly covered by buildings, asphalt, concrete, tiles or plants.

(Note) We do not disclose anticipated annual rent and security deposit information for Prologis Park Chiba 1 because such disclosure would enable calculation of the annual rent and security deposit of Prologis Park Tsukuba 1-B based on the total annual rent and security deposit for the New Properties and we do not have permission from the tenant of Prologis Park Tsukuba 1-B to disclose such information.

Disclaimer: This press release is an announcement concerning acquisitions of domestic trust beneficiary interests and lease contract with new tenants, and has not been prepared for the purpose of solicitation for investment.

Summary of the appraisal report

Appraisal value	31,000 million yen
Real estate appraiser	Japan Real Estate Institute
Date of appraisal	November 30, 2019

Item	Detail (million yen, unless otherwise indicated)	Outline
Income approach value	31,000	Assessed based on the value by the direct capitalization method and the value by the discounted cash flow method, giving same weight to each value
Direct capitalization method	31,100	
Operating revenues	1,795	
Total potential revenue	1,861	Based on the assessment of rent level applicable for mid- to long-term, etc.
Loss such as vacancy	66	Based on the assessment of stabilized occupancy for mid- to long-term
Operating expenses	412	
Maintenance costs	94	Assessed by taking into account the factors specific to the subject real estate, by reference to current contract conditions, costs for similar properties, etc.
Property management fees		
Utility costs	75	Assessed by taking into account occupancy rate etc.
Repair costs	9	Assessed based on the assessment of the management and operation plans, cost level for similar properties, and average amount of repair and capital expenditure estimates in the engineering report, etc.
Tenant solicitation expenses	13	Assessed based on the anticipated turnover period of tenants
Property taxes	199	Assessed based on the actual tax amount and the replacement cost of the property, etc.
Non-life insurance premiums	3	Assessed based on insurance premiums for similar properties, etc.
Other expenses	18	Assessed shuttle bus operating cost, etc.
Net operating income	1,382	
Interest on deposit	7	Assessed based on the assessment of deposits estimated from the current conditions, etc. in lease agreements, multiplied by an interest rate of 1.0% (calculated in consideration of the levels of investment yields and debt costs), etc.
Capital expenditure	21	Assessed based on cost level for similar properties, building age and average amount of repair and capital expenditure estimates in the engineering report, etc.
Net income	1,368	
Capitalization rate	4.4%	Assessed by considering the characteristics of the subject property, future uncertainties and transaction yields for similar properties, etc.
Discounted cash flow method	30,900	

Disclaimer: This press release is an announcement concerning acquisitions of domestic trust beneficiary interests and lease contract with new tenants, and has not been prepared for the purpose of solicitation for investment.

		Discount rate	4.1%	Assessed by considering the characteristics of the subject property, etc., by reference to transaction cap rates of similar properties, etc.
		Terminal capitalization rate	4.5%	Assessed based on future forecasts, etc., by reference to transaction cap rates of similar properties, etc.
Cost method			30,500	
	Proportion of land		38.9%	
	Proportion of building		61.1%	

Other points to be noted for the determination of appraisal value	N/A

Disclaimer: This press release is an announcement concerning acquisitions of domestic trust beneficiary interests and lease contract with new tenants, and has not been prepared for the purpose of solicitation for investment.

M-33 Prologis Park MFLP Kawagoe

Property name		Prologis Park MFLP Kawagoe
Location		9-3, Minamidai 1-chome, Kawagoe, Saitama 9-3, Minamidai 1-chome, Kawagoe, Saitama
Class of assets		Real estate trust beneficiary interests (50% co-ownership interest)
Anticipated acquisition date		February 5, 2020
Anticipated acquisition price		14,800 million yen
Entrustment date		January 27, 2017
Trustee		Sumitomo Mitsui Trust Bank, Limited
Trust maturity date		January 31, 2037
Land	Ownership form	Proprietary
	Land area	58,749.53 m^2 (Note 1)
	Zoning	Exclusive industrial zone
	BCR/FAR	60% / 200%
Building	Ownership form	Proprietary
	Gross floor area	117,337.69m^2 (Note 1)
	Date of construction	October 16, 2018
	Purpose	Warehouse / Office
	Structure/No. of stories	SRC, 4-story building
	Property type	Multi-tenant
	Contractor	HAZAMA ANDO CORPORATION
	PML	3.1%
	Environmental appraisal	CASBEE – New Construction: A BELS★★★★★
Engineering Report	Engineering Firm	Tokio Marine & Nichido Risk Consulting Co., Ltd.
	Report Date	October 16, 2019
	Emergency and Short-term Repair and Maintenance Expenses	-
	Medium-to-Long term Repair and Maintenance Expenses	242,028 thousand yen / 12 years (20,169 thousand yen / year) (Note 2)
Property manager		ProLogis K.K.
Master lessee		-
Type of master lease		-
Collateral		None
Appraisal value		14,800 million yen (Note 2)
Real estate appraiser		Japan Real Estate Institute
Description of tenancy		
	Gross number of tenants	10
	Type of lease agreement	Fixed-term lease agreement
	Name of major tenant	Not disclosed (Note 3), Maruwa Unyu Kikan Co., Ltd.
	Annual rent	858 million yen (Note 2)
	Security deposit	364 million yen (Note 2)
	Leased area	56,723.77 m^2 (Note 2)
	Leasable area	56,723.77 m^2 (Note 2)
	Occupancy rate	100.0%
Extra description		・In connection with the planned acquisition of a 50% co-ownership interest in Prologis Park MFLP Kawagoe (together with the other portion of co-ownership interest, the “Trust Beneficiary Interest”), NPR has entered into an agreement with a third party who intends to acquire the other 50% of co-ownership interest (“Agreement”), under which following conditions are agreed upon. (i) Each of the co-owners is prohibited to demand partition

Disclaimer: This press release is an announcement concerning acquisitions of domestic trust beneficiary interests and lease contract with new tenants, and has not been prepared for the purpose of solicitation for investment.

	of the property according to the relevant co-ownership percentage for five-year period since the acquisition of relevant co-ownership of the Trust Beneficiary Interest, and shall agree to prohibit such partition of the Trust Beneficiary Interest every five years. (ii) If any of the co-owners intends to sell its co-ownership, in whole or in part, to a third party other than its affiliated fund, such co-owner shall provide a right of first refusal to the non-selling co-owner, prior to negotiation with a third party. Even if any agreement on sale is reached with a third party, the selling co-owner shall renegotiate with the other co-owner before executing such sale agreement with the third party. (iii) Decisions on certain important matters concerning this property and the Trust Beneficiary Interest shall be made upon unanimous consent among all the co-owners. If not all the co-owners agree on such important matters, any co-owner may request the other co-owner to purchase co-ownership by notifying suggested sale price. In such case, a co-owner who receives the request may purchase such co-ownership at the suggested price, or may conversely demand the requestor to purchase its own co-ownership at the same price.

(Note 1) Figure represents the entire property.

(Note 2) The amounts shown represent 50% of the relevant trust beneficiary interest to be acquired and co-owned by NPR.

(Note 3) Not disclosed because the tenant's consent has not been obtained.

Disclaimer: This press release is an announcement concerning acquisitions of domestic trust beneficiary interests and lease contract with new tenants, and has not been prepared for the purpose of solicitation for investment.

Summary of the appraisal report (Note)

Appraisal value	14,800 million yen
Real estate appraiser	Japan Real Estate Institute
Date of appraisal	November 30, 2019

Item	Detail (million yen, unless otherwise indicated)	Outline
Income approach value	14,800	Assessed based on the value by the direct capitalization method and the value by the discounted cash flow method, giving same weight to each value
Direct capitalization method	14,900	
Operating revenues	852	
Total potential revenue	882	Based on the assessment of rent level applicable for mid- to long-term, etc.
Loss such as vacancy	29	Based on the assessment of stabilized occupancy for mid- to long-term
Operating expenses	200	
Maintenance costs	47	Assessed by taking into account the factors specific to the subject real estate, by reference to the historical costs, current contract conditions, costs for similar properties, etc.
Property management fees		
Utilities costs	44	Assessed based on the historical costs and the occupancy rate, etc.
Repair costs	6	Assessed based on the assessment of historical costs, management and operation plans, costs for similar properties, and repair and capital expenditure estimates in the engineering report, etc.
Tenant solicitation expenses	6	Assessed based on the anticipated turnover period of tenants
Property taxes	94	Assessed based on property tax related materials
Non-life insurance Premiums	2	Assessed based on insurance premiums for similar properties, etc.
Other expenses	0	Recorded communication expenses, etc.
Net operating income	651	
Interest on deposit	3	Assessed based on the assessment of deposits estimated from the current conditions, etc. in lease agreements multiplied by an interest rate of 1.0% (calculated in consideration of the levels of investment yields and debt costs), etc.
Capital expenditure	14	Assessed based on cost level for similar properties, building age and average amount of repair and capital expenditure estimates in the engineering report, etc.
Net income	641	
Capitalization rate	4.3%	Assessed by considering the characteristics of the subject property, future uncertainties and transaction

Disclaimer: This press release is an announcement concerning acquisitions of domestic trust beneficiary interests and lease contract with new tenants, and has not been prepared for the purpose of solicitation for investment.

			yields for similar properties, etc.
Discounted cash flow method		14,650	
	Discount rate	4.1%	Assessed by considering the characteristics of the subject property, etc., by reference to transaction cap rates of similar properties, etc.
	Terminal capitalization rate	4.5%	Assessed based on future forecasts, etc., by reference to transaction cap rates of similar properties, etc.
Cost method		14,700	
	Proportion of land	49.2%	
	Proportion of building	50.8%	

Other points to be noted for the determination of appraisal value	N/A

(Note) The amounts shown in this section represent 50% of the relevant trust beneficiary interest to be acquired and co-owned by NPR.

Disclaimer: This press release is an announcement concerning acquisitions of domestic trust beneficiary interests and lease contract with new tenants, and has not been prepared for the purpose of solicitation for investment.

B-18 Prologis Park Tsukuba 1-B

Property name		Prologis Park Tsukuba 1-B
Location		6-1, Tokodai 5 chome, Tsukuba, Ibaraki 6-1, Tokodai 5 chome, Tsukuba, Ibaraki
Class of assets		Real estate trust beneficiary interests
Anticipated acquisition date		February 5, 2020
Anticipated acquisition price		13,500 million yen
Entrustment date		Acquisition date
Trustee		Sumitomo Mitsui Trust Bank, Limited
Trust maturity date		February 29, 2040
Land (Note 1)	Ownership form	Proprietary
	Land area	32,804.36 m^2
	Zoning	Exclusive industrial zone
	BCR/FAR	60% / 200%
Building (Note 1)	Ownership form	Proprietary
	Gross floor area	65,676.87 m^2
	Date of construction (Note 2)	August 22, 2019
	Purpose	Warehouse / Office
	Structure/No. of stories	S, 4-story building
	Property type	BTS
	Contractor	Nishimatsu Construction Co., Ltd.
	PML	2.8%
	Environmental appraisal	CASBEE – New Construction: A BELS ★★★★★
Engineering Report	Engineering Firm	Earth-Appraisal Co., Ltd.
	Report Date	October 9, 2019
	Emergency and Short-term Repair and Maintenance Expenses	-
	Medium-to-Long term Repair and Maintenance Expenses	250,670 thousand yen / 12 years (20,889 thousand yen / year)
Property manager		ProLogis K.K.
Master lessee		Prologis REIT Master Lease GK
Type of master lease		Pass-through
Collateral		None
Appraisal value		13,500 million yen
Real estate appraiser		JLL Morii Valuation & Advisory K.K.
Description of tenancy		
	Gross number of tenants	1
	Type of lease agreement	Fixed-term lease agreement
	Name of major tenant	ZOZO, Inc.
	Annual rent	Not disclosed (Note 3)
	Security deposit	Not disclosed (Note 3)
	Leased area	65,570.07 m^2
	Leasable area	65,570.07 m^2
	Occupancy rate	100.0%
Extra description		・Under the Building Standards Act, this property was constructed to constitute a single building together with Prologis Park Tsukuba 1-A, a building on the adjacent land owned by NPR, and is intended to be used in an integrated manner with Prologis Park Tsukuba 1-A. Passages within the premises of the both properties are used reciprocally. ・The following servitude is established for part of this property regarding reciprocal shared use of passages, as well

Disclaimer: This press release is an announcement concerning acquisitions of domestic trust beneficiary interests and lease contract with new tenants, and has not been prepared for the purpose of solicitation for investment.

	as for part of the adjacent land (5-6-2, Tokodai, Tsukuba, Ibaraki): <Servitude established on part of this property> Servient land: 5-6-2, Tokodai, Tsukuba, Ibaraki Purpose: passage Scope: 10,412.70m^2 in the peripheral part, excluding the central part <Servitude established on part of the adjacent land> Servient land: the subject land Purpose: passage Scope: 10,266.83m^2 in the peripheral part, excluding the central part

(Note 1) Although this property was constructed so as to constitute (under the Building Standards Act) a single building together with Prologis Park Tsukuba 1-A, a building on an adjacent piece of land, the information in "Land" and "Building" relates only to Prologis Park Tsukuba 1-B.

(Note 2) "Date of construction" represents the completion date of construction works on the entire building including this property, and differs from the date of construction of Prologis Park Tsukuba 1-A.

(Note 3) Not disclosed because the tenant's consent has not been obtained.

Disclaimer: This press release is an announcement concerning acquisitions of domestic trust beneficiary interests and lease contract with new tenants, and has not been prepared for the purpose of solicitation for investment.

Summary of the appraisal report

Appraisal value	13,500 million yen
Real estate appraiser	JLL Morii Valuation & Advisory K.K.
Date of appraisal	November 30, 2019

Item	Detail (million yen, unless otherwise indicated)	Outline
Income approach value	13,500	Assessed based on the value by the discounted cash flow method, setting the value by the direct capitalization method as a reference
Direct capitalization method	13,400	
Operating revenues	Not disclosed (Note)	
Total potential revenue	Not disclosed (Note)	
Loss such as vacancy	Not disclosed (Note)	
Operating expenses	Not disclosed (Note)	
Maintenance costs	Not disclosed (Note)	
Property management fees		
Utilities costs	Not disclosed (Note)	
Repair costs	Not disclosed (Note)	
Tenant solicitation expenses	Not disclosed (Note)	
Property taxes	Not disclosed (Note)	
Non-life insurance Premiums	Not disclosed (Note)	
Other expenses	Not disclosed (Note)	
Net operating income	636	
Interest on deposit	Not disclosed (Note)	
Capital expenditure	Not disclosed (Note)	
Net income	614	
Capitalization rate	4.6%	Assessed based on transaction cap rates, etc. for similar properties
Discounted cash flow method	13,500	
Discount rate	4.4%	Assessed based on investment yield of financial instruments, characteristics of the subject property, discount rates of borrowings and own capital, etc.
Terminal capitalization rate	4.8%	Assessed based on the capitalization rate, reflecting assumptions on the prospects of the transaction market, subject real estate and its surrounding area, as well as uncertainties for future assumptions
Cost method	12,800	
Proportion of land	11.2%	
Proportion of building	88.8%	

Other points to be noted for the determination of appraisal value	N/A

(Note) Not disclosed because the tenant's consent has not been obtained.

Disclaimer: This press release is an announcement concerning acquisitions of domestic trust beneficiary interests and lease contract with new tenants, and has not been prepared for the purpose of solicitation for investment.

(2) Seller Profile

M-32 Prologis Park Chiba 1

Trade name	Hakuba Special Purpose Company
Head office address	Tokyo Building 2-7-3, Marunouchi, Chiyoda-ku, Tokyo
Representative	Shigeru Inada
Capital	100 million yen
Major shareholders	Specified equity member: Prologis Hakuba Pte. Ltd.
Major business	1. Acquisition, management and disposition of specified assets in accordance with an asset securitization plan based on the requirements of the Act on Securitization of Assets 2. Any and all ancillary businesses pertaining to asset securitization business in connection with the business of other aforementioned specified assets
Relationship with NPR and its Asset Manager	Special purpose company for which ProLogis K.K., the parent company of the Asset Manager, provides asset management services and in which affiliates of ProLogis K.K. holds an equity interest as a related party

M-33 Prologis Park MFLP Kawagoe

Trade name	Norikura Special Purpose Company
Head office address	Tokyo Building 2-7-3, Marunouchi, Chiyoda-ku, Tokyo
Representative	Shigeru Inada
Capital	100 million yen
Major shareholders	Specified equity member: Prologis Gassan Pte. Ltd.
Major business	1. Acquisition, management and disposition of specified assets in accordance with an asset securitization plan based on the requirements of the Act on Securitization of Assets 2. Any and all ancillary businesses pertaining to asset securitization business in connection with the business of other aforementioned specified assets
Relationship with NPR and its Asset Manager	Special purpose company for which ProLogis K.K., the parent company of the Asset Manager, provides asset management services and in which affiliates of ProLogis K.K. holds an equity interest as a related party

B-18 Prologis Park Tsukuba 1-B

Trade name	Tsukuba Special Purpose Company
Head office address	Tokyo Building 2-7-3, Marunouchi, Chiyoda-ku, Tokyo
Representative	Shigeru Inada
Capital	100 million yen
Major shareholders	Specified equity member: Prologis Asama Pte. Ltd.
Major business	1. Businesses related to securitizations of specified assets 2. Any and all ancillary businesses pertaining to asset securitization business in connection with the business of other aforementioned specified assets
Relationship with NPR and its Asset Manager	Special purpose company for which ProLogis K.K., the parent company of the Asset Manager, provides asset management services and in which affiliates of ProLogis K.K. holds an equity interest as a related party

Disclaimer: This press release is an announcement concerning acquisitions of domestic trust beneficiary interests and lease contract with new tenants, and has not been prepared for the purpose of solicitation for investment.

(3) Transactions with Related Parties

The sellers of each of the New Properties are special purpose companies that will seek to acquire, hold and dispose of trust beneficiary interests and properties in which affiliates of ProLogis K.K. invest and for which ProLogis K.K., the parent company of the Asset Manager, provides asset management services. These special purpose companies are regarded as Related Parties, etc. and Interested Parties. Therefore, the Asset Manager has completed the approval process (the Asset Manager has obtained approval from NPR based on the approval of NPR's Board of Directors at a meeting held on today) set forth in the "Rules Regarding Related-party Transactions" prior to acquiring each of the New Properties with these related parties.

Since the master lessee of Prologis Park Chiba 1 and Prologis Park Tsukuba 1-B, Prologis REIT Master Lease GK, is a special purpose company of ProLogis K.K., the parent company of the Asset Manager, and is regarded as a Related Party, etc. and Interested Party, the Asset Manager has completed the approval process (the Asset Manager has obtained approval from NPR based on the approval of its Board of Directors meeting held on today) set forth in the "Rules Regarding Related-party Transactions" prior to leasing each of the New Properties to this related party.

Additionally, the Property Manager of each of the New Properties is ProLogis K.K., the parent company of the Asset Manager, and is also regarded as a Related Party, etc. and Interested Party. Accordingly, the Asset Manager has completed the approval process (the Asset Manager has obtained approval from NPR based on the approval of its Board of Directors at a meeting held on today) set forth in the "Rules Regarding Related-party Transactions" prior to outsourcing the property management services of each of the New Properties to this related party.

Disclaimer: This press release is an announcement concerning acquisitions of domestic trust beneficiary interests and lease contract with new tenants, and has not been prepared for the purpose of solicitation for investment.

4. Status of Sellers

Acquisition of properties from specially related parties are described below. The following table indicates (1) company name/name, (2) relationship with the specially related parties and (3) transaction history, reasons, etc.

Property Name (Location)	Previous Owner/Trust Beneficiary	Second Previous Owner/Trust Beneficiary	Third Previous Owner/Trust Beneficiary
	(1), (2), (3) Acquisition (transfer) price Timing of acquisition (transfer)	(1), (2), (3) Acquisition (transfer) price Timing of acquisition (transfer)	(1), (2), (3) Acquisition (transfer) price Timing of acquisition (transfer)
Prologis Park Chiba 1 (Location) 210-27, Roppo-Cho, Inage Ward, Chiba, Chiba 210-27, Roppo-Cho, Inage Ward, Chiba, Chiba	1. Hakuba Special Purpose Company 2. Hakuba Special Purpose Company is a special purpose company within the Prologis Group for which ProLogis K.K., the parent company of the Asset Manager, provides asset management services. 3. Development and investment purpose	Unrelated party	—
	Not disclosed (the previous owner / beneficiary of the trust beneficiary interest owned for more than 1 year) (land) (the previous owner / beneficiary of the trust beneficiary interest developed) (building)	—	—
	September 2017 (land) September 2019 (date of completion)	—	—
Prologis Park MFLP Kawagoe (Location) 9-3, Minamidai 1-chome, Kawagoe, Saitama 9-3, Minamidai 1-chome, Kawagoe, Saitama	1. Norikura Special Purpose Company 2. Norikura Special Purpose Company is a special purpose company within the Prologis Group for which ProLogis K.K., the parent company of the Asset Manager, provides asset management services. 3. Development and investment purpose	Unrelated party	—
	Not disclosed (the previous owner / beneficiary of the trust beneficiary interest owned for more than 1 year) (land) (the previous owner / beneficiary of the trust beneficiary interest developed) (building)	—	—
	January 2017 (land) October 2018 (date of completion)	—	—

Disclaimer: This press release is an announcement concerning acquisitions of domestic trust beneficiary interests and lease contract with new tenants, and has not been prepared for the purpose of solicitation for investment.

Property Name (Location)	Previous Owner/Trust Beneficiary	Second Previous Owner/Trust Beneficiary	Third Previous Owner/Trust Beneficiary
Prologis Park Tsukuba 1-B (Location) 6-1, Tokodai 5 chome, Tsukuba, Ibaraki 6-1, Tokodai 5 chome, Tsukuba, Ibaraki	1. Tsukuba Special Purpose Company 2. Tsukuba Special Purpose Company is a special purpose company within the Prologis Group for which ProLogis K.K., the parent company of the Asset Manager, provides asset management services. 3. Development and investment purpose	Unrelated party	—
	Not disclosed (the previous owner / beneficiary of the trust beneficiary interest owned for more than 1 year) (land) (the previous owner / beneficiary of the trust beneficiary interest developed) (building)	—	—
	February 2017 (land) August 2019 (date of completion)	—	—

5. Overview of Intermediary

There is no intermediary involved in the transaction of the above-mentioned acquisition of assets.

6. Future Outlook

Please refer to the press release “Nippon Prologis REIT Revises Forecast for Fiscal Period Ending May 31, 2020, and Announces Forecast for Fiscal Period Ending November 30, 2020” dated today.

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.

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

Real Estate Investment Trust Securities Issuer: Nippon Prologis REIT, Inc. (Code 3283)
Tokyo Building 21F, 2-7-3, Marunouchi, Chiyoda-ku, Tokyo
Executive Director: Masahiro Sakashita

Asset Management Company: Prologis REIT Management K.K.
Representative: CEO Masahiro Sakashita
Inquiries: CFO Atsushi Toda Tel: +81-3-6867-8585

<APPENDIX>
Appendix 1 Surrounding Area Maps and Exterior Property Photographs and Renderings
Appendix 2 Portfolio List after Acquisition of the New Properties

Disclaimer: This press release is an announcement concerning acquisitions of domestic trust beneficiary interests and lease contract with new tenants, and has not been prepared for the purpose of solicitation for investment.

<APPENDIX>
Appendix 1 Surrounding Area Maps and Exterior Property Photographs and Renderings

M-32 Prologis Park Chiba 1





M-33 Prologis Park MFLP Kawagoe





B-18 Prologis Park Tsukuba 1-B





Disclaimer: This press release is an announcement concerning acquisitions of domestic trust beneficiary interests and lease contract with new tenants, and has not been prepared for the purpose of solicitation for investment.

<APPENDIX>

Appendix 2 Portfolio List after Acquisition of the New Properties

Property number	Property name	(Anticipated) Acquisition Price (million yen) (Note 1)	Appraisal Value (million yen) (Note 2)	Investment Ratio (%) (Note 3)
Acquired Assets				
M-01	Prologis Park Ichikawa 1	33,900	44,600	4.8
M-02	Prologis Park Zama 1	27,900	34,000	4.0
M-03	Prologis Park Kawajima	25,600	33,200	3.7
M-04	Prologis Park Osaka 2	25,000	33,700	3.6
M-05	Prologis Park Maishima 3	13,500	16,100	1.9
M-06	Prologis Park Kasugai	12,500	18,400	1.8
M-07	Prologis Park Kitanagoya	6,500	9,420	0.9
M-09	Prologis Park Tokyo-Ohta	29,500	39,800	4.2
M-10	Prologis Park Zama 2	21,900	29,100	3.1
M-11	Prologis Park Funabashi 5	9,500	14,300	1.6
	(Annex)	1,500		
M-12	Prologis Park Narita 1-A&B	8,420	10,500	1.2
M-13	Prologis Park Narita 1-C	4,810	5,990	0.7
M-14	Prologis Park Amagasaki 1	17,600	21,200	2.5
M-15	Prologis Park Amagasaki 2	19,200	22,300	2.7
M-16	Prologis Park Tokyo-Shinkiba	13,600	18,600	1.9
M-17	Prologis Park Yokohama-Tsurumi	13,800	18,500	2.0
M-18	Prologis Park Osaka 4	21,000	26,100	3.0
M-19	Prologis Park Iwanuma 1	5,670	8,010	0.8
M-20	Prologis Park Kawajima 2	8,180	9,490	1.2
M-21	Prologis Park Kitamoto	12,600	14,000	1.8
M-22	Prologis Park Joso	7,120	7,550	1.0
M-23	Prologis Park Osaka 5	17,600	19,100	2.5
M-24	Prologis Park Narita 3	9,240	10,500	1.3
M-25	Prologis Park Narashino 5	13,600	15,100	1.9
M-26	Prologis Park Ibaraki	38,300	42,400	5.5
M-27	Prologis Park Ichikawa 3	17,000	18,000	2.4
M-28	Prologis Park Narita 1-D	5,260	5,350	0.8
M-29	Prologis Park Yoshimi	21,300	21,900	3.0
M-30	Prologis Park Higashimatsuyama	12,600	12,800	1.8
M-31	Prologis Park Kyotanabe	35,800	36,700	5.1
B-02	Prologis Park Takatsuki	4,410	5,340	0.6
B-03	Prologis Park Tosu 2	3,030	3,920	0.4
B-04	Prologis Park Tosu 4	3,810	4,930	0.5
B-05	Prologis Park Narashino 4	20,000	26,500	2.9
B-06	Prologis Park Ebina	8,250	10,900	1.2
B-07	Prologis Park Kawanishi	13,600	15,000	1.9
B-08	Prologis Park Amagasaki 3	9,090	10,600	1.3
B-09	Prologis Park Kobe	6,410	7,180	0.9
B-10	Prologis Park Sendai Izumi	4,820	5,390	0.7
B-11	Prologis Park Koga 1	7,680	8,320	1.1
B-12	Prologis Park Kobe 2	13,700	14,400	2.0
B-13	Prologis Park Koga 2	3,930	4,020	0.6

Disclaimer: This press release is an announcement concerning acquisitions of domestic trust beneficiary interests and lease contract with new tenants, and has not been prepared for the purpose of solicitation for investment.

B-14	Prologis Park Koga 3	5,440	5,550	0.8
B-15	Prologis Park Tsukuba 1-A	12,900	13,000	1.8
B-16	Prologis Park Sendai Izumi 2	9,250	9,260	1.3
B-17	Prologis Park Kobe 4	5,020	5,020	0.7
Subtotal		641,340	766,040	91.5
New Properties				
M-32	Prologis Park Chiba 1	31,000	31,000	4.4
M-33	Prologis Park MFLP Kawagoe	14,800	14,800	2.1
B-18	Prologis Park Tsukuba 1-B	13,500	13,500	1.9
Subtotal		59,300	59,300	8.5
Total		700,640	825,340	100.0

(Note 1) "(Anticipated) acquisition price" is represented by the transfer price of each of Acquired Assets and the New Properties stated in the Sale and Purchase Agreement, which is rounded down to the nearest million yen. The transfer prices do not include consumption taxes, special local consumption tax and other acquisition costs. For Prologis Park Zama 1, the initial acquisition price is stated without accounting for the part of the land of which was sold and acquired as of October 3, 2018.

(Note 2) The appraisal of each property is delegated to JLL Morii Valuation & Advisory KK, Japan Real Estate Institute or CBRE K.K. "Appraisal value" is represented by the appraisal value stated in the appraisal reports as of November 30, 2019.

(Note 3) "Investment ratio" is the ratio of the (anticipated) acquisition price of the each of Acquired Assets and the New Properties to the total of (anticipated) acquisition prices, rounded to the nearest tenth. Therefore, the sum of the investment ratio of each property may differ from the subtotal or the total investment ratio.

Disclaimer: This press release is an announcement concerning acquisitions of domestic trust beneficiary interests and lease contract with new tenants, and has not been prepared for the purpose of solicitation for investment.