

SUMMARY OF FINANCIAL RESULTS (REIT) For the 22nd Fiscal Period Ended November 30, 2023

Jan. 18, 2024

Name of Issuer: Nippon Prologis REIT, Inc. (“NPR”)
Stock Exchange Listing: Tokyo Stock Exchange
Securities Code: 3283
Website: <https://www.prologis-reit.co.jp/en/>
Representative: Satoshi Yamaguchi, Executive Director

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Scheduled Date for Commencement of Distributions Payments: Feb. 15, 2024
Supplementary Materials for Financial Results: Yes • No
Investors & Analysts Meeting: Yes • No

1. Financial Results for the Fiscal Period ended November 30, 2023 (22nd Fiscal Period) (from June 1, 2023 to November 30, 2023)

(Values are rounded down to the nearest million yen)

(1) Operating Results

(Percentages indicates percentage change from the previous period)

Period ended	Operating revenues		Operating income		Ordinary income		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Nov. 30, 2023	30,598	6.4	13,557	9.8	12,278	9.8	12,278	9.8
May 31, 2023	28,753	4.5	12,346	3.6	11,184	2.3	11,183	1.3

Period ended	Net income per unit	Return on unit holders' equity	Ratio of ordinary income to total assets	Ratio of ordinary income to operating revenues
	Yen	%	%	%
Nov. 30, 2023	4,325	2.5	1.4	40.1
May 31, 2023	4,076	2.3	1.4	38.9

(2) Distributions

Period ended	Distributions per unit (including SCD)	Distributions per unit (excluding SCD)	SCD per unit	Total of distributions (including SCD)	Total of distributions (excluding SCD)	Total of SCD	Payout ratio	Ratio of distributions to net assets
	Yen	Yen	Yen	Millions of yen	Millions of yen	Millions of yen		
Nov. 30, 2023	5,085	4,325	760	14,435	12,278	2,157	100.0	2.4
May 31, 2023	4,940	4,067	873	13,582	11,182	2,400	100.0	2.3

* “SCD” stands for the “Surplus Cash Distributions”.

(Note 1) Total of SCD is the return of invested capital, which falls under the distributions through the reduction in unit holders' capital for tax purposes.

(Note 2) The ratios of net asset value attributable to a reduction in unit holders' paid-in capital for the fiscal periods ended Nov. 30, 2023 and May 31, 2023 are 0.005 and 0.006, respectively. The payment of SCD is deemed a return of capital. This calculation methodology is pursuant to Article 23, Paragraph 1, Item 4 of the Act on Special Measures Concerning Taxation.

(3) Financial Position

	Total assets	Net assets	Ratio of unit holders' equity to total assets	Net asset per unit
Period ended	Millions of yen	Millions of yen	%	Yen
Nov. 30, 2023	881,219	512,592	58.2	180,560
May 31, 2023	836,085	488,780	58.5	177,770

(4) Cash Flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at the end of the fiscal period
Period ended	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Nov. 30, 2023	23,403	(51,247)	29,993	33,301
May 31, 2023	12,985	(43,249)	22,236	31,152

2. Earnings Forecasts for the Fiscal Period ending May 31, 2024 (23rd Fiscal Period) (from Dec. 1, 2023, to May 31, 2024) and Nov. 30, 2024 (24th Fiscal Period) (from June 1, 2024, to Nov. 30, 2024)

(Percentages indicate change from the previous period)

Period ending	Operating revenues		Operating income		Ordinary income		Net income		Distributions per unit (including SCD)	Distributions per unit (excluding SCD)	SCD
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen	Yen	Yen
May 31, 2024	30,438	(0.5)	13,483	(0.5)	12,231	(0.4)	12,230	(0.4)	5,095	4,308	787
Nov. 30, 2024	30,860	1.4	13,401	(0.6)	12,149	(0.7)	12,148	(0.7)	5,092	4,280	812

(Reference) Forecasted net income per unit for the fiscal period ending May 31, 2024: 4,308 yen

Forecasted net income per unit for the fiscal period ending Nov. 30, 2024: 4,279 yen

3. Other

(1) Changes in Accounting Policies, Accounting Estimates or Restatements

- (a) Changes in Accounting Policies due to Revisions to Accounting Standards and Other Regulations None
- (b) Changes in Accounting Policies due to Other Reasons None
- (c) Changes in Accounting Estimates None
- (d) Restatements None

(2) Number of Investment Units Issued and Outstanding

Number of investment units issued and outstanding at the end of the fiscal period including treasury units:

As of Nov. 30, 2023 2,838,900 units

As of May 31, 2023 2,749,499 units

Number of treasury units at end of period:

As of Nov. 30, 2023 0 units

As of May 31, 2023 0 units

* The Implementation Status of Statutory Audit

Summary of financial results is not inside the scope of audit procedure by certified public accountants or audit corporations.

* Special Note

The forward-looking statements in this material are based on information currently available to us and on certain assumptions that we believe are reasonable. Actual operating performance may differ substantially due to various factors. Furthermore, those statements shall not be deemed a guarantee or any commitment of the amount of future distributions and surplus cash distributions. Please refer to "Assumptions for the forecasts for the fiscal periods ending May 31, 2024 (23rd Fiscal Period) and Nov. 30, 2024 (24th Fiscal Period)" on page 6-7 for assumptions regarding forward-looking statements.

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1. Results of Operations

(1) Results of Operations

(I) Overview of the 22nd Fiscal Period ended Nov. 30, 2023

(i) Major Operational Results of NPR

NPR was established on Nov. 7, 2012 based on the Act on Investment Trust and Investment Corporation (investment trust law) and was listed on the REIT Securities Market (J-REIT Market) of the Tokyo Stock Exchange ("TSE") on Feb. 14, 2013 (security code: 3283).

NPR has strategically focused on investment for Class-A logistics facilities from its inception backed by the Prologis Group's^(*1) strong sponsor support and has increased unit holders' value by maintaining a portfolio that generates stable income. As a result of such investment management, NPR owned 59 properties (aggregate acquisition price^(*2): 916,783 million yen), all of which are Class-A logistics facilities^(*3) developed by the Prologis Group, as of the end of the reporting fiscal period^(*4).

(*1) The Prologis Group is a group of Prologis, Inc. and its affiliates, which include Prologis K.K., a Japanese subsidiary.

(*2) "Acquisition price" does not include national or local consumption taxes or expenses which were incurred in connection with the acquisition of the properties. Figures are rounded down to millions of yen. With respect to Prologis Park Zama 1, the acquisition price is as of the date of the initial acquisition and does not reflect the partial disposition and acquisition of land on Oct. 3, 2018. With respect to Prologis Park Iwanuma, the acquisition price includes the acquisition price of its land and the construction cost of the building for its redevelopment project.

(*3) "Class-A logistics facilities" are our target logistics properties that meet the demands of logistics companies and other end-users with respect to operational efficiency and fulfill certain criteria with respect to size, location, state-of-the-art equipment, convenience and safety.

(*4) Prologis Park Funabashi 5 and the Annex to Prologis Park Funabashi 5 are deemed a single property; the Annex to Prologis Park Funabashi 5 was not developed by the Prologis Group and is considered by itself not to qualify as a Class-A logistics facility.

(ii) Operational Results of the 22nd Fiscal Period ended Nov. 30, 2023

In the Japanese logistics real estate market, we believe that the fundamental demand for Class-A logistics facilities continues to increase as NPR's customers (logistics space users) move from older and smaller buildings to larger/ more advanced facilities. In our view, this shift is a result of the ongoing reconfiguration of Japan's supply chain, triggered by (i) the transition from manufacturing to services in Japan, continuous expansion in global trade and economic, industrial and social structural changes inside and outside of Japan, and (ii) the expansion of e-commerce ("EC") and third-party logistics ("3PL") providers.

The COVID-19 pandemic started in 2020 has further accelerated expansion of EC-related consumption and the amount of companies' inventories, and therefore, the demand for modern logistics properties has further increased. On the other hand, such business environment resulted in continuous increase in the volume of supply of newly developed logistics properties. Under such environment, the vacancy rate of large multi-tenant logistics properties as of the end of Sep. 2023 was at 8.9% in the greater Tokyo market and 4.5% in the greater Osaka market, respectively. On the other hand, properties older than 1 year continued to demonstrate a low vacancy rate of 2.1% in the greater Tokyo market and 0.5% in the greater Osaka market, respectively. Thus, we believe that the demand for existing stabilized properties, including our portfolio, continues to be solid, while the increases in vacant space appear to be concentrated among newly supplied properties.^(*1) While we will continue to closely monitor the status of supply and demand of the leasing market, we believe that the long-term supply and demand balance for modern logistics properties will likely be solid, backed by the fundamental demand arising from the structural reconfiguration of logistics industry and increasing EC penetration and consumption in Japan.

Under these circumstances, the occupancy rate of NPR's portfolio remained high at 98.2% as of the end of the reporting fiscal period, backed by the competitive advantages of our portfolio and the strong leasing support from the sponsor, the Prologis Group.

During the reporting fiscal period, in an attempt to further enhance its unit holder value, NPR acquired Prologis Park Soka (the "Acquisition in the 22nd Fiscal Period") (acquisition price: 51,400 million yen), which is a Class-A logistics facility developed by the Prologis Group. This continued external growth has further enhanced NPR's portfolio diversification and cashflow stability.

(*1) Source: CBRE

(iii) Overview of Financing

(a) Issuance of New Investment Units

NPR issued new investment units through its public follow-on offering (86,851 units), with a payment date of June 1, 2023, with an aim to procure funds for the Acquisition in the 22nd Fiscal Period and through a third-party allotment (2,550 units) with a payment date of June 27, 2023. As a result of these offerings, NPR successfully raised 25,116 million yen equity capital, and the balance of NPR's unit holders' capital has increased to 500,313 million yen and the total number of units issued and outstanding has increased to 2,838,900 as of the end of the reporting fiscal period.

(b) Borrowings

NPR borrowed short-term loans of 6,000 million yen and long-term loans of 12,500 million yen on June 2, 2023 for the purpose of funding the Acquisition in the 22nd Fiscal Period. Additionally, NPR borrowed short-term loans of 1,500 million yen on June 15, 2023 for the purpose of repayment of the 4th investment corporation bonds of 1,500 million yen upon their maturities. Also, NPR borrowed long-term loans of 2,000 million yen on Nov. 24, 2023 for the purpose of prepayment of the short-term loans of 2,000 million yen. As a result, the balance of NPR's interest-bearing debt was 333,300 million yen, out of which bank borrowings accounted for 290,500 million yen and investment corporation bonds accounted for 42,800 million yen, as of the end of the reporting fiscal period. NPR's loan-to-value ratio (the ratio of aggregate balance of interest-bearing debt, including bank loans and the outstanding balance of long-term and short-term investment corporation bonds, to NPR's total assets, hereinafter "LTV") was 37.8% as of the end of the reporting fiscal period.

(c) Credit Ratings

NPR's credit ratings as of the end of the reporting fiscal period were as follows:

Rating Agency	Rating Object	Rating	Outlook
Japan Credit Rating Agency, Ltd.	Long-term issuer rating	AA+	Stable
	Ratings on bonds	AA+	-
Rating and Investment Information, Inc.	Issuer rating	AA	Stable
	Ratings on bonds	AA	-

(Note) These credit ratings are for NPR as a bond issuer and not for NPR's investment units. NPR's investment units have neither been assigned credit ratings nor been made available for inspection by credit rating agencies nor does NPR has any plan for NPR's investment units to be rated by such credit rating agencies or become available for inspection in the future.

(iv) Overview of Financial Results and Distributions

As a result of aforementioned activities, NPR generated operating revenues of 30,598 million yen, operating income of 13,557 million yen, ordinary income of 12,278 million yen and net income of 12,278 million yen for the reporting fiscal period. The amount of NPR's distributions for the reporting period was 12,278 million yen, being determined to distribute all unappropriated retained earnings for the reporting period, excluding fractions less than 1 yen. Consequently, the distributions per unit (excluding Surplus Cash Distributions ("SCD")) for the reporting fiscal period was 4,325 yen.

In addition, NPR intends to regularly distribute cash in excess of the amount of retained earnings ("Regular Surplus Cash Distributions") in each fiscal period in accordance with a distribution policy set forth in its articles of incorporation of NPR (*1). Furthermore, to maintain the stability of NPR's distributions per unit ("DPU") in the event that DPU is expected to decline to a certain degree as a result of certain events, NPR may make additional distributions as one-time surplus cash distributions ("One-time Surplus Cash Distributions") (*2) in an amount determined by NPR.

For the reporting fiscal period, the total amount of NPR's Regular Surplus Cash Distributions is 2,157 million yen, which is the amount equivalent to 30 percent of NPR's depreciation expense of 7,196 million yen for the reporting fiscal period. Consequently, the total amount of SCD per unit for the reporting fiscal period was determined at 760 yen; which is from the Regular Surplus Cash Distributions.

(*1) In general, NPR intends to distribute Regular Surplus Cash Distributions on a regular basis in an amount no higher than 60 percent (however, if the result, calculated based on the rules of The Investment Trusts Association, Japan, etc., indicates lower amount, the amount should be adopted) of its depreciation expense for an applicable fiscal period, while pursuing other uses of capital such as maintenance expenses, capital expenditures, repayment of borrowings and

funding of new acquisitions. In the meantime, NPR intends to regularly distribute approximately 30 percent of depreciation expense for an applicable fiscal period. However, NPR may adjust, reduce, or suspend the amount of SCD for a particular fiscal period, as a whole or partially, with considerations toward a level of NPR's profitability for a particular fiscal period which reflects NPR's net income and one-time profits arising as capital gains from asset disposition and/or penalties received from lease contract cancellations, etc., the total amount of distributions which include SCD, NPR's LTV ratio, credit rating, and financial conditions as well as macroeconomic and real estate market conditions.

NPR estimates that the total amount of anticipated semi-annual average of imminent or short-term repair and maintenance expenses and medium- to long-term repair and maintenance expenses is 853 million yen.

(*2) In general, NPR intends to maintain the maximum amount of the sum of the Regular Surplus Cash Distributions and the One-time Surplus Cash Distributions, in an amount no higher than 40 percent of its depreciation expense for an applicable fiscal period.

(II) Outlook for Next Fiscal Period

(i) Future Management Policies and Issues

(a) Internal Growth Strategies

NPR intends to achieve strong internal growth of both its cash flows and profit through maintaining high occupancy and increasing rents from our tenants. NPR's portfolio comprises multi-tenant logistics facilities, which typically have diversified tenant base and lease maturities, and build-to-suit logistics facilities, which typically have long-term lease terms with quality tenants, and as a result, NPR's portfolio is expected to generate stable cash flows and long-term growth of profitability.

Upon maturities of lease contracts, NPR will pursue maintenance of and potential increase in its portfolio's occupancy and rent growth by closely monitoring the status of the leasing market and fully leveraging the customer network of the Prologis Group. At the same time, NPR will also pursue rent growth during the terms of lease contracts, while inflationary macroeconomic environment is expected in the future, by introducing rent revision clauses into certain long-term lease contracts that should reflect potential future macroeconomic factors such as CPI. Besides, NPR intends to pursue enhancement of the value of assets as well as customer satisfaction through various measures including conducting property maintenances and capital expenditures at appropriate time, supporting customers' automated logistics operations, installations of LED lighting, and improvement of common space, etc.

(b) External Growth Strategies

NPR intends to achieve external growth mainly through acquiring Class-A logistics facilities developed by the Prologis Group. As of Dec. 31, 2023, pursuant to the sponsor support agreement between NPR and the Prologis Group, NPR held exclusive negotiation rights granted from the Prologis Group for two properties. The Prologis Group will continue to develop new assets of approximately 40 to 60 billion yen per year on average in Japan, and as of Dec. 31, 2023, there were five pipeline properties (the sum of the exclusive negotiation right properties and certain properties under Prologis' development plans which meet NPR's investment criteria) on a publicly announced basis. NPR is entitled to receive exclusive negotiation rights for such properties once certain conditions are met, and NPR aims to acquire such properties once these facilities achieve stabilization, subject to the related party transaction guidelines of Prologis REIT Management K.K., NPR's asset management company (the "Asset Manager") to ensure appropriate terms and conditions.

Properties with Exclusive Negotiation Rights

Property name	Location	Exclusive Negotiation Rights Granted Date	GFA
Prologis Park Yachiyo 1	Yachiyo, Chiba	Dec. 5, 2022	161,219 m ²
Prologis Park Koga 4	Koga, Ibaraki	Dec. 5, 2022	123,266 m ²

Properties under development or under planning by the Prologis Group

Property name	Location	GFA
Prologis Park Yachiyo 2	Yachiyo, Chiba	110,000 m ²
Prologis Park Sendai Izumi 3	Sendai, Miyagi	50,000 m ²
Prologis Park Tokai 1	Tokai, Aichi	154,600 m ²

(Note) NPR has no definite plans to acquire these properties nor is there any guarantee that NPR will be able to acquire any of these properties. The GFA is based on estimation and subject to change.

The Asset Manager will also pursue acquisitions of properties from third parties. In those cases, both the status of the acquisition pipeline from the Prologis Group and the conditions of the real estate market will be considered.

(c) Financial Strategies

NPR intends to manage its financial strategies through careful considerations of its optimal balance between equity and debt. NPR intends to issue new investment units to grow its portfolio in the long-term, with thorough consideration of timing, fully considering and analyzing the status of capital markets/economic environment, acquisition timing of new properties and NPR's capital structure and potential economic impacts on existing unit holders. With respect to debt financing such as bank loans, NPR seeks financing with long-term stability by fixing most interest rates for the long-term.

(d) ESG Strategies

NPR, the Asset Manager and the Prologis Group jointly carry out various activities for the purpose of protecting environment, contributing to society, and maintaining corporate ethics and governance ("ESG"), that fully aligns with NPR's sustainable growth. We aim to live with various stake holders and make social contributions by providing our customers with safe and comfortable facilities allowing increased efficiency of logistics operations, by developing Japan's logistics systems through supply of Class-A logistics facilities, by reducing environmental burden and by participating in our local communities. NPR has set key performance indicators for its ESG initiatives ("KPIs"), and, going forward, intends to achieve the KPIs within the set timeframe, cooperating with the Asset Manager and the Prologis Group.

(ii) Significant Subsequent Events

None

(iii) Earnings Forecast

	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)
Period ending May 31, 2024 (23rd period)	30,438	13,483	12,231	12,230	5,095	4,308	787
Period ending Nov. 30, 2024 (24th period)	30,860	13,401	12,149	12,148	5,092	4,280	812

(Note) Forecast calculations are based on the assumptions as of the date hereof. Actual operating revenues, operating profit, ordinary income, net income, distributions per unit (excluding surplus cash distributions) and surplus cash distributions per unit may vary due to changes in NPR's operational environment and circumstances including acquisitions or sales of properties, changes in rent revenues attributable to tenant movement, unexpected repair, changes in interest rates or issuance of additional investment units. Therefore, these forecasts should not be deemed a commitment or guarantee of the amount of future cash distributions.

Assumptions for the forecasts for the fiscal periods ending May 31, 2024 (23rd Fiscal Period) and Nov. 30, 2024 (24th Fiscal Period)

Item	Assumption
Accounting period	<ul style="list-style-type: none"> Fiscal period ending May 31, 2024 (23rd Fiscal Period) (from Dec. 1, 2023 to May 31, 2024)(183 days) Fiscal period ending Nov. 30, 2024 (24th Fiscal Period) (from June 1, 2024 to Nov. 30, 2024) (183 days)
Assets under management	<ul style="list-style-type: none"> It is assumed that, in addition to the 59 properties held as of Nov. 30, 2023, there will be no change (including acquisition of new properties and dispositions of existing properties) in the operational status of the properties through Nov. 30, 2024. Results may change due to acquisition of new properties or disposition of existing properties, etc.
Investment units	<ul style="list-style-type: none"> It is assumed that the number of investment units of 2,838,900 units issued and outstanding as of today will not change until Nov. 30, 2024.
Interest-bearing Debt	<ul style="list-style-type: none"> The outstanding balance of interest-bearing debt as of today is 333,300 million yen. It is assumed that NPR will refinance all of the interest-bearing debt which will become due by the end of the fiscal period ending Nov. 30, 2024.
Operating revenues	<ul style="list-style-type: none"> Operating revenues account for factors such as market trends and the competitiveness of each property, and are estimated to be 30,438 million yen and 30,860 million yen for the fiscal periods ending May 31, 2024 and Nov. 30, 2024, respectively. The expected average occupancy rates of the properties in the portfolio are estimated to be 98.3% and 98.0% for the fiscal periods ending May 31, 2024 and Nov. 30, 2024, respectively. For operating rental revenues, it is assumed that there is no material impact due to delay or default on rent payment by tenants.
Operating expenses	<ul style="list-style-type: none"> Operating rental expenses except depreciation are calculated from variable factors, and are assumed to be 7,044 million yen and 7,560 million yen for the fiscal periods ending May 31, 2024 and Nov. 30, 2024, respectively. Depreciation expenses are calculated using the straight-line method in relation to the acquisition price including ancillary costs and are assumed to be 7,208 million yen and 7,212 million yen for the fiscal periods ending May 31, 2024 and Nov. 30, 2024, respectively. Upon the acquisition of the real estate, etc., property taxes and city planning taxes which were settled with the seller of properties are included in the purchase prices of properties. Therefore, such taxes for the Acquisition in the 22nd Fiscal Period will be expensed from the fiscal period ending May 31, 2024. The amount of such taxes included in the purchase price of the Acquisition in the 22nd Fiscal Period is assumed to be 21 million yen (equivalent to expenses for 31 days) for the fiscal periods ending May 31, 2024. 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 due to unexpected factors.
Non-operating expenses	<ul style="list-style-type: none"> As for interest expenses and other debt-related costs, 1,198 million yen and 1,230 million yen are expected to be incurred for the fiscal periods ending May 31, 2024 and Nov. 30, 2024, respectively. The non-cash expenditure, which is included in debt-related expenses, is expected to be 212 million yen and 200 million yen for the fiscal periods ending May 31, 2024 and Nov. 30, 2024, respectively.
Distributions per unit (excluding surplus cash distributions (SCD))	<ul style="list-style-type: none"> Distributions per unit (excluding SCD) are calculated based on the premise of the distribution policy in the Articles of Incorporation of NPR that all the profit available for dividend shall be distributed. Distributions per unit (excluding SCD) may vary due to various causes, including, but not limited to, any additional acquisitions or dispositions of properties, changes in rent revenues attributable to tenant movements, changes in the property management environment including unexpected repairs, changes in interest rates, or any additional issuance of new investment units in the future.
Surplus cash distributions (SCD) per unit	<ul style="list-style-type: none"> SCD per unit are calculated based on the fund distribution policy in the NPR's Articles of Incorporation. It is assumed that the Regular Surplus Cash Distributions, which will be equivalent to 31% and 32% of depreciation expenses for the relevant fiscal period, in the fiscal periods ending May 31, 2024 and Nov. 30, 2024 will be 2,234 million yen and 2,305 million yen, respectively. As a result, it is estimated that the SCD per unit in the fiscal periods ending May 31, 2024 and Nov. 30, 2024 will be 787 yen and 812 yen, respectively, which will be from the Regular Surplus Cash Distributions.

Item	Assumption
Others	<ul style="list-style-type: none"><li data-bbox="352 230 1441 331">● It is assumed that no 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.<li data-bbox="352 342 1441 396">● It is assumed that no unexpected material change will arise in overall economic trends and real estate market conditions.

2. Financial Statements

(1) Balance Sheet

(Unit: Thousands of yen)

	As of May 31, 2023	As of Nov. 30, 2023
ASSETS		
Current assets:		
Cash and deposits	24,833,106	26,027,359
Cash and deposits in trust	6,319,408	7,273,769
Operating accounts receivable	1,726,165	1,780,897
Prepaid expenses	812,904	519,583
Consumption taxes receivable	2,302,296	215,620
Other current assets	85,447	648
Total current assets	<u>36,079,328</u>	<u>35,817,877</u>
Fixed assets:		
Property and equipment		
Buildings	7,651,380	7,686,283
Less: accumulated depreciation	<u>(1,870,516)</u>	<u>(1,961,961)</u>
Buildings, net	<u>5,780,863</u>	<u>5,724,321</u>
Structures	250,299	250,299
Less: accumulated depreciation	<u>(186,923)</u>	<u>(188,646)</u>
Structures, net	<u>63,375</u>	<u>61,652</u>
Tools, furniture and fixtures	5,434	5,434
Less: accumulated depreciation	<u>(4,583)</u>	<u>(4,674)</u>
Tools, furniture and fixtures, net	<u>850</u>	<u>759</u>
Land	3,834,204	3,834,204
Buildings in trust	543,775,019	568,478,740
Less: accumulated depreciation	<u>(78,905,707)</u>	<u>(85,508,577)</u>
Buildings in trust, net	<u>464,869,312</u>	<u>482,970,163</u>
Structures in trust	14,319,213	14,913,344
Less: accumulated depreciation	<u>(4,558,258)</u>	<u>(4,957,476)</u>
Structures in trust, net	<u>9,760,955</u>	<u>9,955,867</u>
Machinery and equipment in trust	434,986	434,986
Less: accumulated depreciation	<u>(62,910)</u>	<u>(81,410)</u>
Machinery and equipment in trust, net	<u>372,076</u>	<u>353,576</u>
Tools, furniture and fixtures in trust	1,508,470	1,564,237
Less: accumulated depreciation	<u>(748,700)</u>	<u>(818,548)</u>
Tools, furniture and fixtures in trust, net	<u>759,770</u>	<u>745,688</u>
Other tangible assets in trust	2,654	2,654
Less: accumulated depreciation	<u>(1,017)</u>	<u>(1,345)</u>
Other tangible assets in trust, net	<u>1,636</u>	<u>1,309</u>
Land in trust	312,704,987	339,958,016
Construction in progress in trust	12,463	22,316
Total property and equipment	<u>798,160,496</u>	<u>843,627,876</u>
Intangible assets		
Other intangible assets in trust	271,767	263,295
Total intangible assets	<u>271,767</u>	<u>263,295</u>
Investments and other assets		
Long-term prepaid expenses	1,367,617	1,316,562
Deferred tax assets	35	10
Security deposit	10,000	10,000
Other	400	400
Total investments and other assets	<u>1,378,052</u>	<u>1,326,972</u>
Total fixed assets	<u>799,810,316</u>	<u>845,218,143</u>

	(Unit: Thousands of yen)	
	As of May 31, 2023	As of Nov. 30, 2023
Deferred assets:		
Investment corporation bond issuance costs	195,832	183,004
Total deferred assets	195,832	183,004
Total assets	836,085,477	881,219,026
LIABILITIES		
Current liabilities:		
Operating accounts payable	1,720,847	2,733,012
Short-term loans payable	2,000,000	7,500,000
Current portion of Investment corporation bonds payable	1,500,000	3,000,000
Current portion of long-term loans payable	16,000,000	21,000,000
Accounts payable	710,386	832,574
Accrued expenses	2,681,169	2,898,446
Income taxes payable	1,293	797
Advances received	4,992,552	5,248,398
Other current liabilities	803,314	900,350
Total current liabilities	30,409,564	44,113,578
Non-current liabilities:		
Investment corporation bonds payable	42,800,000	39,800,000
Long-term loans payable	252,500,000	262,000,000
Tenant leasehold and security deposits	256,002	256,002
Tenant leasehold and security deposits in trust	21,331,449	22,451,490
Other non-current liabilities	7,773	4,964
Total non-current liabilities	316,895,225	324,512,457
Total liabilities	347,304,790	368,626,035
NET ASSETS		
Unit holders' equity		
Unit holders' capital		
Unit holders' capital, gross	500,280,765	525,397,439
Deduction of unit holders' capital	(22,683,729)	(25,084,041)
Unit holders' capital	477,597,036	500,313,398
Surplus		
Retained earnings	11,183,651	12,279,592
Total surplus	11,183,651	12,279,592
Total unit holders' equity	488,780,687	512,592,990
Total net assets	*2 488,780,687	*2 512,592,990
Total liabilities and net assets	836,085,477	881,219,026

(2) Statement of Income

	(Unit: Thousands of yen)	
	For the period from Dec. 1, 2022 to May 31, 2023	For the period from June 1, 2023 to Nov. 30, 2023
Operating revenues:		
Operating rental revenues	* ¹ 26,582,814	* ¹ 28,131,777
Other rental revenues	* ¹ 2,171,044	* ¹ 2,466,875
Total operating revenues	<u>28,753,859</u>	<u>30,598,653</u>
Operating expenses:		
Expenses related to property rental business	* ¹ 13,918,145	* ¹ 14,350,740
Asset management fee	2,345,435	2,542,121
Asset custody fee	52,475	54,444
Directors' compensation	7,200	7,200
Audit fee	15,000	15,000
Other operating expenses	69,093	71,427
Total operating expenses	<u>16,407,350</u>	<u>17,040,933</u>
Operating income	<u>12,346,508</u>	<u>13,557,719</u>
Non-operating income:		
Interest income	158	122
Reversal of distributions payable	625	246
Interest on refund of consumption taxes	-	3,456
Total non-operating income	<u>783</u>	<u>3,825</u>
Non-operating expenses:		
Interest expense on loans payable	667,281	782,423
Interest expenses on investment corporation bonds	140,567	145,400
Amortization of investment corporation bond issuance costs	12,298	12,827
Borrowing related expenses	238,411	228,655
Investment unit issuance expenses	36,000	41,907
Offering costs associated with the issuance of investment units	68,299	71,124
Others	39	210
Total non-operating expenses	<u>1,162,897</u>	<u>1,282,550</u>
Ordinary income:	<u>11,184,394</u>	<u>12,278,994</u>
Income before income taxes	<u>11,184,394</u>	<u>12,278,994</u>
Incomes taxes – current	1,317	815
Incomes taxes – deferred	(24)	25
Total income taxes	<u>1,293</u>	<u>840</u>
Net Income	<u>11,183,100</u>	<u>12,278,153</u>
Retained earnings brought forward	550	1,438
Retained earnings at end of period	<u>11,183,651</u>	<u>12,279,592</u>

(3) Statement of Unit Holders' Equity

For the period from Dec. 1, 2022, to May 31, 2023

(Units: Thousands of yen)

	Unit holders' equity						Total net assets
	Unit holders' capital			Surplus		Total unit holders' equity	
	Unit holders' capital, gross	Deduction of unit holders' capital	Unit holders' capital	Unappropriated retained earnings (undisposed loss)	Total surplus		
Balance at the beginning of the period	475,834,330	(20,563,471)	455,270,859	11,037,107	11,037,107	466,307,966	466,307,966
Change during the period							
Issuance of new investment units	24,446,435		24,446,435			24,446,435	24,446,435
Dividends from surplus				(11,036,556)	(11,036,556)	(11,036,556)	(11,036,556)
Distributions in excess of retained earnings		(2,120,257)	(2,120,257)			(2,120,257)	(2,120,257)
Net income				11,183,100	11,183,100	11,183,100	11,183,100
Total change during the period	24,446,435	(2,120,257)	22,326,177	146,544	146,544	22,472,721	22,472,721
Balance at the end of the period	*1500,280,765	(22,683,729)	477,597,036	11,183,651	11,183,651	488,780,687	488,780,687

For the period from June 1, 2023, to Nov. 30, 2023

(Units: Thousands of yen)

	Unit holders' equity						Total net assets
	Unit holders' capital			Surplus		Total unit holders' equity	
	Unit holders' capital, gross	Deduction of unit holders' capital	Unit holders' capital	Unappropriated retained earnings (undisposed loss)	Total surplus		
Balance at the beginning of the period	500,280,765	(22,683,729)	477,597,036	11,183,651	11,183,651	488,780,687	488,780,687
Change during the period							
Issuance of new investment units	25,116,674		25,116,674			25,116,674	25,116,674
Dividends from surplus				(11,182,212)	(11,182,212)	(11,182,212)	(11,182,212)
Distributions in excess of retained earnings		(2,400,312)	(2,400,312)			(2,400,312)	(2,400,312)
Net income				12,278,153	12,278,153	12,278,153	12,278,153
Total change during the period	25,116,674	(2,400,312)	22,716,361	1,095,940	1,095,940	23,812,302	23,812,302
Balance at the end of the period	*1525,397,439	(25,084,041)	500,313,398	12,279,592	12,279,592	512,592,990	512,592,990

(4) Statement of Cash Distribution

(Unit: Yen)

	For the period from Dec. 1, 2022 to May 31, 2023	For the period from June 1, 2023 to Nov. 30, 2023
I Unappropriated retained earnings	11,183,651,328	12,279,592,161
II Distributions in excess of retained earnings	2,400,312,627	2,157,564,000
Other distributions in excess of earnings	2,400,312,627	2,157,564,000
III Distributions	13,582,525,060	14,435,806,500
(Distributions per unit)	(4,940)	(5,085)
Of which, distributions of retained earnings	11,182,212,433	12,278,242,500
(Of which, distributions of retained earnings per unit)	(4,067)	(4,325)
Of which, Distributions in excess of earnings	2,400,312,627	2,157,564,000
(Of which, Distributions in excess of earnings per unit)	(873)	(760)
IV Retained earnings carried forward	1,438,895	1,349,661
Calculation method of distribution amount	<p>Pursuant to the “Policy on the Distribution of Funds” as defined in Article 39, Paragraph 1 of Article 2 of incorporation of NPR, the amount of distributions shall be the amount that does not exceed the amount of net income but exceeds 90% of the distributable profit as defined in Article 67-15 of the Special Taxation Measures Act.</p> <p>Based on the policy, NPR declared the distribution amount of 11,182,212,433 yen which was the amount equivalent to the maximum integral multiples of number of investment units issued and outstanding (2,749,499 investment units) (‘Integral Multiple Method’) as of the reporting fiscal period.</p> <p>In addition, based on the distribution policy as defined in Article 39, Paragraph 2 of incorporation, NPR shall make Regular Surplus Cash Distributions as a general principle, defined as distributions in excess of retained earnings, as a return of unit holders’ capital, each fiscal period on a continuous basis. Furthermore, NPR is permitted to distribute One-time Surplus Cash Distributions for the purpose of maintaining stable distributions per unit in the event that its distributions per unit is expected to temporarily dilute by a certain degree.</p> <p>Accordingly, NPR declared Regular Surplus Cash Distributions of 2,073,122,246 yen, which was the amount equivalent to approximately 30% of depreciation expense of</p>	<p>Pursuant to the “Policy on the Distribution of Funds” as defined in Article 39, Paragraph 1 of Article 2 of incorporation of NPR, the amount of distributions shall be the amount that does not exceed the amount of net income but exceeds 90% of the distributable profit as defined in Article 67-15 of the Special Taxation Measures Act.</p> <p>Based on the policy, NPR declared the distribution amount of 12,278,242,500 yen which was the amount equivalent to the maximum integral multiples of number of investment units issued and outstanding (2,838,900 investment units) (‘Integral Multiple Method’) as of the reporting fiscal period.</p> <p>In addition, based on the distribution policy as defined in Article 39, Paragraph 2 of incorporation, NPR shall make Regular Surplus Cash Distributions as a general principle, defined as distributions in excess of retained earnings, as a return of unit holders’ capital, each fiscal period on a continuous basis. Furthermore, NPR is permitted to distribute One-time Surplus Cash Distributions for the purpose of maintaining stable distributions per unit in the event that its distributions per unit is expected to temporarily dilute by a certain degree.</p> <p>Accordingly, NPR declared Regular Surplus Cash Distributions of 2,157,564,000 yen, which was the amount equivalent to approximately 30% of depreciation expense of</p>

	<p>6,918,096,254 yen for the reporting period calculated by the Integer Multiple Method. Additionally, NPR made Onetime Surplus Cash Distributions of 327,190,381 yen for the purpose of offsetting the dividend per unit temporary decreased by expenses related to property rental business, primarily utility cost, and distributed 2,400,312,627 yen in total as Surplus Cash Distributions, which is treated as return of unit holders' capital for tax purposes.</p>	<p>7,196,793,848 yen for the reporting period calculated by Integral Multiple Method.</p>
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(Note) NPR is permitted to distribute cash in excess of the amount of retained earnings if the amount of the accounting profit is smaller than 90% of its distributable retained earnings on a tax basis to the extent that such distribution amount does not exceed 60% of the amount of NPR's depreciation for the same fiscal period, and if NPR determines that such excess distribution amount is appropriate. Also, NPR is permitted to distribute cash in any amount to the extent that such amount is determined by NPR's board of directors and if the amount of distributions does not satisfy certain conditions of special tax treatment which NPR shall be eligible to otherwise. Please note that the amount of SCD shall be subtracted from the balance of unit holders' paid-in capital upon payment.

(5) Statement of Cash Flows

	(Units: Thousands of yen)	
	For the period from Dec. 1, 2022 to May 31, 2023	For the period from June 1, 2023 to Nov. 30, 2023
Cash flows from operating activities:		
Income before income taxes	11,184,394	12,278,994
Depreciation	6,918,096	7,196,793
Amortization of investment corporation bond issuance costs	12,298	12,827
Investment unit issuance expenses	36,000	41,907
Interest income	(158)	(122)
Interest expense	807,848	927,823
Decrease (Increase) in operating accounts receivable	(82,095)	(54,732)
Decrease (Increase) in consumption taxes refund receivables	(2,302,296)	2,424,465
Decrease (Increase) in prepaid expenses	(303,288)	293,321
Decrease (Increase) in long-term prepaid expenses	(117,437)	51,055
Increase (Decrease) in operating accounts payable	(662,163)	1,011,149
Increase (Decrease) in accounts payable	19,049	7,058
Increase (Decrease) in accrued expenses	82,900	218,190
Increase (Decrease) in consumption taxes payable	(2,026,737)	(337,789)
Increase (Decrease) in advances received	294,163	255,845
Others, net	(69,431)	6,202
Subtotal	<u>13,791,142</u>	<u>24,332,991</u>
Interest received	158	122
Interest paid	(804,746)	(928,737)
Income taxes paid	(830)	(1,312)
Net cash provided by operating activities	<u>12,985,723</u>	<u>23,403,064</u>
Cash flows from investing activities:		
Purchases of property and equipment	(8,209)	(5,089)
Purchases of property and equipment in trust	(44,671,984)	(52,533,045)
Purchases of intangible assets in trust	(3,395)	(2,222)
Proceeds from tenant leasehold and security deposits in trust	2,022,473	1,713,949
Repayments from tenant leasehold and security deposits in trust	(588,884)	(421,330)
Net cash provided by (used in) investing activities	<u>(43,249,999)</u>	<u>(51,247,739)</u>
Cash flows from financing activities:		
Proceeds from short-term loans payable	5,000,000	7,500,000
Repayments of short-term loans payable	(3,000,000)	(2,000,000)
Proceeds from long-term loans payable	33,600,000	14,500,000
Repayments of long-term loans payable	(27,600,000)	-
Proceeds from issuance of investment corporation bonds	2,983,274	-
Redemption of investment corporation bonds	-	(1,500,000)
Proceeds from issuance of new investment units	24,410,434	25,074,766
Payment of distributions of retained earnings	(11,036,891)	(11,181,420)
Payment of distributions in excess of retained earnings	(2,120,252)	(2,400,057)
Net cash provided by (used in) financing activities	<u>22,236,565</u>	<u>29,993,288</u>
Net increase (decrease) in cash and cash equivalents	<u>(8,027,710)</u>	<u>2,148,613</u>
Cash and cash equivalents at the beginning of period	<u>39,180,225</u>	<u>31,152,514</u>
Cash and cash equivalents at the end of period	<u>*1 31,152,514</u>	<u>*1 33,301,128</u>

(6) Notes Concerning Going Concerns Assumption

None

(7) Notes Concerning Significant Accounting Policies

<p>1. Method of depreciation of non-current assets</p>	<p>(1) Property and equipment (including trust assets) The straight-line method is used. The useful lives of major property and equipment are as follows.</p> <table border="0"> <tr> <td>Buildings</td> <td>2-67 years</td> </tr> <tr> <td>Structures</td> <td>2-60 years</td> </tr> <tr> <td>Machinery and equipment</td> <td>8-17 years</td> </tr> <tr> <td>Tools, furniture and fixtures</td> <td>2-20 years</td> </tr> </table> <p>(2) Intangible assets (including trust assets) The straight-line method is used.</p>	Buildings	2-67 years	Structures	2-60 years	Machinery and equipment	8-17 years	Tools, furniture and fixtures	2-20 years
Buildings	2-67 years								
Structures	2-60 years								
Machinery and equipment	8-17 years								
Tools, furniture and fixtures	2-20 years								
<p>2. Accounting method of deferred charges</p>	<p>(1) Investment unit issuance expenses The full amount of investment unit issuance expenses is recorded as expense at the time of expenditure.</p> <p>(2) Investment corporation bond issuance costs Investment corporation bond issuance costs are amortized over the remaining life of the bonds using straight-line method.</p>								
<p>3. Revenue and expense recognition</p>	<p>(1) Accounting for revenues The content of main performance obligations related to revenue arising from contracts with customers of the Company and the normal timing for satisfying such performance obligations (the normal timing for recognizing revenue) are as follows:</p> <p>a. Sale of real estate property The Company recognizes revenue from the sale of real estate properties when the purchaser, as the customer, obtains control of the real. Note that the Company discloses “Gain on sales of real estate properties” or “Loss on sales of real estate properties” based on “Sales proceed” excluding “Book value of properties sold” and “Other sales expenses” on Income statement. “Gain on sales of real estate properties” and “Loss on sales of real estate properties” were not recorded for the previous and current fiscal period ended, respectively.</p> <p>b. Utilities income The Company supplies utilities services such as the electricity, water, etc. to the lessee as the customer and recognize those income based on agreements with the customers.</p> <p>(2) Accounting treatment of property taxes and other taxes With respect to property taxes, city planning taxes and depreciable asset taxes, of the tax amount assessed and determined, the amount corresponding to the relevant fiscal period is accounted for as rental expenses. Of the amounts paid for the acquisitions of real estate properties or beneficiary right in trust of real estate, the amount equivalent to property taxes is capitalized as part of the acquisition cost of the relevant property instead of being charged as an expense. Capitalized property taxes amounted to 7,594 thousand yen for the fiscal period ended May 31, 2023 and 147,719 thousand yen for the fiscal period ended Nov. 30, 2023, respectively.</p>								

<p>4. Hedge accounting</p>	<p>(1) Hedge accounting method For interest rate swaps, special accounting treatment is adopted.</p> <p>(2) Hedge instruments and hedged items Hedge instruments – interest rate swaps Hedged items – interests on loans payable</p> <p>(3) Hedging policy NPR uses interest rate swaps for the purpose of hedging risks defined in the articles of incorporation based on its risk management policies.</p> <p>(4) Hedge effectiveness test Assessment of the hedge effectiveness has been omitted since all interest rate swaps meet the specific matching criteria under the special accounting treatment.</p>
<p>5. Cash and cash equivalents as stated in the Statement of Cash Flows</p>	<p>Cash and cash equivalents consist of cash on hand and cash in trust, floating deposits, deposits in trust and short-term investments that are very liquid and realizable with a maturity of three months or less when purchased and that are subject to insignificant risks of changes in value.</p>
<p>6. Other matters which constitute the basis for preparation of financial statements</p>	<p>(1) Accounting treatment of trust beneficiary interests of real estate As to trust beneficiary interests of real estate, all accounts of assets and liabilities within assets in trust, as well as all income generated and expenses incurred from assets in trust, are recorded in the relevant balance sheets and income statement accounts. Of which, the following significant trust assets are shown separately on the balance sheet.</p> <p>(a) Cash and deposits in trust</p> <p>(b) Buildings in trust, structures in trust, machinery and equipment in trust, tools, furniture, fixtures in trust, land in trust and other tangible assets in trust</p> <p>(c) Construction in progress in trust</p> <p>(d) Tenant leasehold and security deposits in trust</p> <p>(2) Accounting treatment of consumption taxes The nondeductible portion of consumption taxes imposed in connection with assets is charged to expense in the period incurred.</p>

(8) Notes to Financial Statements

(Notes to Balance Sheet)

*1. Commitment line agreement

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

	As of May 31, 2023	As of Nov. 30, 2023
Total amount of committed line of credit	20,000,000 thousand yen	20,000,000 thousand yen
Borrowings drawn down	-thousand yen	-thousand yen
Balance of unused committed line of credit	20,000,000 thousand yen	20,000,000 thousand yen

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

As of May 31, 2023	As of Nov. 30, 2023
50,000 thousand yen	50,000 thousand yen

(Notes to Statement of Income)

*1. Operating income from property leasing is as follows:

	(Units: Thousands of yen)	
	For the period from Dec. 1, 2022 to May 31, 2023	For the period from June 1, 2023 to Nov. 30, 2023
(1) Property-related revenues		
Rental revenues		
Rental revenues	24,877,215	26,327,798
Common area charges	1,705,599	1,803,978
Total	26,582,814	28,131,777
Other rental revenues		
Utilities income	1,811,531	2,070,556
Others	359,512	396,319
Total	2,171,044	2,466,875
Total property-related revenues	28,753,859	30,598,653
(2) Property-related expenses		
Rental expenses		
Subcontract expenses	1,606,065	1,678,787
Utilities cost	2,141,373	2,109,724
Taxes and public dues	2,578,235	2,600,685
Non-life insurance premium	303,989	309,358
Repair and maintenance	340,007	423,217
Depreciation	6,918,096	7,196,793
Custodian fee	26,247	28,063
Other expenses	4,130	4,109
Total rental expenses	13,918,145	14,350,740
(3) Operating income from property leasing ((1)-(2))	14,835,713	16,247,912

(Notes to Statement of Unit Holders' Equity)

*1. Number of investment units authorized and number of investment units issued and outstanding

	For the period from Dec. 1, 2022 to May 31, 2023	For the period from June 1, 2023 to Nov. 30, 2023
Number of investment units authorized	10,000,000 units	10,000,000 units
Number of investment units issued and outstanding	2,749,499 units	2,838,900 units

(Notes to Statement of Cash Flow)

*1. Relationship between cash and cash equivalents in statement of cash flows and accounts and amounts in the accompanying balance sheet

	For the period from Dec. 1, 2022 to May 31, 2023	For the period from June 1, 2023 to Nov. 30, 2023
Cash and deposits	24,833,106 thousand yen	26,027,359 thousand yen
Cash and deposits in trust	6,319,408 thousand yen	7,273,769 thousand yen
Cash and cash equivalents	31,152,514 thousand yen	33,301,128 thousand yen

(Notes Related to Lease Contracts)

Operating lease transactions (as lessor)

Unearned rental revenue

	As of May 31, 2023	As of Nov. 30, 2023
Due within one year	48,757,087 thousand yen	50,483,325 thousand yen
Due after one year	171,266,487 thousand yen	196,946,820 thousand yen
Total	220,023,575 thousand yen	247,430,145 thousand yen

(Notes Related to Financial Instruments)

1. Status of financial instruments

(1) Policy for Financial Instruments

NPR procures funds for acquisition of assets through issuance of new investment units, bank loans and issuance of investment corporation bonds.

NPR generally invests surplus funds in bank deposits, considering the safety and liquidity of the investment and also reflecting the market environment and cash positions of NPR itself.

NPR enters into derivative transactions solely for the purposes of reducing risks of rising interest rates related to financings and other types of risks. NPR does not use derivative transactions for speculative purposes.

(2) Financial Instruments, their Risks and Risk Management System

Bank deposits are used for investment of surplus funds. These deposits are exposed to credit risks, such as bankruptcy of depository financial institutions, but such credit risks are limited and carefully controlled by using only short-term deposits in financial institutions with high credit ratings, fully considering the market environment and NPR's cash flow status.

Bank loans and investment corporation bonds are mainly made to procure funds for acquisition of properties, repayment of bank loans and redemption of investment corporation bonds. Although NPR is exposed to liquidity risks upon repayment and redemption, by diversifying the maturities and lending institutions, setting up commitment line agreements, securing liquidity of cash in hand and managing such liquidity risks by preparing and monitoring cash flows projection, such risks are maintained under control. In addition, certain loans bear floating interest rates and are exposed to potential risk of rising interest rates. NPR attempts to mitigate the impact of such risks on its operations by maintaining a conservative loan to value ratio and increasing the ratio of long-term fixed interest rate loans.

(3) Supplemental Explanation Regarding Fair Values of Financial Instruments

Since the fair value of financial instruments is calculated based on certain assumptions, the fair value could differ depending on the assumptions used. As for the contract amount and other conditions of derivative transactions indicated in “ b) Estimated Fair Value of Financial Instruments” below, the contract amount is not an indicator of the market risks related to such derivative transactions.

2. Estimated Fair Value of Financial Instruments

As of May 31, 2023

The book value, the fair value and the difference between the values as of May 31, 2023, are as follows. The footnotes regarding the “Cash and deposits”, the “Cash and deposits in trust” and the “Short-term loans payable” are omitted due to their short-term settlement nature.

(Unit: Thousands of yen)

	Book value	Fair value	Difference
(1) Current portion of Investment Corporation bonds payable	1,500,000	1,499,850	(150)
(2) Current portion of long-term loans payable	16,000,000	16,005,531	5,531
(3) Investment corporation bonds payable	42,800,000	39,952,560	(2,847,440)
(4) Long-term loans payable	252,500,000	255,263,485	2,763,485
Total liabilities	312,800,000	312,721,427	(78,572)
(5) Derivative transactions	-	(2,917)	(2,917)

As of Nov. 30, 2023

The book value, the fair value and the difference between the values as of Nov. 30, 2023, are as follows. The footnotes regarding the “Cash and deposits”, the “Cash and deposits in trust” and the “Short-term loans payable” are omitted due to their short-term settlement nature.

(Unit: Thousands of yen)

	Book value	Fair value	Difference
(1) Current portion of Investment Corporation bonds payable	3,000,000	3,013,800	13,800
(2) Current portion of long-term loans payable	21,000,000	21,010,225	10,225
(3) Investment corporation bonds payable	39,800,000	36,145,980	(3,654,020)
(4) Long-term loans payable	262,000,000	265,215,278	3,215,278
Total liabilities	325,800,000	325,385,284	(414,715)
(5) Derivative transactions	-	-	-

(Note 1) Methods to estimate fair values of financial instruments and matters concerning derivative transactions

(1) Current portion of investment corporation bonds payable and (3) Investment corporation bonds payable

The reference statistical prices disclosed by the Japan Securities Dealers Association are used as the fair value.

(2) Current portion of long-term loans payable and (4) Long-term loans payable

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

(5) Derivative transactions

Please refer to “Notes related to Derivative Transactions,” below.

(Note 2) Redemption schedule of long-term loans payable and other interest-bearing debt after the closing date of the fiscal period

As of May 31, 2023

(Unit: Thousands of yen)

	Due with one year	Due after one to two years	Due after two to three years	Due after three to four years	Due after four to five years	Due after five years
Investment corporation bonds payable	1,500,000	3,000,000	-	-	8,500,000	31,300,000
Long-term loans payable	16,000,000	32,300,000	24,900,000	44,100,000	29,800,000	121,400,000
Total	17,500,000	35,300,000	24,900,000	44,100,000	38,300,000	152,700,000

As of Nov. 30, 2023

(Unit: Thousands of yen)

	Due within one year	Due after one to two years	Due after two to three years	Due after three to four years	Due after four to five years	Due after five years
Investment corporation bonds payable	3,000,000	-	-	5,500,000	11,300,000	23,000,000
Long-term loans payable	21,000,000	32,300,000	26,300,000	37,700,000	36,400,000	129,300,000
Total	24,000,000	32,300,000	26,300,000	43,200,000	47,700,000	152,300,000

(Notes Related to Investment Securities)

For the periods ended May 31, 2023, and Nov. 30, 2023

None

(Notes Related to Derivative Transactions)

1. Derivative transactions for which hedge accounting is not applied

For the periods ended May 31, 2023, and Nov. 30, 2023

None

2. Derivative transactions for which hedge accounting is applied

The contract and notional amount as of May 31, 2023, sorted by hedge accounting method is as follows:

(Units: Thousands of yen)

Hedge accounting method	Type of derivative transaction	Primary hedged item	Contract amount and other		Fair value (Note 2)	Fair value measurement
			Total	Due after one year		
Special treatment for interest rate swaps	Interest rate swaps Receive floating / Pay fix	Long-term loans payable	279,000,000	263,000,000	(2,917)	(Note 3)

(Note 1) "Contract amount" includes a notional amount of 12,500,000 thousand yen of interest rate swap entered on May 31, 2023. The effective date of the loan subject to the interest rate swap is June 2, 2023.

(Note 2) As of May 31, 2023, the interest rate swap entered on May 31, 2023 is not deemed as an integral component of long term loan payable under the special accounting treatment since the corresponding loan designated as a hedged item has not yet started. Thus, the amount represents the fair value of the subject interest rate swap as of May 31, 2023. Other than that, interest rate swaps under special accounting treatment are accounted for as the integral part of long-term loans payable designated as hedged items. Therefore, their fair value is included in long-term loans payable disclosed in the aforementioned "Notes Related to Financial Instruments, 2. Estimated Fair Values of Financial Instruments, (2) Current portion of long-term loans payable and (4) Long-term loans payable".

(Note 3) Fair value is measured by the counterparty of the relevant transaction based on market rates.

The contract and notional amount as of Nov. 30, 2023, sorted by hedge accounting method is as follows:

(Units: Thousands of yen)

Hedge accounting method	Type of derivative transaction	Primary hedged item	Contract amount and other		Fair value	Fair value measurement
			Total	Due after one year		
Special treatment for interest rate swaps	Interest rate swaps Receive floating / Pay fix	Long-term loans payable	279,000,000	258,000,000	(Note)	-

(Note) Interest rate swaps under the special accounting treatment are accounted for as the integral part of long-term loans payable designated as hedged items. Therefore, their fair value is included in long-term loans payable disclosed in the aforementioned "Notes Related to Financial Instruments, 2. Estimated Fair Value of Financial Instruments, (2) Current portion of long-term loans payable and (4) Long-term loans payable."

(Notes Related to Related Party Transactions)

1. Transactions with Account Balances with the Parent company and Major Unit Holders

For the periods from Dec. 1, 2022, to May 31, 2023, and June 1, 2023, to Nov. 30, 2023

None

2. Transactions and Account Balances with Affiliates

For the periods from Dec. 1, 2022, to May 31, 2023, and June 1, 2023, to Nov. 30, 2023

None

3. Transactions and Account Balances with Companies under Common Control

For the period from Dec. 1, 2022, to May 31, 2023

Relationship	Name of the company	Address	Stated capital (Thousands of yen)	Type of business	% of voting rights owned	Relation		Type of transaction	Transaction amount (Thousands of yen)	Account	Balance (Thousands of yen)
						Common board member	Business relationship				
Subsidiary of an affiliate	Prologis REIT Master Lease GK (Note 2)	Chiyoda-ku, Tokyo	2,100	Real estate business	-	-	Lessee	Lease of properties in trust	27,057,846	Operating accounts receivable	1,403,031
										Advances received	4,678,447
								Proceeds of tenant leasehold and security deposits in trust	2,022,473	Tenant leasehold and security deposits in trust	20,884,997
Repayments of tenant leasehold and security deposits in trust	584,408										
Subsidiary of an affiliate	Zao Special Purpose Company	Chiyoda-ku, Tokyo	100,000	Real estate business	-	-	Seller	Acquisition of beneficiary right in trust	27,900,000	-	-
Subsidiary of an affiliate	Kobe Special Purpose Company (Note 3)	Chiyoda-ku, Tokyo	100,000	Real estate business	-	-	Seller	Acquisition of beneficiary right in trust	9,580,000	-	-
Subsidiary of an affiliate	Hisayama Special Purpose Company	Chiyoda-ku, Tokyo	100,000	Real estate business	-	-	Seller	Acquisition of beneficiary right in trust	5,920,000	-	-
Subsidiary of an affiliate	Prologis REIT Management K.K.	Chiyoda-ku, Tokyo	100,000	Investment management business	-	Executive Director of NPR and Director & Executive Adviser of the Asset Manager	Asset Manager	Payment of asset management fee	2,562,435	Accrued expenses	2,579,979

(Note 1) The terms and conditions of these transactions were executed based on market practices.

(Note 2) With respect to 51 of the 58 properties held by NPR, NPR leases space to Prologis REIT Master Lease GK based on a pass-through type master lease agreement, and Prologis REIT Master Lease GK subleases the space to tenants.

(Note 3) Kobe Special Purpose Company changed its trade name to Sakura Special Purpose Company on February 22, 2023.

For the period from June 1, 2023, to Nov. 30, 2023

Relationship	Name of the company	Address	Stated capital (Thousands of yen)	Type of business	% of voting rights owned	Relation		Type of transaction	Transaction amount (Thousands of yen)	Account	Balance (Thousands of yen)
						Common board member	Business relationship				
Subsidiary of an affiliate	Prologis REIT Master Lease GK (Note 2)	Chiyoda-ku, Tokyo	2,100	Real estate business	-	-	Lessee	Lease of properties in trust	28,923,499	Operating accounts receivable	1,493,624
										Advances received	4,939,236
								Proceeds of tenant leasehold and security deposits in trust	1,686,434	Tenant leasehold and security deposits in trust	22,075,466
Repayments of tenant leasehold and security deposits in trust	495,964										
Subsidiary of an affiliate	Jinba Special Purpose Company	Chiyoda-ku, Tokyo	100,000	Real estate business	-	-	Seller	Acquisition of beneficiary right in trust	51,400,000	-	-
Subsidiary of an affiliate	Prologis REIT Management K.K.	Chiyoda-ku, Tokyo	100,000	Investment management business	-	Executive Director of NPR and Director & Executive Adviser of the Asset Manager	Asset Manager	Payment of asset management fee	2,799,121	Accrued expenses	2,796,333

(Note 1) The terms and conditions of these transactions were executed based on market practices.

(Note 2) With respect to 52 of the 59 properties held by NPR, NPR leases space to Prologis REIT Master Lease GK based on a pass-through type master lease agreement, and Prologis REIT Master Lease GK subleases the space to tenants.

4. Transaction and Account Balances with Board of Directors and Individual Unit Holders

For the periods from Dec. 1, 2022, to May 31, 2023, and June 1, 2023, to Nov. 30, 2023

None

(Notes Related to Retirement Payment)

For the periods from Dec. 1, 2022, to May 31, 2023, and June 1, 2023, to Nov. 30, 2023

None

(Notes Related to Deferred Tax Accounting)

1. Primary components of deferred tax assets and deferred tax liabilities

(Deferred tax assets)	(Unit: Thousands of yen)	
	As of May 31, 2023	As of Nov. 30, 2023
Enterprise tax payable	35	10
Total deferred tax assets	35	10
Net deferred tax assets	35	10

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

	(Unit: %)	
	As of May 31, 2023	As of Nov. 30, 2023
Statutory tax rate	31.46	31.46
(Adjustments)		
Deductible distributions of retained earnings	(31.45)	(31.46)
Others	0.01	0.01
Effective tax rate	0.01	0.01

(Notes Related to Asset Retirement Obligations)

For the periods from Dec. 1, 2022, to May 31, 2023, and June 1, 2023, to Nov. 30, 2023

None

(Notes Related to Rental Properties)

NPR owns logistics facilities that it leases to tenants to earn rental income. The book value, the change in the balance during the reporting fiscal period and fair values of the properties are as follows:

(Unit: Thousands of yen)

	For the period from Dec. 1, 2022 to May 31, 2023	For the period from June 1, 2023 to Nov. 30, 2023
Book value		
Balance at the beginning of the period	760,584,430	798,419,800
Change during the period	37,835,370	45,449,054
Balance at the end of the period	798,419,800	843,868,855
Fair value at the end of the period	1,101,870,000	1,164,250,000

(Note 1) Book value is calculated by deducting accumulated depreciation from acquisition cost.

(Note 2) As for the fiscal period ended May 31, 2023, the increase was primarily a result of acquiring three properties, Prologis Park Inagawa 1 (50% of co-ownership interest), Prologis Park Kobe 3 and Prologis Park Ogori (43,703,489 thousand yen in total) and the decrease was primarily a result of recognition of depreciation, which amounted to 6,918,096 thousand yen. As for the fiscal period ended Nov. 30, 2023, the increase was primarily a result of acquiring property, Prologis Park Soka (51,551,686 thousand yen) and the decrease was primarily a result of recognition of depreciation, which amounted to 7,196,793 thousand yen.

(Note 3) The fair value at the end of the period is determined based on appraised value provided by independent real estate appraisers.

Income and loss in connection with investment and rental properties are disclosed in “Notes to Statements of Income.”

(Notes Related to Revenue Recognition)

For the period from Dec. 1, 2022, to May 31, 2023

Detail information for revenue from contracts with customers

Refer to the section “Operating income from property leasing “noted in “Notes to Statement of Income” above.

Rent revenues subject to Accounting Standard for Lease Transactions (ASBJ Statement No. 13) is excluded from “Revenue from contracts with customers” as it is not subject to Accounting Standard for Revenue Recognition. The revenue from contracts with customers is mainly revenues from the utilities (Notes Related to Segment and Related Information)

For the period from June 1, 2023, to Nov. 30, 2023

Detail information for revenue from contracts with customers

Refer to the section “Operating income from property leasing “noted in “Notes to Statement of Income” above.

Rent revenues subject to Accounting Standard for Lease Transactions (ASBJ Statement No. 13) is excluded from “Revenue from contracts with customers” as it is not subject to Accounting Standard for Revenue Recognition. The revenue from contracts with customers is mainly revenues from the utilities (Notes Related to Segment and Related Information)

(Segment Information)

For the period from Dec. 1, 2022, to May 31, 2023

Description is omitted as NPR engages in a single segment.

For the period from June 1, 2023, to Nov. 30, 2023

Description is omitted as NPR engages in a single segment.

(Related Information)

For the period from Dec. 1, 2022, to May 31, 2023

1. Information by products and services

Description of this information is not stated herein as operating revenues generated from external customers for a single product and service have exceeded 90 percent of total operating revenues on the statement of income.

2. Information by geographic region

(1) Operating revenues

Description of this information is not stated herein as operating revenues generated from external customers in Japan have exceeded 90 percent of total operating revenues on the statement of income.

(2) Property and equipment

Description of this information is not stated herein as the balance of property and equipment in Japan has exceeded 90 percent of total balance of property and equipment on the balance sheet.

3. Information by major customers

(Unit: Thousands of yen)

Counterparty	Operating revenues	Related segment
Prologis REIT Master Lease GK	27,057,846	The real estate leasing business.

(Note 1) With respect to 51 of the 58 properties held by NPR, NPR leases space to Prologis REIT Master Lease GK based on a pass-through type master lease agreement, and Prologis REIT Master Lease GK subleases the space to actual tenants.

For the period from June 1, 2023, to Nov. 30, 2023

1. Information by products and services

Description of this information is not stated herein as operating revenues generated from external customers for a single product and service have exceeded 90 percent of total operating revenues on the statement of income.

2. Information by geographic region

(1) Operating revenues

Description of this information is not stated herein as operating revenues generated from external customers in Japan have exceeded 90 percent of total operating revenues on the statement of income.

(2) Property and equipment

Description of this information is not stated herein as the balance of property and equipment in Japan has exceeded 90 percent of total balance of property and equipment on the balance sheet.

3. Information by major customers

(Unit: Thousands of yen)

Counterparty	Operating revenues	Related segment
Prologis REIT Master Lease GK	28,923,499	The real estate leasing business.

(Note 1) With respect to 52 of the 59 properties held by NPR, NPR leases space to Prologis REIT Master Lease GK based on a pass-through type master lease agreement, and Prologis REIT Master Lease GK subleases the space to actual tenants.

(Notes Related to Per Unit Information)

	For the period from Dec. 1, 2022 to May 31, 2023	For the period from June 1, 2023 to Nov. 30, 2023
Net assets per unit	177,770 yen	180,560 yen
Net income per unit	4,076 yen	4,325 yen

(Note 1) Net income or loss per unit is calculated by dividing income or loss for the period by the weighted average number of investment units issued and outstanding based on the number of days during the applicable reporting periods. Diluted income per unit is not stated as there is no dilutive equity issued and outstanding.

(Note 2) The basis for calculation of net income per unit is as follows:

	For the period from Dec. 1, 2022 to May 31, 2023	For the period from June 1, 2023 to Nov. 30, 2023
Net income (Thousands of yen)	11,183,100	12,278,153
Amount not attributable to common unit holders (Thousands of yen)	-	-
Net income attributable to common unit holders (Thousands of yen)	11,183,100	12,278,153
Average number of investment units during the period (unit)	2,743,533	2,838,537

(Notes Related to Material Subsequent Events)

None

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

Changes in the number of investment units issued and outstanding and unit holders' equity for the last five years are as follows:

Date	Type of issue	Number of investment units issued and outstanding (Units)		Unit holders' equity (Notes 1 and 24) (Thousands of yen)		Note
		Increase	Total	Increase	Total	
Feb. 15, 2019	Surplus cash distribution (Return on capital)	-	2,185,950	(972,747)	329,544,627	(Note 2)
June 18, 2019	Public offering	155,430	2,341,380	34,199,262	363,743,890	(Note 3)
July 17, 2019	Secondary distribution	7,770	2,349,150	1,709,633	365,453,523	(Note 4)
Aug. 15, 2019	Surplus cash distribution (Return on capital)	-	2,349,150	(1,239,433)	364,214,089	(Note 5)
Jan. 31, 2020	Public offering	111,140	2,460,290	31,485,072	395,699,162	(Note 6)
Feb. 14, 2020	Surplus cash distribution (Return on capital)	-	2,460,290	(1,423,584)	394,275,577	(Note 7)
Feb. 26, 2020	Secondary distribution	5,560	2,465,850	1,575,103	395,850,681	(Note 8)
Aug. 14, 2020	Surplus cash distribution (Return on capital)	-	2,465,850	(1,694,038)	394,156,642	(Note 9)
Feb. 2, 2021	Public offering	110,480	2,576,330	35,604,721	429,761,363	(Note 10)

Feb. 15, 2021	Surplus cash distribution (Return on capital)	-	2,576,330	(1,797,604)	427,963,758	(Note 11)
Feb. 24, 2021	Secondary distribution	5,520	2,581,850	1,778,946	429,742,705	(Note 12)
Aug. 13, 2021	Surplus cash distribution (Return on capital)	-	2,581,850	(1,902,823)	427,839,882	(Note 13)
Dec. 10, 2021	Public offering	84,290	2,666,140	29,491,806	457,331,688	(Note 14)
Jan. 5, 2022	Secondary distribution	4,210	2,670,350	1,473,015	458,804,704	(Note 15)
Feb. 15, 2022	Surplus cash distribution (Return on capital)	-	2,670,350	(1,763,403)	457,041,301	(Note 16)
Aug. 15, 2022	Surplus cash distribution (Return on capital)	-	2,670,350	(1,770,442)	455,270,859	(Note 17)
Dec. 14, 2022	Public offering	76,570	2,746,920	23,649,869	478,920,728	(Note 18)
Jan. 5, 2023	Secondary distribution	2,579	2,749,499	796,565	479,717,294	(Note 19)
Feb. 15, 2023	Surplus cash distribution (Return on capital)	-	2,749,499	(2,120,257)	477,597,036	(Note 20)
June 1, 2023	Public offering	86,851	2,836,350	24,400,267	501,997,303	(Note 21)
June 27, 2023	Secondary distribution	2,550	2,838,900	716,407	502,713,710	(Note 22)
Aug. 15, 2023	Surplus cash distribution (Return on capital)	-	2,838,900	(2,400,312)	500,313,398	(Note 23)

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

(Note 2) Cash distributions for the fiscal period ended Nov. 2018 in the amount of 445 yen per unit as distributions in excess of retained earnings, as a return of unit holders' capital. It was decided on Jan. 18, 2019, and payment began on Feb. 15, 2019.

(Note 3) New investment units were issued at a price of 227,458 yen per unit (220,030 yen after deduction of gross spread to underwriters) to raise funds for the repayment of borrowings for the acquisition of new properties.

(Note 4) New investment units were issued at a price of 220,030 yen per unit through third-party allotment to raise funds for the future acquisition of properties or the repayment of borrowings.

(Note 5) Cash distributions for the fiscal period ended May 2018 in the amount of 567 yen per unit as distributions in excess of retained earnings, as a return of unit holders' capital. It was decided on July 18, 2019, and payment began on Aug. 15, 2019.

(Note 6) New investment units were issued at a price of 292,824 yen per unit (283,292 yen after deduction of gross spread to underwriters) to raise funds for the acquisition of new properties.

(Note 7) Cash distributions for the fiscal period ended Nov. 2019 in the amount of 606 yen per unit as distributions in excess of retained earnings, as a return of unit holders' capital. It was decided on Jan. 17, 2020, and payment began on Feb. 14, 2020.

(Note 8) New investment units were issued at a price of 283,292 yen per unit through third-party allotment to raise funds for the future acquisition of properties or the repayment of borrowings.

- (Note 9) Cash distributions for the fiscal period ended May 2020 in the amount of 687 yen per unit as distributions in excess of retained earnings, as a return of unit holders' capital. It was decided on July 22, 2020, and payment began on Aug. 14, 2020.
- (Note 10) New investment units were issued at a price of 332,962 yen per unit (322,273 yen after deduction of gross spread to underwriters) to raise funds for the acquisition of new properties.
- (Note 11) Cash distributions for the fiscal period ended Nov. 2020 in the amount of 729 yen per unit as distributions in excess of retained earnings, as a return of unit holders' capital. It was decided on Jan. 20, 2021, and payment began on Feb. 15, 2021.
- (Note 12) New investment units were issued at a price of 322,273 yen per unit through third-party allotment to raise funds for the future acquisition of properties or the repayment of borrowings.
- (Note 13) Cash distributions for the fiscal period ended May 2021 in the amount of 737 yen per unit as distributions in excess of retained earnings, as a return of unit holders' capital. It was decided on July 15, 2021, and payment began on Aug. 13, 2021.
- (Note 14) New investment units were issued at a price of 361,620 yen per unit (349,885 yen after deduction of gross spread to underwriters) to raise funds for the acquisition of new properties.
- (Note 15) New investment units were issued at a price of 349,885 yen per unit through third-party allotment to raise funds for the future acquisition of properties or the repayment of borrowings.
- (Note 16) Cash distributions for the fiscal period ended Nov. 2021 in the amount of 683 yen per unit as distributions in excess of retained earnings, as a return of unit holders' capital. It was decided on Jan. 17, 2022, and payment began on Feb. 15, 2022.
- (Note 17) Cash distributions for the fiscal period ended May 2022 in the amount of 663 yen per unit as distributions in excess of retained earnings, as a return of unit holders' capital. It was decided on July 15, 2022, and payment began on Aug 15, 2022.
- (Note 18) New investment units were issued at a price of 318,990 yen per unit (308,866 yen after deduction of gross spread to underwriters) to raise funds for the acquisition of new properties.
- (Note 19) New investment units were issued at a price of 308,866 yen per unit through third-party allotment to raise funds for the future acquisition of properties or the repayment of borrowings.
- (Note 20) Cash distributions for the fiscal period ended Nov. 2022 in the amount of 794 yen per unit as distributions in excess of retained earnings, as a return of unit holders' capital. It was decided on Jan. 18, 2023, and payment began on Feb. 15, 2023.
- (Note 21) New investment units were issued at a price of 290,152 yen per unit (280,944 yen after deduction of gross spread to underwriters) to raise funds for the acquisition of new properties.
- (Note 22) New investment units were issued at a price of 280,944 yen per unit through third-party allotment to raise funds for the future acquisition of properties or the repayment of borrowings.
- (Note 23) Cash distributions for the fiscal period ended May 2023 in the amount of 873 yen per unit as distributions in excess of retained earnings, as a return of unit holders' capital. It was decided on July 14, 2023, and payment began on Aug. 15, 2023.
- (Note 24) ATA-based distribution is not included in the amounts of Unit holders' equity.

3. Reference Information

(1) Composition of NPR's Assets

Type of asset	Region	21st fiscal period (As of May 31, 2023)		22nd fiscal period (As of Nov. 30, 2023)	
		Retained amount (Millions of yen) (Note 3)	Ratio of total asset (%) (Note 5)	Retained amount (Millions of yen) (Note 3)	Ratio of total asset (%) (Note 5)
Real estate	Global markets (Note 1)				
	Kanto area	-	-	-	-
	Kansai area	3,916	0.5	3,896	0.4
	Regional markets (Note 2)				
	Chubu area	-	-	-	-
	Tohoku area	-	-	-	-
	Kyushu area	5,763	0.7	5,724	0.6
Total	9,679	1.2	9,620	1.1	
Beneficiary right in trust	Global markets (Note 1)				
	Kanto area	454,211	54.3	502,120	57.0
	Kansai area	292,580	35.0	290,373	33.0
	Regional markets (Note 2)				
	Chubu area	16,118	1.9	16,214	1.8
	Tohoku area	19,921	2.4	19,684	2.2
	Kyushu area	5,908	0.7	5,854	0.7
Total	788,740	94.3	834,247	94.7	
Total of real estate and others	798,419	95.5	843,868	95.8	
Deposit and other assets	37,665	4.5	37,350	4.2	
Total assets (Note 4)	836,085 (798,419)	100.0 (95.5)	881,219 (843,868)	100.0 (95.8)	

(Note 1) Global markets are vital areas for international trade and logistics and surround the largest customer bases, which can also serve as important hubs within the domestic logistics network. It refers to the following areas:

- Kanto area, which refers to Tokyo, Kanagawa, Chiba, Saitama, Ibaraki, Tochigi and Gunma prefectures
- Kansai area, which refers to Osaka, Hyogo, Kyoto, Nara, Wakayama, Shiga and Mie prefectures

(Note 2) Regional markets are critical to Japan's domestic trade and play a crucial role in a widespread regional logistics network. It refers to following areas:

- Chubu area, which refers to Aichi, Shizuoka, Niigata, Toyama, Ishikawa, Fukui, Yamanashi, Nagano and Gifu prefectures
- Tohoku area, which refers to Aomori, Iwate, Miyagi, Akita, Yamagata and Fukushima prefectures
- Kyushu area, which refers to Fukuoka, Saga, Nagasaki, Kumamoto, Oita, Miyazaki and Kagoshima prefectures

(Note 3) "Retained amount" is from the balance (for the "Total of real estate and others", the book value after depreciation) as of end of the reporting fiscal period. Note that, "Book value" does not include "Construction in progress in trust".

(Note 4) "Total assets" refers to the value on the balance sheet, and the figures in the brackets show the figures related to actual owned real estate.

(Note 5) "Ratio of total assets" is rounded down to the nearest first decimal place.

(2) Overview of the Portfolio

The following summarizes the real estate or the real estate properties in trust owned by NPR at the end of the reporting fiscal period:

(I) Overview of Assets Held (acquisition price, book value, appraisal value as of the end of the reporting fiscal period and others)

Property number	Property name	Form of ownership	Acquisition price (Millions of yen) ⁽¹⁾	Book value (Millions of yen) ⁽²⁾	Appraisal value as of the end of the reporting fiscal period (Millions of yen) ⁽³⁾	Return price					Investment rate (%) ⁽⁴⁾
						Direct capitalization method		DCF method			
						Priced based on direct capitalization method (Millions of yen)	Direct capitalization rate (%)	Priced based on DCF method (Millions of yen)	Discount rate (%)	Terminal capitalization rate (%)	
M-01	Prologis Park Ichikawa 1	Beneficiary right in trust	33,900	30,841	50,200	51,300	3.5	50,200	3.3	3.7	3.7
M-02	Prologis Park Zama 1	Beneficiary right in trust	27,900	24,266	38,000	38,500	3.9	38,000	3.7	4.1	3.0
M-03	Prologis Park Kawajima	Beneficiary right in trust	25,600	21,281	35,000	35,600	4.2	35,000	4.0	4.4	2.8
M-04	Prologis Park Osaka 2	Beneficiary right in trust	25,000	21,314	38,000	38,400	3.8	38,000	3.6	3.9	2.7
M-05	Prologis Park Maishima 3	Beneficiary right in trust	13,500	11,565	18,400	18,500	3.9	18,400	3.7	4.0	1.5
M-06	Prologis Park Kasugai	Beneficiary right in trust	12,500	10,789	20,800	21,100	4.1	20,800	3.9	4.2	1.4
M-07	Prologis Park Kitanagoya	Beneficiary right in trust	6,500	5,425	10,600	10,700	3.9	10,600	3.7	4.0	0.7
M-09	Prologis Park Tokyo-Ohta	Beneficiary right in trust	29,500	27,912	46,000	47,600	3.2	46,000	3.0	3.4	3.2
M-10	Prologis Park Zama 2	Beneficiary right in trust	21,900	19,168	31,900	32,400	3.9	31,900	3.7	4.1	2.4
M-11	Prologis Park Funabashi 5 (Annex)	Beneficiary right in trust	9,500	10,068	15,800	15,900	3.6	15,800	3.4	3.8	1.2
			1,500								
M-12	Prologis Park Narita 1-A&B	Beneficiary right in trust	8,420	7,650	13,300	13,300	4.3	13,200	4.0	4.5	0.9
M-13	Prologis Park Narita 1-C	Beneficiary right in trust	4,810	4,331	7,210	7,220	4.3	7,200	4.0	4.5	0.5
M-14	Prologis Park Amagasaki 1	Beneficiary right in trust	17,600	15,865	24,500	24,600	3.9	24,400	3.6	4.0	1.9
M-15	Prologis Park Amagasaki 2	Beneficiary right in trust	19,200	17,162	27,000	27,000	3.9	26,900	3.6	4.0	2.1
M-16	Prologis Park Tokyo-Shinkiba	Beneficiary right in trust	13,600	13,031	23,300	23,400	3.3	23,300	3.1	3.4	1.5
M-17	Prologis Park Yokohama-Tsurumi	Beneficiary right in trust	13,800	12,112	20,900	21,000	3.7	20,900	3.5	3.8	1.5
M-18	Prologis Park Osaka 4	Beneficiary right in trust	21,000	18,143	30,800	31,000	3.8	30,800	3.6	3.9	2.3
M-19	Prologis Park Iwanuma	Beneficiary right in trust	7,113	7,108	9,370	9,250	4.3	9,370	4.0	4.4	0.8
M-20	Prologis Park Kawajima 2	Beneficiary right in trust	8,180	7,243	10,200	10,300	4.2	10,200	4.0	4.4	0.9

Property number	Property name	Form of ownership	Acquisition price (Millions of yen) ⁽¹⁾	Book value (Millions of yen) ⁽²⁾	Appraisal value as of the end of the reporting fiscal period (Millions of yen) ⁽³⁾	Return price					Investment rate (%) ⁽⁴⁾
						Direct capitalization method		DCF method			
						Priced based on direct capitalization method (Millions of yen)	Direct capitalization rate (%)	Priced based on DCF method (Millions of yen)	Discount rate (%)	Terminal capitalization rate (%)	
M-21	Prologis Park Kitamoto	Beneficiary right in trust	12,600	11,274	16,600	16,600	4.1	16,500	3.7	4.3	1.4
M-22	Prologis Park Joso	Beneficiary right in trust	7,120	6,223	7,980	8,190	4.3	7,980	4.1	4.5	0.8
M-23	Prologis Park Osaka 5	Beneficiary right in trust	17,600	15,770	21,300	21,300	3.9	21,300	3.7	4.1	1.9
M-24	Prologis Park Narita 3	Beneficiary right in trust	9,240	8,437	12,800	12,900	4.1	12,600	3.9	4.3	1.0
M-25	Prologis Park Narashino 5	Beneficiary right in trust	13,600	12,410	16,100	16,100	3.7	16,100	3.5	3.8	1.5
M-26	Prologis Park Ibaraki	Beneficiary right in trust	38,300	35,245	49,900	50,100	3.7	49,900	3.5	3.8	4.2
M-27	Prologis Park Ichikawa 3	Beneficiary right in trust	17,000	15,814	20,000	20,200	3.4	20,000	3.2	3.6	1.9
M-28	Prologis Park Narita 1-D	Beneficiary right in trust	5,260	4,879	6,060	6,090	4.3	6,020	4.0	4.5	0.6
M-29	Prologis Park Yoshimi	Beneficiary right in trust	21,300	19,453	23,800	23,900	4.1	23,800	3.9	4.3	2.3
M-30	Prologis Park Higashimatsuyama	Beneficiary right in trust	12,600	11,645	14,100	14,200	4.1	14,100	3.9	4.3	1.4
M-31	Prologis Park Kyotanabe	Beneficiary right in trust	35,800	33,805	42,500	43,000	3.8	42,000	3.6	4.0	3.9
M-32	Prologis Park Chiba 1	Beneficiary right in trust	31,000	29,588	36,500	37,000	3.7	36,000	3.5	3.9	3.4
M-33	Prologis Park MFLP Kawagoe ⁽⁵⁾	Beneficiary right in trust	14,800	14,256	17,850	18,050	3.7	17,600	3.5	3.9	1.6
M-34	Prologis Park Chiba New Town	Beneficiary right in trust	26,300	25,607	29,300	29,700	3.9	28,900	3.7	4.1	2.9
M-35	Prologis Park Chiba 2	Beneficiary right in trust	15,000	14,494	16,900	17,100	3.8	16,700	3.6	4.0	1.6
M-36	Prologis Park Inagawa 2	Beneficiary right in trust	33,000	32,271	34,600	34,600	4.1	34,500	3.8	4.2	3.6
M-37	Prologis Park Kobe 5	Beneficiary right in trust	9,500	9,242	10,200	10,200	4.2	10,100	4.0	4.4	1.0
M-38	Prologis Park Inagawa 1 ⁽⁵⁾	Beneficiary right in trust	27,900	27,663	27,950	28,150	4.2	27,700	3.9	4.4	3.0
M-39	Prologis Park Kobe 3	Beneficiary right in trust	9,580	9,476	9,940	9,960	4.2	9,910	4.0	4.4	1.0
M-40	Prologis Park Soka	Beneficiary right in trust	51,400	51,269	51,400	52,000	3.6	50,700	3.4	3.8	5.6

Property number	Property name	Form of ownership	Acquisition price (Millions of yen) ⁽¹⁾	Book value (Millions of yen) ⁽²⁾	Appraisal value as of the end of the reporting fiscal period (Millions of yen) ⁽³⁾	Return price					Investment rate (%) ⁽⁴⁾
						Direct capitalization method		DCF method			
						Priced based on direct capitalization method (Millions of yen)	Direct capitalization rate (%)	Priced based on DCF method (Millions of yen)	Discount rate (%)	Terminal capitalization rate (%)	
B-02	Prologis Park Takatsuki	Real estate	4,410	3,896	5,640	5,570	4.3	5,640	4.0	4.4	0.5
B-03	Prologis Park Tosu 2	Real estate	3,030	2,516	4,620	4,920	4.3	4,620	4.0	4.4	0.3
B-04	Prologis Park Tosu 4	Real estate	3,810	3,207	6,020	6,660	4.3	6,020	4.0	4.4	0.4
B-05	Prologis Park Narashino 4	Beneficiary right in trust	20,000	17,344	29,100	29,300	3.6	29,100	3.4	3.7	2.2
B-06	Prologis Park Ebina	Beneficiary right in trust	8,250	7,751	11,700	11,700	3.7	11,700	3.5	3.8	0.9
B-07	Prologis Park Kawanishi	Beneficiary right in trust	13,600	12,133	16,800	17,200	4.2	16,800	4.0	4.5	1.5
B-08	Prologis Park Amagasaki 3	Beneficiary right in trust	9,090	8,242	14,800	15,000	3.9	14,600	3.6	4.0	1.0
B-09	Prologis Park Kobe	Beneficiary right in trust	6,410	5,545	8,140	8,240	4.2	8,040	4.0	4.5	0.7
B-10	Prologis Park Sendai Izumi	Beneficiary right in trust	4,820	4,040	6,210	6,280	4.3	6,130	4.1	4.5	0.5
B-11	Prologis Park Koga 1	Beneficiary right in trust	7,680	6,735	8,910	9,050	4.3	8,760	4.0	4.5	0.8
B-12	Prologis Park Kobe 2	Beneficiary right in trust	13,700	12,199	16,100	16,300	4.2	15,800	4.0	4.5	1.5
B-13	Prologis Park Koga 2	Beneficiary right in trust	3,930	3,468	4,320	4,350	4.3	4,280	4.0	4.5	0.4
B-14	Prologis Park Koga 3	Beneficiary right in trust	5,440	4,878	6,220	6,300	4.3	6,130	4.0	4.5	0.6
B-15	Prologis Park Tsukuba 1-A	Beneficiary right in trust	12,900	11,474	13,500	13,500	4.3	13,500	4.1	4.5	1.4
B-16	Prologis Park Sendai Izumi 2	Beneficiary right in trust	9,250	8,535	10,700	10,800	4.3	10,500	3.7	4.8	1.0
B-17	Prologis Park Kobe 4	Beneficiary right in trust	5,020	4,724	5,770	5,840	4.2	5,690	4.0	4.4	0.5
B-18	Prologis Park Tsukuba 1-B	Beneficiary right in trust	13,500	12,532	14,300	14,500	4.3	14,300	4.1	4.5	1.5
B-19	Prologis Park Tsukuba 2	Beneficiary right in trust	20,900	19,866	21,700	22,000	4.3	21,700	4.1	4.5	2.3
B-20	Prologis Park Ebina 2	Beneficiary right in trust	15,200	14,804	16,500	16,200	3.8	16,500	3.6	3.9	1.7
B-21	Prologis Park Ogori	Beneficiary right in trust	5,920	5,854	6,140	6,050	4.3	6,140	4.0	4.4	0.6
Total		-	916,783	843,868	1,164,250	1,176,170	-	1,159,330	-	-	100.0

- (Note 1) Acquisition price represents the purchase price of each property or beneficiary right in trust as set forth on the relevant purchase agreement and does not include expenses such as consumption taxes, and is rounded down to the nearest million yen. Exceptionally, the price of Prologis Park Iwanuma represents acquisition price of its land and the construction cost of the building for its redevelopment project.
- (Note 2) Book value represents the value on the balance sheet after depreciation and is rounded down to nearest million yen. Note that “Book value” does not include “Construction in progress in trust”.
- (Note 3) NPR has retained JLL Morii Valuation & Advisory K.K., CBRE K.K. and Japan Real Estate Institute to appraise or investigate the properties. Appraisal or Investigation value as of the end of the reporting fiscal period represents the appraisal or investigation value as set forth on the relevant study reports by real estate appraisers as of Nov. 30, 2023.
- (Note 4) Investment rate is calculated by dividing the acquisition price for each property by the total acquisition price and is rounded to nearest tenth. Thus the sum of the figures in total may not add up to the figure in the total column.
- (Note 5) The amounts shown for Prologis Park MFLP Kawagoe and Prologis Park Inagawa 1 represent 50% of the relevant trust beneficiary interest to be acquired and co-owned by NPR.

(II) Overview of Assets Held (property age, occupancy rate and annual rent)⁽¹⁾

Property number	Property name	Property age (years) ⁽²⁾	Leasable area(m ²) ⁽³⁾	Leased area(m ²) ⁽⁴⁾	Gross number of tenants ⁽⁵⁾	Occupancy rate (%) ⁽⁶⁾	Annual rent (Millions of yen) ⁽⁷⁾	Security deposit (Millions of yen) ⁽⁸⁾	Average lease contract (years) ⁽⁹⁾	Average remaining lease contract (years) ⁽¹⁰⁾
M-01	Prologis Park Ichikawa 1	15.1	125,101.01	125,101.01	14	100.0	2,267	1,070	7.6	3.6
M-02	Prologis Park Zama 1	14.6	113,471.12	113,299.81	7	99.8	1,838	594	3.5	1.6
M-03	Prologis Park Kawajima	12.5	144,897.54	144,797.39	7	99.9	1,917	637	4.2	1.7
M-04	Prologis Park Osaka 2	16.6	130,565.80	105,908.22	5	81.1	1,496	669	8.2	4.6
M-05	Prologis Park Maishima 3	15.8	74,874.37	73,770.88	7	98.5	979	331	5.7	4.8
M-06	Prologis Park Kasugai	15.9	91,447.23	89,734.97	5	98.1	1,089	438	4.8	2.2
M-07	Prologis Park Kitanagoya	14.5	42,751.60	42,751.60	3	100.0	560	194	2.5	1.4
M-09	Prologis Park Tokyo-Ohta	18.2	73,051.36	73,051.36	24	100.0	1,899	818	4.7	2.9
M-10	Prologis Park Zama 2	11.4	95,121.43	95,121.43	6	100.0	1,405	668	5.9	3.1
M-11	Prologis Park Funabashi 5 (Annex)	19.0	56,556.95	56,556.95	4	100.0	804	355	4.7	2.4
M-12	Prologis Park Narita 1-A&B	18.8	62,058.81	61,111.46	12	98.5	751	218	2.2	0.5
M-13	Prologis Park Narita 1-C	16.6	32,230.25	32,230.25	2	100.0	Not disclosed (Note 11)	Not disclosed (Note 11)	4.0	1.6
M-14	Prologis Park Amagasaki 1	18.3	91,446.75	91,446.75	1	100.0	Not disclosed (Note 11)	Not disclosed (Note 11)	15.0	2.3
M-15	Prologis Park Amagasaki 2	16.7	91,428.87	91,337.82	6	99.9	1,260	537	5.1	3.4
M-16	Prologis Park Tokyo-Shinkiba	16.5	31,023.41	31,023.41	9	100.0	943	531	7.8	4.3
M-17	Prologis Park Yokohama-Tsurumi	15.6	63,973.24	63,973.24	4	100.0	977	431	4.1	0.2
M-18	Prologis Park Osaka 4	11.6	106,135.15	106,135.15	9	100.0	1,474	439	3.1	1.9
M-19	Prologis Park Iwanuma	1.6	44,243.08	44,243.08	3	100.0	538	243	3.5	2.0
M-20	Prologis Park Kawajima 2	9.8	42,005.07	42,005.07	2	100.0	Not disclosed (Note 11)	Not disclosed (Note 11)	5.0	3.2
M-21	Prologis Park Kitamoto	9.7	69,432.00	69,432.00	4	100.0	855	256	5.2	2.1
M-22	Prologis Park Joso	9.1	37,165.49	18,742.97	1	50.4	Not disclosed (Note 11)	Not disclosed (Note 11)	4.8	0.9
M-23	Prologis Park Osaka 5	8.9	78,087.30	78,087.30	8	100.0	1,127	398	6.1	2.6
M-24	Prologis Park Narita 3	15.5	52,982.99	52,579.27	10	99.2	694	278	3.3	0.8

Property number	Property name	Property age (years) ⁽²⁾	Leasable area(m ²) ⁽³⁾	Leased area(m ²) ⁽⁴⁾	Gross number of tenants ⁽⁵⁾	Occupancy rate (%) ⁽⁶⁾	Annual rent (Millions of yen) ⁽⁷⁾	Security deposit (Millions of yen) ⁽⁸⁾	Average lease contract (years) ⁽⁹⁾	Average remaining lease contract (years) ⁽¹⁰⁾
M-25	Prologis Park Narashino 5	7.7	58,079.73	56,854.26	8	97.9	808	364	5.9	3.9
M-26	Prologis Park Ibaraki	7.2	154,072.73	154,072.73	5	100.0	2,438	699	6.7	5.0
M-27	Prologis Park Ichikawa 3	6.0	50,714.15	50,714.15	2	100.0	Not disclosed (Note 11)	Not disclosed (Note 11)	6.2	4.1
M-28	Prologis Park Narita 1-D	8.9	28,059.32	28,059.32	1	100.0	Not disclosed (Note 11)	Not disclosed (Note 11)	4.8	2.3
M-29	Prologis Park Yoshimi	8.0	98,076.60	98,076.60	4	100.0	1,224	463	8.2	3.9
M-30	Prologis Park Higashimatsuyama	5.9	60,540.99	60,540.99	1	100.0	Not disclosed (Note 11)	Not disclosed (Note 11)	10.5	6.1
M-31	Prologis Park Kyotanabe	5.1	135,024.76	135,024.76	4	100.0	2,020	556	8.7	3.8
M-32	Prologis Park Chiba 1	4.2	127,045.46	119,002.37	8	93.7	1,656	636	6.3	3.5
M-33	Prologis Park MFLP Kawagoe	5.1	56,723.77	49,638.64	9	87.5	755	316	6.6	3.0
M-34	Prologis Park Chiba New Town	7.6	106,934.14	106,747.05	8	99.8	1,490	683	4.3	2.5
M-35	Prologis Park Chiba 2	3.0	58,117.46	58,117.46	3	100.0	857	354	5.0	2.1
M-36	Prologis Park Inagawa 2	2.4	132,561.51	126,765.04	6	95.6	1,760	689	7.4	5.4
M-37	Prologis Park Kobe 5	2.8	38,801.44	38,801.44	2	100.0	Not disclosed (Note 11)	Not disclosed (Note 11)	9.5	6.8
M-38	Prologis Park Inagawa 1	2.1	96,771.15	96,771.15	1	100.0	Not disclosed (Note 11)	Not disclosed (Note 11)	9.8	8.0
M-39	Prologis Park Kobe 3	1.5	37,946.84	37,946.84	2	100.0	Not disclosed (Note 11)	Not disclosed (Note 11)	12.6	11.3
M-40	Prologis Park Soka	1.7	131,393.85	131,393.85	3	100.0	2,351	879	13.5	12.5
B-02	Prologis Park Takatsuki	11.9	19,898.05	19,898.05	1	100.0	Not disclosed (Note 11)	Not disclosed (Note 11)	15.0	3.2
B-03	Prologis Park Tosu 2	11.4	21,778.87	21,778.87	1	100.0	Not disclosed (Note 11)	Not disclosed (Note 11)	5.1	3.8
B-04	Prologis Park Tosu 4	11.9	28,765.31	28,765.31	1	100.0	Not disclosed (Note 11)	Not disclosed (Note 11)	15.3	3.5
B-05	Prologis Park Narashino 4	10.4	91,529.07	91,529.07	1	100.0	Not disclosed (Note 11)	Not disclosed (Note 11)	10.0	9.8
B-06	Prologis Park Ebina	13.7	32,500.08	32,500.08	1	100.0	Not disclosed (Note 11)	Not disclosed (Note 11)	8.0	4.3
B-07	Prologis Park Kawanishi	10.1	75,493.23	75,493.23	1	100.0	Not disclosed (Note 11)	Not disclosed (Note 11)	10.0	0.0
B-08	Prologis Park Amagasaki 3	10.2	39,847.66	39,847.66	1	100.0	Not disclosed (Note 11)	Not disclosed (Note 11)	10.0	9.3

Property number	Property name	Property age (years) ⁽²⁾	Leasable area(m ²) ⁽³⁾	Leased area(m ²) ⁽⁴⁾	Gross number of tenants ⁽⁵⁾	Occupancy rate (%) ⁽⁶⁾	Annual rent (Millions of yen) ⁽⁷⁾	Security deposit (Millions of yen) ⁽⁸⁾	Average lease contract (years) ⁽⁹⁾	Average remaining lease contract (years) ⁽¹⁰⁾
B-09	Prologis Park Kobe	10.0	32,511.56	32,511.56	1	100.0	Not disclosed (Note 11)	Not disclosed (Note 11)	15.2	5.3
B-10	Prologis Park Sendai Izumi	8.2	26,353.50	26,353.50	1	100.0	Not disclosed (Note 11)	Not disclosed (Note 11)	20.3	12.3
B-11	Prologis Park Koga 1	7.1	34,158.16	34,158.16	1	100.0	Not disclosed (Note 11)	Not disclosed (Note 11)	15.0	7.9
B-12	Prologis Park Kobe 2	7.1	62,468.19	62,468.19	1	100.0	Not disclosed (Note 11)	Not disclosed (Note 11)	15.0	7.9
B-13	Prologis Park Koga 2	6.6	19,699.36	19,699.36	1	100.0	Not disclosed (Note 11)	Not disclosed (Note 11)	15.0	8.4
B-14	Prologis Park Koga 3	5.4	29,196.84	29,196.84	1	100.0	Not disclosed (Note 11)	Not disclosed (Note 11)	10.0	4.7
B-15	Prologis Park Tsukuba 1-A	5.2	65,168.90	65,168.90	1	100.0	Not disclosed (Note 11)	Not disclosed (Note 11)	11.0	5.8
B-16	Prologis Park Sendai Izumi 2	5.2	36,542.37	36,542.37	1	100.0	Not disclosed (Note 11)	Not disclosed (Note 11)	20.0	14.8
B-17	Prologis Park Kobe 4	4.5	24,154.17	24,154.17	1	100.0	Not disclosed (Note 11)	Not disclosed (Note 11)	10.0	5.6
B-18	Prologis Park Tsukuba 1-B	4.3	65,570.07	65,570.07	1	100.0	Not disclosed (Note 11)	Not disclosed (Note 11)	10.0	5.8
B-19	Prologis Park Tsukuba 2	3.3	98,824.83	98,824.83	1	100.0	Not disclosed (Note 11)	Not disclosed (Note 11)	10.0	6.8
B-20	Prologis Park Ebina 2	2.4	34,485.25	34,485.25	1	100.0	Not disclosed (Note 11)	Not disclosed (Note 11)	10.0	7.7
B-21	Prologis Park Ogori	1.5	26,043.29	26,043.29	1	100.0	Not disclosed (Note 11)	Not disclosed (Note 11)	10.0	8.6
Total		9.0	3,985,903.47	3,915,956.80	240	98.2	56,626	23,190	7.7	4.5

(Note 1) The figures excluding property age in this table are based on the Nov. 30, 2023 Lease Agreements. References to “Nov. 30, 2023 Lease Agreements” are to lease agreements for all warehouses, offices and stores (excluding certain stores in cafeteria area), at our current properties, that have commenced as of Nov. 30, 2023. The figures including property age do not account for a jointly owned convenience store building at Prologis Park Narita 1-A&B, Prologis Park Narita 1-C and Prologis Park Narita 1-D. As to Prologis Park MFLP Kawagoe and Prologis Park Inagawa 1, the figures of Leasable area, Leased area, Annual rent and Security deposit are shown based on our 50% co-ownership.

(Note 2) Property age is calculated based on the property registry and rounded to the nearest tenth. Total amount is a weighted average based on acquisition prices. The property age of Prologis Park Funabashi 5 is calculated based on the weighted average based on acquisition prices of the main structure and the annex. The property age of Prologis Park Zama 2 is calculated based only on the main structure of the property and does not include its annex.

(Note 3) Equal to the gross leasable space based on the Nov. 30, 2023 Lease Agreements and floor plans included in such lease agreements plus available space based on such floor plans.

(Note 4) Equal to gross floor area of leased space in property based on the Nov. 30, 2023 Lease Agreements and floor plans included in such lease agreements.

(Note 5) For properties with pass-through master lease agreements, this is the total number of end-tenants based on the Nov. 30, 2023 Lease Agreements.

(Note 6) Occupancy rate is calculated by dividing leased area by leasable area. Figures are rounded to the nearest tenth.

(Note 7) Annual rent is based on total annual rent (including common area charges) as indicated in the Nov. 30, 2023 Lease Agreements. If the relevant agreements include monthly contracted rent, annual rent is calculated in accordance with the terms stipulated in the agreements. Figures are rounded down to millions of yen.

- (Note 8) Calculated as the total security deposit as indicated in the Nov. 30, 2023 Lease Agreement. If the security deposit is amortized, we state the security deposit amount after subtracting the relevant amortization amount. Figures are rounded down to millions of yen.
- (Note 9) Average lease contract is calculated as the weighted average of length of lease contract indicated in the Nov. 30, 2023 Lease Agreements by the rent and figures are rounded to the nearest tenth.
- (Note 10) Average remaining lease contract is calculated as the weighted average of length of remaining lease contract indicated in the Nov. 30, 2023 Lease Agreements by the rent and figures are rounded to the nearest tenth.
- (Note 11) We have not obtained permission from the tenant of the properties to disclose the information unstated in this table.

(3) Capital Expenditures for Owned Properties

(I) Future Plans for Capital Expenditure

The following summarizes the major capital expenditure plans in connection with scheduled renovations and other work for properties owned by NPR. Estimated construction cost includes the amounts to be expensed for accounting purposes.

Name (Location)	Purpose	Planned period	Estimate construction cost (Millions of yen) ⁽¹⁾		
			Total amount	Paid during the reporting period	Total amount already paid
Prologis Park Kobe other (Kobe, Hyogo, other)	Installment of LED lighting	From July 2023 to Nov. 2024	526	-	-
Prologis Park Kasugai other (Kasugai, Aichi, other)	Repair work of exterior walls	From Nov. 2023 to Oct. 2024	488	3	16
Prologis Park Narita 1-C other (Narita, Chiba, other)	Installment and renewal work of air conditioner	From July 2023 to Oct. 2024	295	-	-

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

(II) Capital Expenditure Incurred for the Reported Fiscal Period

The following summarizes the major construction work to NPR's owned properties that resulted in capital expenditures for the reporting fiscal period. NPR conducted construction work worth 1,517 million yen in the reporting fiscal period which is a sum of capital expenditures of 1,094 million yen and repair and maintenance expenses of 423 million yen.

Name (Location)	Purpose	Expenditure Period	Amount spent (Millions of yen) ⁽¹⁾
Prologis Park Kasugai other (Kasugai, Aichi, other)	Repair work of exterior walls	From June 2023 to Nov. 2023	371
Prologis Park Narita 1-A&B other (Narita, Chiba, other)	Installment and renewal work of air conditioner	From June 2023 to Nov. 2023	152
Prologis Park Yokohama-Tsurumi other (Yokohama, Kanagawa, other)	Installment of LED lighting	From June 2023 to Nov. 2023	136
Others	-	-	434
Total			1,094

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

(III) Reserved Amount for Long-Term Repairs, Maintenance and Renovation Plans

None

(4) Information Concerning Major Tenants

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

None

(II) Information Related to Major Properties (properties accounting for more than 10 percent of aggregate property-related revenue)

None

(5) Overview of Property Leasing and Status of Operating Income

22nd Fiscal Period from June. 1, 2023, to Nov. 30, 2023

(Units: Thousands of yen)

Property number	M-01	M-02	M-03	M-04	M-05
Property name	Prologis Park Ichikawa 1	Prologis Park Zama 1	Prologis Park Kawajima	Prologis Park Osaka 2	Prologis Park Maishima 3
Operating days	183	183	183	183	183
(1) Property related revenues	1,308,292	1,005,029	1,043,348	859,467	483,911
Property revenues	1,126,614	919,106	954,775	748,060	458,479
Other property related revenues	181,678	85,922	88,572	111,406	25,431
(2) Total of property related expenses	546,062	400,496	441,599	479,140	267,164
Property taxes	93,825	71,059	69,820	83,225	51,547
Subcontract expenses	77,405	45,792	51,838	52,304	39,073
Utilities cost	134,320	63,267	78,012	99,318	24,589
Non-life insurance premium	9,578	8,360	9,850	10,248	5,728
Repair and maintenance	8,713	13,426	14,102	22,865	14,713
Depreciation	221,738	195,970	217,475	210,679	131,032
Custodian fee	480	500	500	500	480
Other expenses	-	2,119	-	-	-
(3) Operating income from property leasing (= (1)-(2))	762,230	604,533	601,748	380,326	216,746
NOI ((3) + Depreciation)	983,968	800,504	819,223	591,005	347,778

(Units: Thousands of yen)

Property number	M-06	M-07	M-09	M-10	M-11
Property name	Prologis Park Kasugai	Prologis Park Kitanagoya	Prologis Park Tokyo-Ohta	Prologis Park Zama 2	Prologis Park Funabashi 5 (include Annex)
Operating days	183	183	183	183	183
(1) Property related revenues	587,825	262,797	1,031,425	822,127	423,188
Property revenues	537,391	251,837	933,924	734,305	401,602
Other property related revenues	50,434	10,960	97,501	87,822	21,585
(2) Total of property related expenses	340,510	149,330	360,027	355,832	177,487
Property taxes	56,962	29,657	62,130	61,132	35,837
Subcontract expenses	32,915	44,972	60,251	47,984	29,996
Utilities cost	47,940	8,756	72,010	80,961	14,482
Non-life insurance premium	6,207	2,468	6,820	6,704	4,112
Repair and maintenance	67,922	2,815	7,780	13,486	8,568
Depreciation	128,061	60,160	150,534	145,064	83,031
Custodian fee	500	500	500	500	1,460
Other expenses	-	-	-	-	-
(3) Operating income from property leasing (= (1)-(2))	247,315	113,466	671,397	466,295	245,700
NOI ((3) + Depreciation)	375,376	173,627	821,932	611,359	328,731

(Units: Thousands of yen)

Property number	M-12	M-13	M-14	M-15	M-16
Property name	Prologis Park Narita 1-A&B	Prologis Park Narita 1-C	Prologis Park Amagasaki 1	Prologis Park Amagasaki 2	Prologis Park Tokyo-Shinkiba
Operating days	183	183	183	183	183
(1) Property related revenues	420,011	Not disclosed (Note 1)	Not disclosed (Note 1)	732,739	517,525
Property revenues	374,110			633,839	465,221
Other property related revenues	45,901			98,899	52,304
(2) Total of property related expenses	208,048			344,996	177,730
Property taxes	23,225			57,177	39,212
Subcontract expenses	51,621			36,416	21,918
Utilities cost	29,869			91,950	37,412
Non-life insurance premium	4,047			5,971	2,714
Repair and maintenance	831			10,577	4,345
Depreciation	97,954			142,423	71,626
Custodian fee	500	480	500		
Other expenses	-	-	-		
(3) Operating income from property leasing (= (1)-(2))	211,962	109,945	364,521	387,743	339,795
NOI ((3) + Depreciation)	309,917	159,269	480,917	530,166	411,421

(Note 1) We have not obtained permission from the tenants of the properties to disclose the information and therefore it has been omitted from this table.

(Units: Thousands of yen)

Property number	M-17	M-18	M-19	M-20	M-21
Property name	Prologis Park Yokohama- Tsurumi	Prologis Park Osaka 4	Prologis Park Iwanuma	Prologis Park Kawajima 2	Prologis Park Kitamoto
Operating days	183	183	183	183	183
(1) Property related revenues	523,875	793,933	280,918	Not disclosed (Note 1)	446,986
Property revenues	488,683	735,127	265,557		426,629
Other property related revenues	35,191	58,806	15,360		20,356
(2) Total of property related expenses	243,212	346,570	159,338		192,593
Property taxes	52,342	75,423	39,276		30,752
Subcontract expenses	40,841	46,380	14,601		35,365
Utilities cost	34,369	48,916	11,009		15,929
Non-life insurance premium	4,364	7,266	3,608		4,131
Repair and maintenance	1,677	5,800	-		1,409
Depreciation	108,816	162,302	90,342		104,524
Custodian fee	500	480	500	480	
Other expenses	300	-	-	-	
(3) Operating income from property leasing (= (1)-(2))	280,663	447,363	121,580	162,981	254,393
NOI ((3) + Depreciation)	389,480	609,666	211,923	230,451	358,917

(Note 1) We have not obtained permission from the tenants of the properties to disclose the information and therefore it has been omitted from this table.

(Units: Thousands of yen)

Property number	M-22	M-23	M-24	M-25	M-26
Property name	Prologis Park Joso	Prologis Park Osaka 5	Prologis Park Narita 3	Prologis Park Narashino 5	Prologis Park Ibaraki
Operating days	183	183	183	183	183
(1) Property related revenues	Not disclosed (Note 1)	583,406	381,548	388,573	1,235,365
Property revenues		553,435	346,183	360,800	1,184,249
Other property related revenues		29,970	35,364	27,773	51,116
(2) Total of property related expenses		282,381	234,869	202,516	567,704
Property taxes		60,970	30,690	36,661	116,778
Subcontract expenses		42,043	46,270	22,619	90,256
Utilities cost		26,684	27,481	22,296	47,513
Non-life insurance premium		6,152	4,788	4,704	13,883
Repair and maintenance		4,482	41,599	1,948	13,963
Depreciation		141,568	82,798	113,805	284,567
Custodian fee	480	1,240	480	480	
Other expenses	-	-	-	261	
(3) Operating income from property leasing (= (1)-(2))	112,525	301,025	146,678	186,057	667,661
NOI ((3) + Depreciation)	178,015	442,593	229,477	299,863	952,229

(Note 1) We have not obtained permission from the tenants of the properties to disclose the information and therefore it has been omitted from this table.

(Units: Thousands of yen)

Property number	M-27	M-28	M-29	M-30	M-31
Property name	Prologis Park Ichikawa 3	Prologis Park Narita 1-D	Prologis Park Yoshimi	Prologis Park Higashimatsuyama	Prologis Park Kyotanabe
Operating days	183	183	183	183	183
(1) Property related revenues			644,640		1,156,796
Property revenues			610,170		1,000,486
Other property related revenues			34,469		156,310
(2) Total of property related expenses			292,983		577,081
Property taxes			48,218		99,504
Subcontract expenses	Not disclosed (Note 1)	Not disclosed (Note 1)	31,577	Not disclosed (Note 1)	55,021
Utilities cost			22,921		147,130
Non-life insurance premium			7,448		11,111
Repair and maintenance			1,127		2,844
Depreciation			181,209		260,990
Custodian fee			480		480
Other expenses			-		-
(3) Operating income from property leasing (= (1)-(2))	251,836	101,866	351,657	177,746	579,714
NOI ((3) + Depreciation)	372,512	144,250	532,866	296,953	840,705

(Note 1) We have not obtained permission from the tenants of the properties to disclose the information and therefore it has been omitted from this table.

(Units: Thousands of yen)

Property number	M-32	M-33	M-34	M-35	M-36
Property name	Prologis Park Chiba 1	Prologis Park MFLP Kawagoe (Note 1)	Prologis Park Chiba New Town	Prologis Park Chiba 2	Prologis Park Inagawa 2
Operating days	183	183	183	183	183
(1) Property related revenues	904,202	429,125	799,276	442,264	983,070
Property revenues	823,893	400,678	737,818	419,291	829,482
Other property related revenues	80,309	28,446	61,458	22,973	153,587
(2) Total of property related expenses	490,010	197,806	384,727	222,856	604,575
Property taxes	100,059	46,429	74,752	47,112	98,045
Subcontract expenses	67,425	29,393	47,210	26,427	51,666
Utilities cost	49,500	23,485	46,216	19,374	160,924
Non-life insurance premium	9,976	4,357	9,234	4,722	11,749
Repair and maintenance	19,021	1,358	18,258	239	784
Depreciation	243,548	92,542	188,575	123,222	281,003
Custodian fee	480	240	480	480	402
Other expenses	-	0	-	1,278	-
(3) Operating income from property leasing (= (1)-(2))	414,191	231,318	414,549	219,407	378,494
NOI ((3) + Depreciation)	657,739	323,861	603,125	342,630	659,497

(Note 1) Each amount of Prologis Park MFLP Kawagoe shown in the table is based on our 50% co-ownership.

(Units: Thousands of yen)

Property number	M-37	M-38	M-39	M-40
Property name	Prologis Park Kobe 5	Prologis Park Inagawa 1 (Note 2)	Prologis Park Kobe 3	Prologis Park Soka
Operating days	183	183	183	182
(1) Property related revenues				1,285,588
Property revenues				1,166,022
Other property related revenues				119,566
(2) Total of property related expenses				466,810
Property taxes				-
Subcontract expenses	Not disclosed (Note 1)	Not disclosed (Note 1)	Not disclosed (Note 1)	59,112
Utilities cost				109,032
Non-life insurance premium				16,108
Repair and maintenance				-
Depreciation				282,078
Custodian fee				477
Other expenses				-
(3) Operating income from property leasing (= (1)-(2))	143,333	397,125	138,507	818,777
NOI ((3) + Depreciation)	224,683	611,347	224,346	1,100,856

(Note 1) We have not obtained permission from the tenants of the properties to disclose the information and therefore it has been omitted from this table.

(Note 2) Each amount of Prologis Park Inagawa 1 shown in the table is based on our 50% co-ownership.

(Units: Thousands of yen)

Property number	B-02	B-03	B-04	B-05	B-06
Property name	Prologis Park Takatsuki	Prologis Park Tosu 2	Prologis Park Tosu 4	Prologis Park Narashino 4	Prologis Park Ebina
Operating days	183	183	183	183	183
(1) Property related revenues	Not disclosed (Note 1)	Not disclosed (Note 1)	Not disclosed (Note 1)	Not disclosed (Note 1)	Not disclosed (Note 1)
Property revenues					
Other property related revenues					
(2) Total of property related expenses					
Property taxes					
Subcontract expenses					
Utilities cost					
Non-life insurance premium					
Repair and maintenance					
Depreciation					
Custodian fee					
Other expenses					
(3) Operating income from property leasing (= (1)-(2))	96,114	64,212	76,029	383,319	194,427
NOI ((3) + Depreciation)	127,674	94,244	107,696	515,598	234,213

(Note 1) We have not obtained permission from the tenants of the properties to disclose the information and therefore is omitted from this table.

(Units: Thousands of yen)

Property number	B-07	B-08	B-09	B-10	B-11
Property name	Prologis Park Kawanishi	Prologis Park Amagasaki 3	Prologis Park Kobe	Prologis Park Sendai Izumi	Prologis Park Koga 1
Operating days	183	183	183	183	183
(1) Property related revenues	Not disclosed (Note 1)	Not disclosed (Note 1)	Not disclosed (Note 1)	Not disclosed (Note 1)	Not disclosed (Note 1)
Property revenues					
Other property related revenues					
(2) Total of property related expenses					
Property taxes					
Subcontract expenses					
Utilities cost					
Non-life insurance premium					
Repair and maintenance					
Depreciation					
Custodian fee					
Other expenses					
(3) Operating income from property leasing (= (1)-(2))	305,600	209,449	130,797	80,751	129,014
NOI ((3) + Depreciation)	389,010	270,631	181,885	135,406	200,394

(Note 1) We have not obtained permission from the tenants of the properties to disclose the information and therefore is omitted from this table.

(Units: Thousands of yen)

Property number	B-12	B-13	B-14	B-15	B-16
Property name	Prologis Park Kobe 2	Prologis Park Koga 2	Prologis Park Koga 3	Prologis Park Tsukuba 1-A	Prologis Park Sendai Izumi 2
Operating days	183	183	183	183	183
(1) Property related revenues					
Property revenues					
Other property related revenues					
(2) Total of property related expenses					
Property taxes					
Subcontract expenses					
Utilities cost					
Non-life insurance premium					
Repair and maintenance					
Depreciation					
Custodian fee					
Other expenses					
(3) Operating income from property leasing (= (1)-(2))	225,642	58,682	73,575	174,123	143,899
NOI ((3) + Depreciation)	340,651	97,974	132,281	326,084	235,557

(Note 1) We have not obtained permission from the tenants of the properties to disclose the information and therefore is omitted from this table.

(Units: Thousands of yen)

Property number	B-17	B-18	B-19	B-20	B-21
Property name	Prologis Park Kobe 4	Prologis Park Tsukuba 1-B	Prologis Park Tsukuba 2	Prologis Park Ebina 2	Prologis Park Ogori
Operating days	183	183	183	183	183
(1) Property related revenues	Not disclosed (Note 1)	Not disclosed (Note 1)	Not disclosed (Note 1)	Not disclosed (Note 1)	Not disclosed (Note 1)
Property revenues					
Other property related revenues					
(2) Total of property related expenses					
Property taxes					
Subcontract expenses					
Utilities cost					
Non-life insurance premium					
Repair and maintenance					
Depreciation					
Custodian fee					
Other expenses					
(3) Operating income from property leasing (= (1)-(2))	81,052	191,256	286,305	225,615	94,855
NOI ((3) + Depreciation)	121,334	338,802	513,583	349,049	149,435

(Note 1) We have not obtained permission from the tenants of the properties to disclose the information and therefore is omitted from this table.