

FOR IMMEDIATE RELEASE
Nippon Prologis REIT Receives Exclusive Negotiation Rights for Five New Properties

Nippon Prologis REIT, Inc. ("NPR") today announced it has received exclusive negotiation rights for five new properties (the "Properties") from its sponsor, the Prologis Group.

1. Properties with Exclusive Negotiation Rights

Property Name	Location	Expected Completion Date	Planned Gross Floor Area	Negotiation Right Counterparty (Prologis Group Affiliates)
Prologis Park Koga 3	Koga, Ibaraki	July 2018	31,255.64 m ²	Gassan Special Purpose Company
Prologis Park Sendai Izumi 2	Sendai, Miyagi	Oct. 2018	40,083.86 m ²	Iwaki Special Purpose Company
Prologis Park Tsukuba 1-A	Tsukuba, Ibaraki	Sep. 2018	70,354.31 m ²	Tsukuba Special Purpose Company
Prologis Park Kyotanabe	Kyotababe, Kyoto	Oct. 2018	161,057.59 m ²	Ibuki Special Purpose Company
Prologis Park MFLP Kawagoe (50% co-ownership)	Kawagoe, Saitama	Oct. 2018	131,298.64 m ² (Note)	Norikura Special Purpose Company

(Note) Norikura Special Purpose Company, a Prologis Group affiliate, retains a 50% co-ownership of Prologis Park MFLP Kawagoe. However, the above figure of the gross floor area indicates the entire property.

Acquisition terms and conditions by NPR, including pricing and timing, are yet to be determined. Prologis REIT Management K.K. ("PLDRM"), NPR's asset management company, will conduct due diligence in advance of the acquisitions and decisions will be made in accordance with the requirements stated in PLDRM's related-party transaction guidelines.

This receipt of exclusive negotiation rights should not be deemed a guarantee by the Prologis Group that NPR is entitled to acquire the Properties, nor does NPR have an obligation to acquire the Properties. If the Properties are encumbered by third-party rights, NPR may be required to abide by the terms and conditions of those agreements.

NPR will not compensate the Prologis Group or any related parties for these rights.

2. Background

The exclusive negotiation rights have been granted to NPR in accordance with the terms and conditions outlined in the sponsor support agreement entered by NPR, PLDRM and the Prologis Group. All of the Properties are Class-A logistics facilities developed by the Prologis Group. NPR believes these acquisitions

will further enhance the quality of its portfolio. The development of Prologis Park MFLP Kawagoe is undertaken by a joint venture between the Prologis Group, the world’s leading owner, operator and developer of logistic facilities, and Mitsui Fudosan Co., Ltd., the largest Japanese real estate company, bringing in the cutting-edge expertise of both companies. NPR believes that Prologis Park MFLP Kawagoe will continue to be one of the most competitive properties in the market in the long term.

According to the sponsor support agreement, the Prologis Group and related parties may not sell the Properties to third parties during the negotiation period, which begins at the execution of the memorandum of exclusive negotiation rights and ends two months from when the Prologis Group notifies NPR that the Properties are ready for sale. During this period, NPR and the Prologis Group agree to negotiate in good faith on purchase and sale agreements.

NPR’s acquisition pricing, in principle, will be appraisal values to be obtained by NPR from a list of third-party appraisers. Based on the mutual agreement between NPR and the Prologis Group, pricing may differ from appraisal values to the extent that such pricing does not exceed the appraisal values.

3. Profile of the Properties:

Prologis Park Koga 3

Property Name	Prologis Park Koga 3
Location	Kitatone, Koga, Ibaraki
Property Type	Build-to-Suit
Planned Land Area	34,916.92 m ²
Planned Floor Area	31,255.64 m ²
Planned Structure / No. of Stories	RC, 2-story building
Expected Completion Date	July 2018
Geographical Characteristics	<p>Prologis Park Koga 3 is located in the Kita-tone Industrial Area and is near the new National Route 4, which connects Ibaraki Prefecture to the center of Tokyo.</p> <p>The property is approximately 6 kilometers from the Goka Interchange of the Ken-O Express Way, which links to the Tohoku Expressway from Kanagawa Prefecture and western Tokyo. In fiscal year 2016, the extension of the Ken-O Expressway formed a radially connected network of the Tomei, Chuo, Kan-etsu, Tohoku, Joban and Higashi-Kanto Expressways. The completion of the extension expanded the property’s distribution coverage to the Tohoku and Kansai areas, in addition to the Kanto area. The location has strong potential as a strategic hub.</p>

Prologis Park Sendai Izumi 2

Property Name	Prologis Park Sendai Izumi 2
Location	Akedori, Izumi, Sendai, Miyagi
Property Type	Build-to-Suit
Planned Land Area	64,813.11 m ²
Planned Floor Area	40,083.86 m ²
Planned Structure / No. of Stories	RC, 4-story building
Expected Completion Date	Oct. 2018
Geographical Characteristics	<p>Prologis Park Sendai Izumi 2 is located in the inland area of Sendai City and is approximately 10 kilometers from the city center. The property has direct access to Sendai City and the Sendai Port via National Route 4. Further, its convenient location approximately 3 kilometers from the Izumi Interchange of the Tohoku Expressway allows it to facilitate deliveries to Kanto and North Tohoku.</p> <p>In addition, the property is located within Izumi Park Town, an industrial park where large-scale facilities are concentrated.</p> <p>Operations of the property are not likely to disturb the daily life of residents in the surrounding areas, which makes the property's locale ideal for a logistics center. Although the property is not within walking distance of the nearest train station, the bus system that runs to the property can accommodate tenant employees.</p>

Prologis Park Tsukuba 1-A

Property Name	Prologis Park Tsukuba 1-A
Location	Tokodai, Tsukuba, Ibaraki
Property Type	Build-to-Suit
Planned Land Area	32,807.23 m ²
Planned Floor Area	70,354.31 m ²
Planned Structure / No. of Stories	S, 4-story building
Expected Completion Date	Sep. 2018
Geographical Characteristics	<p>Prologis Park Tsukuba 1-A is located approximately 5 kilometers from the Tsukuba Chuo Interchange of the Ken-O Expressway and approximately 10 kilometers from the Yatabe Interchange of the Joban Expressway, allows it to facilitate deliveries to North Kanto as well as central Tokyo and Sendai areas. In Feb. 2017, with the extension from Sakai Koga Interchange through Tsukuba Chuo</p>

	<p>Interchange of the Ken-O Expressway, formed a radially connected network of the Tomei, Chuo, Kan-etsu, Tohoku, Joban and Higashi-Kanto Expressways. The completion of the extension expanded the property's distribution coverage to the Tohoku and Kansai areas, in addition to the Kanto area. The location has strong potential as a strategic hub.</p> <p>Further, the surrounding areas have residential and educational/research institutions and have a significant workforce. The property is approximately 1.9 kilometers from the Kenkyu Gakuen Station of the Tsukuba Express Line, which also makes the property attractive to tenant workers.</p>
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Prologis Park Kyotanabe

Property Name	Prologis Park Kyotanabe
Location	Matsuumiyaden, Kyotanabe, Kyoto
Property Type	Multi-Tenant
Planned Land Area	70,275.38 m ²
Planned Floor Area	161,057.59 m ²
Planned Structure / No. of Stories	RC, 6-story building
Expected Completion Date	Oct. 2018
Geographical Characteristics	<p>Prologis Park Kyotanabe is located approximately 300 meters from both the Yawata Kyotanabe Junction/Interchange of the Shin-Meishin Expressway and Kyotanabe Matsui Interchnage of the Daini-Keihin Expressway, which is the connecting point of logistics traffic in the greater Osaka metropolitan area.</p> <p>With excellent access to Kyoto and to the center of Osaka City (an approximately 30-minute drive), the location of the property comprises a broader logistics real estate submarket with Maikata, Katano and Neyagawa, where the property has quick access to major consumption cities within the Kansai region. More broadly, the property can facilitate deliveries to both the Sea of Japan side and Hokuriku region, using the Kyoto Seiki Expressway and Hokuriku Expressway, respectively.</p> <p>In addition, with the extension of Shin-Meishin Expressway from Yawato Kyotonabe Junction/Interchange through Jyoyo Junction / Interchange in April 2017, it also allows to facilitate deliveries to</p>

	<p>Nara area using Keinawa Expressway.</p> <p>Further, the extension work of the Shin-Meishin Expressway is underway; at completion, it will expand the property's access to the significantly broader western region of Japan, including Chubu region, through the improved traffic connection via multiple major express ways.</p> <p>The property is surrounded by high population areas, which is conveniently located a 10-minute walk from Matsuiyamate Station of the Gakkentoshi Line (Katamachi Line). The location makes it possible for tenants to access an accessible workforce.</p>
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Prologis Park MFLP Kawagoe (50% o-ownership)

Property Name	Prologis Park MFLP Kawagoe (50% co-ownership)
Location	Minamidai, Kawagoe, Saitama
Property Type	Multi-Tenant
Planned Land Area	58,749.53 m ² (Note)
Planned Floor Area	131,298.64 m ² (Note)
Planned Structure / No. of Stories	RC, 4-story building
Expected Completion Date	Oct. 2018
Geographical Characteristics	<p>Prologis Park MFLP Kawagoe is located approximately 7 minutes by car from the Kawagoe Interchange of the Kan-etsu Expressway and forms a radially connected network of the Tomei, Chuo, Kan-etsu and Tohoku Expressways, which allows the property to facilitate deliveries to central Tokyo and other broad geographical areas.</p> <p>Further, the property is a 6-minute walk from Minami Otsuka Station of the Seibu Shinjuku Line, providing easy access for tenant workers.</p>

(Note) Indicates the land area and floor area of the entire property.

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For more information about Nippon Prologis REIT, please visit:

<http://www.prologis-reit.co.jp/english/index.html>

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