



April 16, 2015

**FOR IMMEDIATE RELEASE**

## **Nippon Prologis REIT Announces Related Party Transaction**

Nippon Prologis REIT, Inc. (“NPR”) today announced that Prologis REIT Master Lease GK (“PRML”), an affiliate of the Prologis Group, will succeed the status of a tenant (“subject transaction”) under a current lease agreement at Prologis Park Osaka 2 (“PP Osaka 2”), an NPR property. The subject transaction constitutes a related party transaction.

### **1. Overview**

A PP Osaka 2 tenant needs to expand. Due to a lack of vacancy at PP Osaka 2 and at other NPR-owned neighboring facilities, the tenant will relocate to Prologis Park Osaka 5 (“PP Osaka 5”), which is owned by the Prologis Group and is one of NPR’s pipeline properties under exclusive negotiation rights. PRML will succeed the position of the subject tenant, as a lessee, with the same terms and conditions under the existing lease agreement at PP Osaka 2, effective Sep. 1, 2015. PRML is an affiliate of the Prologis Group and therefore is classified as a related party to Prologis REIT Management K.K. (“PLDRM”), NPR’s asset manager. Effective today, NPR and PRML will enter into a Memorandum of Understanding Regarding Succession of Tenant Status of Fixed-Term Lease Agreement.

These arrangements allow NPR to maintain its existing tenant within the Prologis Group without exposure to external competition. Further, NPR can continue to enhance its future external growth opportunities without impacting profits.

### **2. Profile of the Related Party Entity (PRML)**

Trade Name	Prologis REIT Master Lease GK
Address of Headquarters	Tokyo Building, 2-7-3, Marunouchi, Chiyoda-ku, Tokyo
Representative	Tokyo Building, 2-7-3, Marunouchi, Chiyoda-ku, Tokyo Representative Member, Prologis ML Holdings Y.Y. Execution of Duty Person, Shigeru Inada
Capital	210 million yen
Date of Incorporation	Aug. 3, 2007
Net Asset	Undisclosed
Total Asset	Undisclosed
Equity Ownership	Prologis ML Holdings Y.K. 100%

Relationship with NPR and PLDRM	Capital Relationship	PRML is a related party as defined under the Investment Trust and Investment Corporation Law and an interested party as set forth in the interested party transaction rules of PLDRM.
	Personnel Relationship	There is no special personnel relationship to be disclosed with NPR and/or PLDRM as of today.
	Business Relationship	PRML has no business relationship with PLDRM.

### 3. Procedures Concerning Transactions with Related Parties

To comply with applicable laws and regulations and with the rules set forth by the asset management agreement between NPR and PLDRM, PLDRM has conducted all required procedures pursuant to its related party transaction guidelines to protect NPR's economic interests.

### 4. Impact on Forecasts

The subject transaction will have no economic impact on NPR's forecasts of results for the fiscal periods ending May 31, 2015 (Dec. 1, 2014 to May 31, 2015) and Nov. 30, 2015 (Jun. 1, 2015 to Nov. 30, 2015), which was announced Mar. 17, 2015.

For more information about Nippon Prologis REIT, please visit:

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

Real Estate Investment Trust Securities Issuer: Nippon Prologis REIT, Inc. (Code 3283)

Tokyo Building 21F, 2-7-3, Marunouchi, Chiyoda-ku, Tokyo

Executive Director: Masahiro Sakashita

Asset Management Company: Prologis REIT Management K.K.

Representative: CEO Masahiro Sakashita

Inquiries: CFO Atsushi Toda Tel: +81-3-6867-8585