

FOR IMMEDIATE RELEASE**Nippon Prologis REIT Announces Issuance of Investment Corporation Bonds (Green Bonds)
and Prepayment of Bank Loans**

Nippon Prologis REIT, Inc. (“NPR”) today announced the issuance of investment corporation bonds (Nippon Prologis REIT Green Bonds, or the “Green Bonds”) per the blanket resolution approved at a board of directors meeting held June 26, 2018, as well as a prepayment of bank loans.

Details are outlined below:

1. Overview of the Investment Corporation Bonds (Nippon Prologis REIT Green Bonds)

Nippon Prologis REIT 7th Unsecured Investment Corporation Bonds (with pari passu conditions among specified investment corporation bonds)

(1)	Amount of Issuance	6,000 million yen
(2)	Form of Bond Certificate	Subject to the provisions of the Law Concerning Book-Entry Transfer of Corporate Bonds, Shares, etc., bond certificates will not be issued.
(3)	Issue Price	100 yen per value of 100 yen of each bond
(4)	Redemption Price	100 yen per value of 100 yen of each bond
(5)	Interest Rate	0.660% per annum
(6)	Amount of Each Bond	100 million yen
(7)	Offering Method	Public offering
(8)	Date of Application	August 10, 2018 (Friday)
(9)	Date of Payment	August 17, 2018 (Friday)
(10)	Collateral	Neither collateral nor guarantee are provided for the bonds, and no asset is particularly secured for the bonds.
(11)	Redemption Method and Date	The total amount of the bonds will be redeemed on August 17, 2028. Redemption by purchase is permitted any time on and after the following day of the date of payment except for the case separately determined by the depository.

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| (12) | Interest Payment Date | February 17 and August 17 every year (An interest payment date that falls on a non-business day will be moved to the preceding business day.) |
| (13) | Credit Rating | AA (Japan Credit Rating Agency, Ltd.) |
| (14) | Financial Covenant | Negative pledge among unsecured bonds |
| (15) | Agent for Finance Issuance and Payment | The MUFG Bank, Ltd. |
| (16) | Underwriters | Mitsubishi UFJ Morgan Stanley Securities Co., Ltd., SMBC Nikko Securities Inc., Mizuho Securities Co., Ltd., Nomura Securities Co., Ltd. and Merrill Lynch Japan Securities Co., Ltd. |

2. Reason for the Issuance

NPR aims to provide the Japanese debt capital market with ESG investment opportunities through the issuance of Green Bonds; proceeds from the bonds will be used toward repayment of the borrowings in connection with the acquisition of Eligible Green Projects (as defined in “4. Eligibility of Green Bonds” below) and expand the investor universe for NPR's investment corporation bonds through the issuance of the Green Bonds. For further details, please refer to the press release “Nippon Prologis REIT Files Amendment to Shelf Registration Statement for Green Bonds Issuance” dated June 26, 2018.

3. Amount of Funds to be Raised, Use of Proceeds and Schedule of Disbursement

(1) Amount of Funds to be Raised (net of Associated Expenses)

5,965 million yen

(2) Use of Proceeds and Schedule of Disbursement

The proceeds from the bond issuance will be allocated to the prepayment of a portion of the short-term loans (6,300 million yen) (the "Prepayment") that were described in the press release dated Aug. 6, 2018, “Nippon Prologis REIT to Refinance 6.3 Billion Yen Borrowing”.

Regarding the subject short-term loans, 6,300 million yen to be prepaid by the proceeds of the Green Bonds is a refinancing of loans originally borrowed for the acquisitions of NPR's properties (Prologis Park Narashino 5, Prologis Park Ibaraki and Prologis Park Koga 2), all of which are the Eligible Green Projects and are described in the press release titled “Nippon Prologis REIT Announces Acquisition of Domestic Real Estate Trust Beneficiary Interests and Lease Contract with New Tenants,” dated July 24, 2017.

Property Name	Certification	Rank
Prologis Park Narashino 5	CASBEE(*)	A
	BELS(**)	5 stars (highest ranking)
Prologis Park Ibaraki	CASBEE	S (highest ranking)
	BELS	5 stars (highest ranking)
Prologis Park Koga 2	BELS	5 stars (highest ranking)

*CASBEE: An evaluation and rating system for the environmental performance of building and the built environment

**BELS: A verification that assesses and labels the conservation performance of non-residential buildings and houses established by the Ministry of Land, Infrastructure, Transport and Tourism of Japan.

4. Eligibility of Green Bonds

The Prologis Group (Prologis, Inc., Prologis, L.P. and its co-investment ventures or other affiliates), including NPR, has established the Prologis Green Bond Framework (the "Framework"), which conforms to the Green Bond Principles for the issuance of green bonds. The Prologis Group and NPR have obtained a second-party opinion (note 1) (the "Second-Party Opinion") from Sustainalytics, an ESG and corporate governance research agency, to align with the Green Bond Principles.

According to the Second-Party Opinion, eligible green projects ("the Eligible Green Projects") that meet the eligible criteria (note 2) set forth in the Framework have clear environmental benefits— for example, green building methods, renewable energy features and energy-efficient design as established in the Green Bond Principles. The allocation of the net proceeds to eligible projects contributes to the Sustainable Development Goals (SDGs) stipulated by the United Nations in 2015.

The subject Green Bonds are issued based on the Framework and endorsed by the Second-Party Opinion.

(Note 1) Second-Party Opinion is an independent review of Green Bond framework by Sustainalytics. In Second-Party Opinion, Sustainalytics estimates the eligible criteria by adequateness of alignment to the four pillars of Green Bond Principles: (1) Use of proceeds, (2) Project Selection Process, (3) Management of Proceeds, (4) Reporting). For detailed information, please refer to Sustainalytics website:

<http://www.sustainalytics.com/green-social-bond-services/#BondProjects>

(Note 2) Eligible criteria:

New or existing investments in or expenditures on properties which meet at least one of the following requirements:

1. GREEN BUILDINGS:

i) New, existing or refurbished buildings which have received at least one of the following classifications:

- a. LEED: Platinum, Gold or Silver
- b. DGNB: Platinum, Gold or Silver
- c. BREEAM: Outstanding, Excellent, Very Good or Good
- d. HQE: Exceptional, Excellent, Very Good (Very Performant) and Good (Performant)
- e. CASBEE: S, A or B+
- f. DBJ Green Building Certification: 5 or 4
- g. BELS: 5 or 4

ii) Refurbishments to properties in order to significantly improve energy efficiency and/or water efficiency of, or make other environmentally beneficial improvements to a building, building subsystem or land, including but not limited to investments in LED and other energy efficient lighting, cool roof and other sustainability - oriented construction materials, smart meters, electric and renewable energy charging stations and batteries, xeriscaping/drought-tolerant landscaping, waste diversion, water and energy-saving technologies and materials and improvements recognized by sustainability rating systems.

2. RENEWABLE ENERGY:

Use of Proceeds: New or existing investments in or expenditures on the acquisition, development, construction and/or installation of renewable energy production units. Renewable energy and storage projects can include (but are not limited to):

i) Solar panel installations, including those on rooftops of properties owned and/or managed by the Issuer or one of its affiliates

ii) Wind-related energy projects

3. ENERGY EFFICIENCY:

i) Energy storage systems

5. Summary of the Subject Prepayment

(1) Prepayment Amount: 6,300 million yen

(2) Prepayment Date: Aug. 20, 2018

(3) Source of Funds for Prepayment: Proceeds from the issuance of the Green Bonds and cash on hand.

Details of Bank Loans to be Prepaid

Category	Lenders	Borrowing Amount	Interest Rate	Borrowing Date	Borrowing Method	Repayment Date	Repayment Method	Collateral
Short-term	Sumitomo Mitsui Banking Corporation	4,410 million yen	Base interest rate (JBA 1-month Japanese yen TIBOR) +0.17%	Aug. 8, 2018	Borrowing based on an individual term loan agreement dated Aug. 6, 2018 with the lenders shown on the left	Aug. 8, 2019	Paid in full upon maturity	Unsecured and non-guaranteed
	MUFG Bank, Ltd.	1,890 million yen						

6. Outstanding Debt Balance after the Issuance of Bonds and Prepayment of Bank Loans

(Unit: Millions of yen)

	Before Issuance and Prepayment	After Issuance and Prepayment	Variance
Short-Term Loan (Note 3)	6,300	0	(6,300)
Long-Term Loan (Note 3)	188,000	0	0
Total Loan Amount	194,300	188,000	(6,300)
Investment Corporation Bonds	12,000	18,000	+6,000
Total Interest-Bearing Debt	206,300	206,000	(300)

(Note 3) Short-term loan refers to loans due within one year from the borrowing date, and long-term loan refers to loans due within a period longer than one year from the borrowing date.

(Note 4) In addition to the above, NPR maintains a commitment line of 20,000 million yen with three banks; there is no outstanding loan balance under this commitment line.

7. Reporting

All the proceeds from the issuance of the Green Bonds will be immediately allocated to the Prepayment, and therefore, the subject Green Bonds will satisfy the eligibility as green bonds in terms of use of proceeds. NPR will report the status of allocation of proceeds to the Eligible Green Projects (the "Reporting") on its website within a year from the issuance. As the allocation to the Eligible Green Projects will be completed by the Prepayment, the Reporting will be made only one time.

8. Impact on Forecasts

There are no changes to NPR's forecasts of results for the fiscal period ending Nov. 30, 2018 (from June 1, 2018 to Nov. 30, 2018) and the fiscal period ending May 31, 2019 (from Dec. 1, 2018 to May 31, 2019) which NPR announced on July 17, 2018 since the effects of the Subject Issuance of Bonds is not material.

9. Additional Information for Investors

There is no material change to the risk factors stated in "I Fund Information, 1. Fund Status, 3

Investment Risks” of the Securities Report, filed on Feb. 23, 2018 and “II Reference Information, 2. Complementary, 3 Investment Risks” of the Shelf Registration Supplement Documents filed on Aug. 10, 2018.

For more information about Nippon Prologis REIT, please visit:

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

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