

September 18, 2008

For Immediate Release
Real Estate Investment Fund Issuer

 Japan Logistics Fund, Inc.
 4-3 Hitotsubashi 2-chome, Chiyoda-ku, Tokyo
 Representative: Executive Director Hitoshi Eisaka
 (Securities Code: 8967)

Asset Management Company

 Mitsui & Co., Logistics Partners Ltd.
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Notice Concerning the Acquisition of Property (Komaki Logistics Center II)

Japan Logistics Fund, Inc. (hereinafter referred to as the “Fund”) made the decision to acquire a property on September 18, 2008 as detailed below:

1. Outline of the Acquisition (plan)

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|------------------------------|---|
| (1) Property to Be Acquired: | Real estate |
| (2) Property Name: | Komaki Logistics Center II |
| (3) Acquisition Price: | 1,800 million yen (excluding acquisition expenses, fixed property tax, urban planning tax, consumption tax, etc.) |
| (4) Date of Contract: | September 18, 2008 |
| (5) Date of Closing: | September 26, 2008 |
| (6) Seller: | Daizen Warehouse Co., Ltd. |
| (7) Fund-Raising: | Loans |
| (8) Payment Method: | Lump-sum payment on the date of closing |

2. Outline of the Property to Be Acquired

Outline of the Real Estate, etc. to Be Acquired			Outline of the Appraisal			
Asset Type		Real estate	Real Estate Appraiser	Tanizawa Sogo Appraisal Co., Ltd.		
Date of Contract		September 26, 2008	Date of Appraisal	August 20, 2008		
Acquisition Price		1,800,000,000 yen	Estimated Value	1,830,000,000 yen		
Trustee		—	Income Approach	1,830,000,000 yen		
Expiration Date of Trust		—				
Land	Location (Lot number)	548-1, Kakinokijima, Nishinoshima, Komaki, Aichi, etc.	Discounted Cash Flow Approach	1,820,000,000 yen		
	Site Area (Note 1)	9,740.44m ²				
	Use District	Semi-industrial area			Discount Rate	1 ~ 2 years: 5.4% 3 years ~: 5.4%
	Floor-Area Ratio	200%			Terminal Cap Rate	5.6%



	Building-to-Land Ratio	70% (designated building-to-land ratio: 60%, plus corner-lot relaxation ratio: 10%)	Direct capitalization approach	1,840,000,000 yen
	Type of Ownership	Ownership		
Building	Structure/Floors (Note 1)	Steel-frame structure, galvanized steel sheet roof, 2 floors, etc.	Cap rate	5.3%
	Date of Construction (Note 1)	March 27, 1992, etc.	Cost approach	1,230,000,000 yen
	Total Floor Area (Note 1)	10,708.41m ²		
	Total Rentable Area	10,708.41m ²		
	Usage (Note 1)	Warehouse, office	Land (percentage)	625,000,000 yen (50.8%)
	Type of Ownership	Ownership	Building (percentage)	605,000,000 yen (49.2%)
Property Management Company	Mitsui Fudosan Building Management Co., Ltd.			
Outline of the Lease Contract			Outline of the Engineering Report	
Number of Tenants	1		Investigator	Shimizu Corporation
Annual Rent (excluding consumption tax)	123,600,000 yen		Date of Engineering Report	September 9, 2008
Lease Deposit	30,900,000 yen		Urgent Repairs	200 thousand yen (Note 3)
Total Rent Area	10,708.41m ²		Short-Term Repairs	550 thousand yen
			Long-Term Repairs	122,540 thousand yen
Occupancy Rate	100.0%		PML	8.3%
Income/Expense Forecast (Note 3)			Design Company, Construction Company and Building Certification Company	
Income (including auxiliary income)	123 million yen		Design Company	Tomimoto Sekkei Co., Ltd., etc.
NOI (Net Operating Income)	102 million yen		Construction Company	Saeki Sogo Kensetsu Corporation, Ltd., etc.
NOI Yield (based on acquisition price)	5.7%		Building Certification Company	Komaki City
Special remarks: Not applicable				
(Note 1) According to the indication of the real estate register. (Note 2) The above figures are annual income/expenses after eliminating special factors of the fiscal period in which the acquisition is made, and also assume full occupancy. (Note 3) Repair work has been completed to date. (Note 4) Figures have been calculated for the main building only.				

3. Rationale for the Acquisition

The acquisition is being made to enhance the Fund's portfolio in accordance with the investment targets and policies stipulated in its Articles of Incorporation. An overview of the property follows.

(1) Geographical Conditions

The site is situated roughly 1km from the Komaki Interchange, where the Tomei Expressway connects with the Meishin Expressway. The area has easy access to other major expressways and gateways, and it is drawing attention as a central logistics area that covers the entire Chubu region of Japan. The property is located within a 15km radius of central Nagoya, a major commercial hub in the Chubu region. The site is well-suited to consumer logistics, and it can also be expected to meet the needs of producer logistics since it is situated near the production plants of major manufacturers. Site conditions are also suitable for logistics operations since due to its location near a residential area, making it relatively easy to secure labor for distribution and processing operations.

(2) Facility Features

The facility is a two-story, steel-frame building requiring little vertical movement of freight. Building specifications are appropriate for a distribution center: effective column spacing from 10.0m to 18.0m, a standard ceiling height of 4.0m, and a floor load that allows the use of forklifts on the first floor. The facility has single-sided berths that can accommodate 20 trucks, along with two elevators, enabling the rapid receipt, shipment, and internal movement of freight. An office building, employee lodgings, and rest facilities are also located on the site.

(3) Tenant

The tenant is Footwork Express Co., Ltd., a company with a solid distribution network centering on the Kansai region that provides customer-focused distribution services. The property is being used as the company's Komaki branch and serves as a collection and delivery center for the Nagoya area.

4. Outline of the Lease Contract

Name of Tenant	Footwork Express Co., Ltd.
Type of Business	Transportation
Total Rent Area	10,708.41m ²
Ratio to Total Rentable Area	100.0%
Annual Rent (excluding consumption tax)	123,600,000 yen
Lease Period	3 years from December 20, 2006 to December 19, 2009
Lease Deposit	30,900,000 yen
Contract Renewal/Revision	<p>Type of Contract: Normal lease (3-year contract)</p> <p>Revision of Rent: The rental rate may be revised through discussions when the contract is renewed. The rental rate may also be revised through discussions during the contract period when there are revisions to laws and orders or changes in economic circumstances, when there are changes in taxes, public fees, or other expenses, or when the rental rate falls out of line relative to the rents for neighboring buildings.</p> <p>Renewal of Contract: The lease contract will be renewed under the same terms for a period of three years unless the lessee or lessor indicates otherwise to the</p>

	<p>other party six months before the end of the lease term. The same conditions will apply to subsequent lease renewals.</p> <p>Early Termination: The lease contract may be terminated by either party by giving a six-month notice in writing beforehand. This condition, however, is superseded when the lessee pays the lessor the rental amount corresponding to the difference between six months and the length of advance notice given by the lessee.</p>
Major Items	Appliances, general merchandise

5. Outline of the Seller

Name of Company	Daizen Warehouse Co., Ltd.
Head Office Address	23, Kawachiya-shinden, Komaki, Aichi
Represented by	President, Masayoshi Kato
Capital	10 million yen
Major Shareholder	Daizen Furniture Co., Ltd.
Main Line of Business	Warehousing
Relation with the Fund	None

(Note) In the acquisition of this property, Kenedix, Inc. first concluded the sales contract as the initial buyer with the above seller, and the Fund then acquired the property by assuming the buyer position on the contract date. Kenedix became the contracting party and the buyer for the time being since the Fund was unable to complete due diligence during the period the above seller desired to conclude the sales contract. With the confirmation of the property's investment suitability, the Fund assumed the buyer position from Kenedix. Following the assumption of the buyer position, the Fund will pay Kenedix a fee of ¥54 million (excluding consumption tax).

Kenedix, Inc. is a shareholder of the Fund's asset management company and, therefore, the company is an interested party as defined by the asset management company's rules for avoiding conflicts of interest. Consequently, appropriate procedures prescribed by the rules were taken in determining the transfer procedure of the buyer position and the amount of the accompanying fee.

6. Conditions of the Property Acquisition

	Previous Owner
Name of company	Not an interested party
Relationship with interested parties	—
Acquisition process and rational	—
Acquisition price	—
Acquisition date	—

7. Outline of the Broker

Name of Company	CB Richard Ellis K.K.
Head Office Address	2-12, Hamamatsu-cho, Minato-ku, Tokyo
Represented by	President & CEO, Takahide Akiyama
Relation with the Fund	None
Commission	54,060,000 yen (excluding consumption tax)

8. Future Prospects

The effect of this acquisition on the operation performance of the Fund in the fiscal period ending January 2009 and July 2009 is minor, and there is no plan to revise the operation performance prospects.

【Reference Materials】

Reference Material 1: Exterior Photograph of the Building

Reference Material 2: Map of the Property

(End)

*The Fund's website: <http://8967.jp/eng/>

【Reference Materials】

Reference Material 1: Exterior Photograph of the Building



Reference Material 2: Map of the Property

- Wide area map



- Neighboring area map

