

February 19, 2009

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.
Representative: President Hitoshi Eisaka
Contact: General Manager Takashi Ueno
TEL +81-3-3238-7171

Notice Concerning Borrowing Capital

Japan Logistics Fund, Inc. (hereinafter referred to as “the Fund”) made the decision to obtain funds through the following loans on February 19, 2009.

The Fund had concluded a “Basic Agreement on Debt Finance” with 11 domestic financial institutions, and the loans will be made based on this program. The Fund recently concluded a new basic agreement with Development Bank of Japan, Ltd. and is to take out the first loan with them as a financial institution participating in the program. In view of the extreme difficulty currently faced by J-REITs in procuring funds, the Fund believes that expanding the list of financial institutions from which it borrows in addition to procuring long-term loans will lead to the further strengthening of its financial base.

1. Reason for Taking Out the Loans

To acquire trust beneficial rights of real estate (Shinonome Logistics Center and Kazo Logistics Center) and to pay for a part of the expenses related to the acquisitions.

2. Details of the Loans

(1) Sumitomo Mitsui Banking Corporation (for 5 years)

- | | |
|---------------------------------------------|------------------------------------------------------------------------------|
| a. Total Amount of Loan: | 5,000 million yen |
| b. Interest Rate Conditions: | 5-year yen swap rates + 0.90% spread |
| c. Up-Front Fees: | 1.00% of the total amount of loan
(excluding consumption tax) |
| d. Actual Spread (Note): | 1.10% (annual rate) |
| e. Start of the Loan Period: | February 25, 2009 |
| f. Principal Repayment Date: | February 25, 2014 |
| g. Borrowing Method/Repayment of Principal: | Unsecured/non-guaranteed, payment
in full on the principal repayment date |

(2) Development Bank of Japan, Ltd. (for 4 years)

- | | |
|---------------------------------------------|------------------------------------------------------------------------------|
| a. Total Amount of Loan: | 4,000 million yen |
| b. Interest Rate Conditions: | 4-year yen swap rates + 0.70% spread |
| c. Up-Front Fees: | 1.00% of the total amount of loan
(excluding consumption tax) |
| d. Actual Spread (Note): | 0.95% (annual rate) |
| e. Start of the Loan Period: | March 9, 2009 |
| f. Principal Repayment Date: | March 11, 2013 |
| g. Borrowing Method/Repayment of Principal: | Unsecured/non-guaranteed, payment
in full on the principal repayment date |

(3) The Bank of Tokyo-Mitsubishi UFJ, Ltd. (for 3 years)

- | | |
|---------------------------------------------|------------------------------------------------------------------------------|
| a. Total Amount of Loan: | 4,500 million yen |
| b. Interest Rate Conditions: | 3-year yen swap rates + 0.55% spread |
| c. Up-Front Fees: | 0.90% of the total amount of loan
(excluding consumption tax) |
| d. Actual Spread (Note): | 0.85% (annual rate) |
| e. Start of the Loan Period: | February 25, 2009 |
| f. Principal Repayment Date: | February 27, 2012 |
| g. Borrowing Method/Repayment of Principal: | Unsecured/non-guaranteed, payment
in full on the principal repayment date |

(4) Mitsubishi UFJ Trust and Banking Corporation (for 3 years)

- | | |
|---------------------------------------------|------------------------------------------------------------------------------|
| a. Total Amount of Loan: | 2,000 million yen |
| b. Interest Rate Conditions: | 3-year yen swap rates + 0.55% spread |
| c. Up-Front Fees: | 0.90% of the total amount of loan
(excluding consumption tax) |
| d. Actual Spread (Note): | 0.85% (annual rate) |
| e. Start of the Loan Period: | February 25, 2009 |
| f. Principal Repayment Date: | February 27, 2012 |
| g. Borrowing Method/Repayment of Principal: | Unsecured/non-guaranteed, payment
in full on the principal repayment date |

(Note)

The figure is the spread plus annualized up-front fees and, therefore, is the actual spread unless a prepayment is made. Moreover, the Fund has no record of paying up-front fees in the past concerning the procurement of interest-bearing debt.

The applicable interest rate will be announced once it has been decided.

3. Balance of Interest-Bearing Debt After the New Loan Agreements

(Millions of yen)

		Before New Loans	After New Loans	Increase/Decrease
	Short-Term Loans	8,000	8,000	0
	Long-Term Loans	5,700	21,200	+15,500
	Total Loans	13,700	29,200	+15,500
	Investment Corporation Bonds	0	0	0
Total Interest-Bearing Debt		13,700	29,200	+15,500

Debt Ratio (Note 1)	14.3%	26.3%	+11.9%
LTV (Note 2)	10.9%	20.3%	+9.4%
Long-Term Debt Ratio	41.6%	72.6%	+31.0%

(Note 1) Debt ratio = (Interest-bearing debt / (Interest-bearing debt + Unitholders' equity)) x 100
(Unitholders' equity as of today: 82,021 million yen)

(Note 2) LTV = (Interest-bearing debt / Total appraised values of properties held) x 100
The total of appraised value is the sum of estimated values as of the end of the sixth fiscal period (fiscal period ended July 31, 2008) and the appraisal values at the time of acquisition of properties acquired during or after the seventh fiscal period (fiscal period ended January 31, 2009) (excluding Kakogawa Logistics Center, which was sold on December 2008).

【Reference Materials】

Reference Material: Outline of the Basic Agreement on Debt Finance

(End)

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

【Reference Materials】

Reference Material: Outline of the Basic Agreement on Debt Finance

Contents of Contract	This agreement shall specify the basic terms and conditions of the loans and the role of a security agent thereby. The detailed conditions of each loan shall be determined through individual negotiations with each respective financial institution. The conclusion of this agreement shall not oblige the correspondent financial institutions to make a loan to the Fund.
Correspondent Financial Institutions	<u>Development Bank of Japan, Inc.</u> Mitsubishi UFJ Trust and Banking Corporation Mitsui Sumitomo Insurance Co., Ltd. Mizuho Corporate Bank, Ltd. Mizuho Trust & Banking Co., Ltd. Nippon Life Insurance Company Sumitomo Mitsui Banking Corporation The Bank of Tokyo-Mitsubishi UFJ, Ltd. The Chuo Mitsui Trust and Banking Company, Limited The Dai-ichi Mutual Life Insurance Company The Norinchukin Bank The Sumitomo Trust and Banking Co., Ltd. (in alphabetical order)
Security Agent	The Chuo Mitsui Trust and Banking Company, Limited