

April 14, 2017

For Immediate Release**Real Estate Investment Trust**

Japan Logistics Fund, Inc.
Representative: Keita Tanahashi
Executive Director
(Security Code: 8967)

Asset Management Company

Mitsui & Co., Logistics Partners Ltd.
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**Notice Concerning Issuance of Investment Corporation Bond
and Repayment of Loans before Due Date**

Japan Logistics Fund, Inc. (hereinafter referred as “JLF”) announced today that it has decided to issue investment corporation bond based on the comprehensive resolution made on March 23, 2017, as well as to repay loans before due date, as detailed below:

1. Summary of investment corporation bond

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|-------------------------------|--|
| (1) Name of the bond | Japan Logistics Fund, Inc. #5 th Unsecured Bond (with special pari passu conditions among the specified investment corporation bond) (Hereafter referred as “the Bond”) |
| (2) Total amount of the bond | ¥2 billion |
| (3) Form of bond certificate | Under the applicable Act on Book-Entry Transfer of Corporate Bonds and Shares. No bond certificate for the Bond will be issued. |
| (4) Proceeds | ¥100 per face value of ¥100 |
| (5) Redemption price | ¥100 per face value of ¥100 |
| (6) Coupon | 0.480% per annum |
| (7) Denomination of each bond | ¥100 million |
| (8) Subscription method | Public offering |
| (9) Subscription period | April 14, 2017 |
| (10) Payment date | April 20, 2017 |
| (11) Collateral | No collaterals or guarantees on the Bond. No assets reserved as security for the Bond. |

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| (12) Redemption method and date | The entire amount will be redeemed on April 40, 2027. The Bond may be repurchased at any time after the date of payment unless otherwise specified by Japan Securities Depository Center. |
| (13) Interest payment date | March 29 and September 29 of each year |
| (14) Special financial provision | Negative Pledge Clause is applicable. |
| (15) Credit rating | AA: Rating and Investment Information, Inc. |
| (16) Fiscal, issuing, and payment agent | Sumitomo Mitsui Trust Bank, Limited. |
| (17) Underwriter | SMBC Nikko Securities Inc.
Mizuho Securities Co., Ltd. |

2. Rationale for the issuance

Through the Bond issuance, JLF intends to lengthen long-term fixed rate interest bearing debt ratio, flatten debt maturity ladder, and diversify financing instruments in order to build solid balance sheet.

3. Total amount of proceeds, use of proceeds, and scheduled outlay timing

- (1) Total amount of proceeds (net)
¥1,990 million
- (2) Use of proceeds and scheduled outlay timing
The all proceeds will be used to repay loans on May 2017 (repayment before due date).

4. Summary of loans to be repaid

Lender	Total amount of loans (million)	Interest rate (Note 1)	Term of maturity	Borrowing date	Original repayment date	Scheduled repayment date
Sumitomo Mitsui Trust Bank, Limited	¥1,000 (Note 1)	1- month JPY TIBOR by "JBA" (Japanese Bankers Association) +0.20%	6 months	March 15, 2017	September 15, 2017	May 15, 2017
Mitsubishi UFJ Trust and Banking Corporation	¥1,000 (Note 1)					

(Note 1) The balance between the total amount of proceeds and the total amount of loans to be repaid will be filled by cash in hands.

(Note 2) For further details of the loans, please refer to the press releases enlisted at the end of this release.

5. Balance of the interest-bearing debt after the issuance of the Bond

(Million yen)

	Before issuance (as of April 14, 2017)	After the issuance (as of May 15, 2017)	Increase/ Decrease
Short-Term Loans	2,000	-	-2,000
Long-Term Loans	85,000	85,000	±0
(Current Portion of the Above L-T Loan)	5,500	5,500	±0
Total Loans	87,000	85,000	-2,000
Investment Corporation Bonds	7,700	9,700	+2,000
(Current Portion of the Above Bonds)	-	-	-
Total Interest-Bearing Debt	94,700	94,700	±0
Total Appraisal Value of the properties owned (Note 1)	301,410	301,410	±0
LTV (Note 2)	31.4%	31.4%	±0%
Long-Term Debt Ratio (Note 3)	92.1%	94.2%	+2.1%

- (Note 1) Total appraisal value of the property owned =
Appraisal value at the end of the Fiscal Period ended January 2017 +
Total appraisal value of assets acquired during the Fiscal Period ending July 2017
(Souka Logistics Center (additional acquisition) and Kiyosu Logistics Center (Building) at the time
of acquisition and Shinkiba Logistics Center II as of January 31, 2017)
- (Note 2) LTV (%) = Total interest-bearing debt / Total appraisal value of the property owned × 100
- (Note 3) Long-term debt ratio (%) = long-term loans (excluding current portion) + investment corporation
bond (excluding current portion) / total interest-bearing debt × 100
- (Note 4) The figures of LTV and long-term debt ratio are rounded off to two decimal points.

6. Other

Regarding risks related to redemption of investment corporation bond and repayment of the loans, there is no change from the description of “Investment Risks” described on a Securities Registration Statement (Japanese) submitted on October 28, 2016.

(End)

(Press Releases for Reference)

- Notice Concerning Borrowing Capital on March 10, 2017

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

This notice is the English translation of the announcement in Japanese on our website. However, no assurance or warranties are given for the completeness or accuracy of this English translation.