

December 17, 2018

For Immediate Release
Real Estate Investment Trust

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

Asset Management Company

 Mitsui & Co., Logistics Partners Ltd.
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(Correction) Notice Concerning Acquisition of a New Asset

Japan Logistics Fund, Inc. (hereafter referred to as “JLF”) amended the “Notice Concerning Acquisition of a New Asset” announced on December 14, 2018. The amended part is underlined as below:

2. Rationale for the acquisition

(Reference)

<Before amendment>

Property number	Name of the property	Acquisition price (million yen)	Appraisal value (million yen)	Expected NOI yield (Acquisition price base) (Note 1)	Appraisal NOI yield (Acquisition price base) (Note 2)
T-13	Osaka Nishiyodogawa Logistics Center	2,600	2,710	4.3%	<u>4.1%</u>

(Note 1) Expected NOI yield (Acquisition price base) = Expected NOI / acquisition price x 100

(Figures are rounded off to the first decimal place.)

Expected NOI is a normalized estimate based on annual income and expense projections and is not the forecast at the time of acquisition of the Properties nor the forecast for the fiscal period ending January 2019.

(Note 2) Appraisal NOI yield (Acquisition price base) = Appraisal NOI / acquisition price x 100

(Figures are rounded off to the first decimal place.)

Appraisal NOI is the NOI of the appraisal value based on direct capitalization method described in the appraisal.

<After amendment>

Property number	Name of the property	Acquisition price (million yen)	Appraisal value (million yen)	Expected NOI yield (Acquisition price base) (Note 1)	Appraisal NOI yield (Acquisition price base) (Note 2)
T-13	Osaka Nishiyodogawa Logistics Center	2,600	2,710	4.3%	<u>4.7%</u>

(Note 1) Expected NOI yield (Acquisition price base) = Expected NOI / acquisition price x 100
(Figures are rounded off to the first decimal place.)

Expected NOI is a normalized estimate based on annual income and expense projections and is not the forecast at the time of acquisition of the Properties nor the forecast for the fiscal period ending January 2019.

(Note 2) Appraisal NOI yield (Acquisition price base) = Appraisal NOI / acquisition price x 100
(Figures are rounded off to the first decimal place.)

Appraisal NOI is the NOI of the appraisal value based on direct capitalization method described in the appraisal.

3. Details of the Property

[T-13 Osaka Nishiyodogawa Logistics Center]

(1) Outline of the Property

<Before amendment>

Outline of the Property		Outline of the appraisal							
Asset type	Real estate	Real estate appraiser	The Tanizawa Sogo Appraisal Co., Ltd.						
Date of the acquisition	December 20, 2018	Date of the appraisal	December 1, 2018						
Acquisition price	2,600 million yen	Appraisal value	2,710 million yen						
Land	Location	Income approach	2,710 million yen						
	Site area (Note 1)			Discounted cash flow approach	2,680 million yen				
	Zoning					Discount rate	4.1%/4.3%		
	Floor-area ratio							Terminal cap rate	4.4%
	Building-to-land ratio								
	Type of ownership					Cap rate	4.2%		
Building	Structure/Story (Note 1)	Cost approach	2,690 million yen						
	Date of the completion (Note 1)			Land (Percentage)	69.0%				
	Total floor area (Note 1)					Building (Percentage)	31.0%		
	Total rentable area			Outline of engineering report	Survey company			Shimizu Corporation	
	Usage (Note 1)								Issue date of the report
	Type of ownership			Urgent repairs	-				
Property management company	Short-term repairs	-							
Collateral			Long-term repairs	74,740 thousand yen					
Outline of the lease contract	PML	10.2%							
Number of tenants			1						
Names of tenant	Not disclosed (Note 2)								
Annual rent (excluding consumption tax)	Not disclosed (Note 2)								
Lease deposit	Not disclosed (Note 2)								
Total rent area	10,213.81 m ²								
Occupancy	100.0%								

Expected income/expense (Note 3)		Design company, construction company and building certification company	
Income (including auxiliary income)	Not disclosed (Note 4)	Design company	Matsui Kensetsu K.K.
Expected NOI	110 million yen	Construction company	Matsui Kensetsu K.K.
Expected NOI yield (based on acquisition price)	4.3 % (Note 5)	Building certification company	CENTER FOR INTERNATIONAL ARCHITECTURAL STANDARD
Remarks: None			
(Note 1) The outline shown here is according to the real estate registry, and may differ from the present state.			
(Note 2) Not disclosed, for unable to obtain the tenant's consent.			
(Note 3) The figures are not forecasts for revenue from the Property as of the date of acquisition of the Property, but normalized estimations based on annual income and expenses projections for the fiscal year of acquisition.			
(Note 4) JLF does not disclose these items because their disclosure may enable the lease terms and level of outsourcing fees to be estimated, which could have a negative impact on the efficient operations of JLF and cause disadvantages to investors.			
(Note 5) The figure is expected NOI divided by 2,600 million yen, which is the acquisition price.			

<After amendment>

Outline of the Property			Outline of the appraisal	
Asset type	Real estate		Real estate appraiser	The Tanizawa Sogo Appraisal Co., Ltd.
Date of the acquisition	December 20, 2018		Date of the appraisal	December 1, 2018
Acquisition price	2,600 million yen		Appraisal value	2,710 million yen
Land	Location	2-9-133, Nakajima, Nishiyodogawa-ku, Osaka, Osaka	Income approach	2,710 million yen
	Site area (Note 1)	8,263.00 m ²	Discounted cash flow approach	2,680 million yen
	Zoning	Exclusive industrial area		
	Floor-area ratio	200%	Discount rate	4.1%/4.3%
	Building-to-land ratio	60%	Terminal cap rate	4.4%
	Type of ownership	Ownership	Direct capitalization approach	2,790 million yen
Building	Structure/Story (Note 1)	Steel frame 3-story building with alloy-plated steel sheet roof	Cap rate	4.2%
	Date of the completion (Note 1)	June 20, 2005		
	Total floor area (Note 1)	9,347.61 m ²	Cost approach	2,690 million yen
	Total rentable area	9,341.61 m ²	Land (Percentage)	69.0%
	Usage (Note 1)	Warehouse		
	Type of ownership	Ownership	Building (Percentage)	31.0%
Property management company	Hankyu Hanshin Building Management Co., Ltd.			
Collateral	None			
Outline of the lease contract			Outline of engineering report	
Number of tenants	1		Survey company	Shimizu Corporation

Names of tenant	Not disclosed (Note 2)	Issue date of the report	December 11, 2018
Annual rent (excluding consumption tax)	Not disclosed (Note 2)	Urgent repairs	-
Lease deposit	Not disclosed (Note 2)	Short-term repairs	-
Total rent area (Note 3)	9,341.61 m ²	Long-term repairs	74,740 thousand yen
Occupancy	100.0%	PML	10.2%
Expected income/expense (Note 4)		Design company, construction company and building certification company	
Income (including auxiliary income)	Not disclosed (Note 5)	Design company	Matsui Kensetsu K.K.
Expected NOI	110 million yen	Construction company	Matsui Kensetsu K.K.
Expected NOI yield (based on acquisition price)	4.3 % (Note 6)	Building certification company	CENTER FOR INTERNATIONAL ARCHITECTURAL STANDARD
Remarks: None			
(Note 1) The outline shown here is according to the real estate registry, and may differ from the present state.			
(Note 2) Not disclosed, for unable to obtain the tenant's consent.			
(Note 3) <u>In general, there are minor differences between the definition of "rentable area" as determined by JLF and the definition of "rent area" as determined by the lease contracts (including pre-lease contract). The total rent area represents the sum of the rent area included in the rentable area. It is possible that some of the rent area is not included in the rentable area.</u>			
(Note 4) The figures are not forecasts for revenue from the Property as of the date of acquisition of the Property, but normalized estimations based on annual income and expenses projections for the fiscal year of acquisition.			
(Note 5) JLF does not disclose these items because their disclosure may enable the lease terms and level of outsourcing fees to be estimated, which could have a negative impact on the efficient operations of JLF and cause disadvantages to investors.			
(Note 6) The figure is expected NOI divided by 2,600 million yen, which is the acquisition price.			

(End)

* 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.