

April 20, 2021

For Immediate Release

Real Estate Investment Trust

Japan Logistics Fund, Inc. (Security Code: 8967)
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Asset Management Company

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Notice Concerning Issuance of Investment Corporation Bonds (Green Bonds)

Japan Logistics Fund, Inc. (hereinafter referred as “JLF”) hereby announces that it has decided today to issue its seventh series of unsecured investment corporation bonds (Green Bonds), based on the amendment of shelf registration statement on February 18, 2021, as announced in the "Notice Concerning Submission of an Amendment of Shelf Registration Statement for Issuance of Green Bonds" on February 18, 2021, and the resolution of the Board of Directors at their meeting held on March 25, 2021. Details are as follows.

1. Summary of investment corporation bonds

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| (1) Name of the bonds | Japan Logistics Fund, Inc. 7th Unsecured Bond (with special pari passu conditions among the specified investment corporation bond) (Green Bonds) (hereinafter referred as the “Green Bonds”) |
| (2) Total amount of the bonds | ¥2,000 million |
| (3) Form of bond certificate | Under the applicable Act on Book-Entry Transfer of Corporate Bonds and Shares. No bond certificate for the Green Bonds will be issued. |
| (4) Proceeds | ¥100 per face value of ¥100 |
| (5) Redemption price | ¥100 per face value of ¥100 |
| (6) Coupon | 0.490% per annum |
| (7) Denomination of each bond | ¥100 million |
| (8) Subscription method | Public offering |
| (9) Subscription period | April 20, 2021 (Tuesday) |
| (10) Payment date | April 26, 2021 (Monday) |
| (11) Collateral | No collaterals or guarantees on the Green Bonds. No assets reserved as security for the Green Bonds. |
| (12) Redemption method and date | The entire amount will be redeemed on April 25, 2031 (Friday). The Green Bonds 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
(If the interest payment date is a bank holiday, the payment will be made on the previous business day.) |
| (14) Special financial provision | Negative Pledge Clause is applicable. |

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| (15) Credit rating | AA: Japan Credit Rating Agency, Ltd. |
| (16) Fiscal, issuing, and payment agent | Sumitomo Mitsui Trust Bank, Limited. |
| (17) Underwriter | SMBC Nikko Securities Inc. (Green Bond structuring agent (Note 1)) |
| | Mizuho Securities Co., Ltd. |
| | Mitsubishi UFJ Morgan Stanley Securities Co., Ltd. |

JLF has obtained a Green 1(F) (highest for JCR Green Finance Evaluation (Note 2)) rating in preliminary evaluation for the competence of its Green Finance Framework (Note 3) from Japan Credit Rating Agency, Ltd. (hereinafter referred as “JCR”).

(Note 1) “Green Bond structuring agent” is one who supports the issuance of green bonds in formulation of a green bond framework and advices on acquiring second-party opinions.

(Note 2) “JCR Green Finance Framework Evaluation” is a third-party evaluation on the policy for the issuance of green bonds or the borrowing of green loans (green finance policy) of an issuer or a borrower based on the 2018 Green Bond Principles formulated by the ICMA, the Green Loan Principles formulated by the LMA and the APLMA and the 2020 Green Bond Guidelines and the 2020 Green Loan and Sustainability Linked Loan Guidelines formulated by the Ministry of the Environment. In this evaluation, JCR conducts “Greenness Evaluation” to assess whether the projects stated in the green finance policy of the issuer or the borrower fall under green projects, and assess allocation of proceeds to the green projects, as well as “Management, Operation and Transparency Evaluation” to assess the management and operation system and transparency of the issuer or the borrower. Then, as the overall evaluation results of these assessments, the “JCR Green Finance Framework Evaluation” is determined. By the way, in order to distinguish the “JCR Green Finance Framework Assessment” from the assessment of individual bonds or borrowings, an “F” is added to the end of the assessment symbol. The “JCR Green Finance Framework Evaluation” regarding JLF is posted on the following JCR’s website.

<https://www.jcr.co.jp/en/greenfinance/>

(Note 3) Regarding the green finance framework, please refer to the press release “Notice Concerning Submission of an Amendment of Shelf Registration Statement for Issuance of Green Bonds” on February 18, 2021.

2. Rationale for the issuance

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

Through the procurement of funds through the Green Bonds, JLF aims to stimulate demand from new investors who are interested in ESG investments, and to strengthen its fund procurement base by expanding its investor base.

In addition, JLF will further promote ESG initiatives by understanding the expected level of ESG through dialogue with institutional investors interested in ESG and reflecting the content of such dialogue in its asset management.

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

- (1) Total amount of proceeds (net)
¥1,984 million
- (2) Use of proceeds and scheduled outlay timing

The funds will be used as refinancing funds by the end of February 2022 to partially fund the repayment of 2,000 million yen in loans with a repayment date of February 28, 2022, which were procured as of February 26, 2021 for the acquisition of Yokohama Machida Logistics Center, a

specified asset that meets the eligibility criteria (Note) (hereinafter referred to as the "Green Eligible Assets (Note)").

(Note) For "Eligible Criteria" and "Green Eligible Assets", please refer to the "Notice Concerning Submission of an Amendment of Shelf Registration Statement for Issuance of Green Bonds" on February 18, 2021. The same applies hereinafter.

4. Investors who expressed their intention to invest in the Green Bonds

Of the investors who expressed their intention to invest in the Green Bonds as of today, those who have agreed to the disclosure of their names are posted (in Japanese alphabetical order).

- Aoi Mori Shinkin Bank
- THE AWAJI SHINKIN BANK
- Mutual Aid Foundation for Japan Postal Group
- THE 77 BANK, LTD.
- North Pacific Bank, LTD.
- SHIZUOKA YAIZU SHINKIN BANK
- The Dai-ichi Life Insurance Company, Limited
- Nagano Shinkin Bank
- Sumitomo Mitsui Trust Asset Management Co., Ltd.
- Mitsubishi UFJ Trust and Banking Corporation

5. Reporting

If there are unappropriated funds at the time of issuance of the green bonds or borrowing of the green loans, JLF will disclose the appropriation plan. In the event that assets subject to the use of funds are sold before the redemption or repayment period, the balance of green finance and the maximum amount of green-eligible liabilities (Total acquisition price of Green Eligible Assets x LTV based on Total Assets) will be disclosed, upon explaining the balance is managed in portfolio level.

In addition, any other major changes in the situation will also be disclosed on JLF's website. The information will be disclosed on an annual basis until the corresponding green finance balance is reduced to zero.

Furthermore, the following items will be disclosed on JLF's website once a year.

- Number and type of Green Building Certification for acquired assets
- Specific usage volume
 - Energy consumption
 - Greenhouse gas (CO²) emissions
 - Amount of water used
 - Total weight of waste
- For renovation work

In addition to the content and name of subject property of the renovation work, quantitative indicators of

any of the following before and after the renovation work

- Status of acquisition of environmental certification (type of certification, level of certification)
- The amount of renewable energy generated and the estimated reduction in greenhouse gas (CO²) emissions due to power generation
- Energy consumption, greenhouse gas (CO²) emissions, or water consumption

6. Balance of the interest-bearing debt after the issuance of the Green Bonds

(Millions of yen)

	Before the issuance (as of April 20, 2021)	After the issuance (as of April 26, 2021)	Increase/ decrease
Short-term loans	1,500	1,500	±0
Long-term loans	101,500	101,500	±0
(Current portion of the above long-term loan)	20,500	20,500	±0
Total loans	103,000	103,000	±0
Investment corporation bonds	11,700	13,700	+2,000
(Current portion of the above bonds)	-	-	-
Total interest-bearing debt	114,700	116,700	+2,000

7. Other Matters Necessary for Investors to Understand and Assess This Information Properly

Regarding the risks pertaining to the redemption of the Green Bonds, etc., there are no material changes from the description of "Investment Risks" described on a Securities Report (Japanese) submitted on October 28, 2020.

(End)

(Press Releases for Reference)

- Notice Concerning Submission of an Amendment of Shelf Registration Statement for Issuance of Green Bonds on February 18, 2021
- Notice Concerning Borrowing Capital on February 18, 2021

*JLF's website: <https://8967.jp/en/>

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.