

Japan Logistics Fund Inc. Semiannual Report

For the six-month period ended July 31, 2023

November 2023



Japan Logistics Fund, Inc.
日本ロジステイクスファンド投資法人

Management Discussion and Analysis

Background of JLF

Japan Logistics Fund, Inc. (JLF) is Japan's first dedicated logistics REIT, founded with the aim of contributing to the Japanese economy by converging the flow of money (finance) with the flow of goods (logistics), which is the lifeblood of the economy. To that end, we leverage the history and experience of Mitsui & Co., Ltd., which as a general trading company has worked in logistics operations for long time globally.

Based on the Act on Investment Trusts and Investment Corporations of Japan (Act No. 198 of 1951; including revisions enforced thereafter) (AITIC), JLF was founded on February 22, 2005 by Mitsui & Co., Logistics Partners Ltd. (MLP) as the asset manager, and was listed on the REIT section of the Tokyo Stock Exchange on May 9 of the same year (security code: 8967).

Since JLF's initial public offering, we have applied a discerning eye for logistics sites, building specifications, tenant needs and other factors to investment decisions that are tied to real demand. In the process, we have built a portfolio that can be expected to deliver solid earnings over the medium- to long-term. As Japan's first dedicated logistics REIT entering a market of REITs invested mainly in office and residential assets, JLF became a pioneer and has since demonstrated to the market a track record of the logistics sector's ability to deliver solid cash distributions to its investors.

Basic Policy

As the pioneer dedicated to logistics properties, JLF aspires to provide "stability" and "growth" of dividends in the medium- to long-term by leveraging its unparalleled experience and expertise in logistics business and in financial markets. Logistics is a series of economic activities, such as transportation, storage, loading/unloading, packaging, labeling, sorting, or information integration, which connect manufacturers and consumers directly. We believe logistics is a vital function supporting the foundations of industry and people's life in Japan. As a consequence, demand for logistics properties is likely to be solid in the long term. These days, supply chain management which optimizes the entire logistics process is becoming widespread. It is imperative to construct logistics systems that can be flexibly adjusted based on consumers' various needs. Therefore, logistics business providers now actively seek highly versatile logistics facilities in order to build elastic logistics systems. Furthermore, consolidation of logistics functions to improve efficiency, as well as separation of ownership and use of logistics facilities to reinforce balance sheets, are growing trends in the logistics business. Given the current environment, we see great investment opportunities in this area.

Investment Policy

Acquisition of new properties

Compared with other asset types, logistics properties tend to have less liquidity in the acquisition market. We believe, therefore, that collecting a broad range of information and making precise investment decisions based on the information gathered is the only way to achieve high quality property acquisitions. In order to avoid unnecessary price competition, we strive to gain early access to property information and promote negotiated transactions by leveraging our sponsors' extensive networks and the information sourcing channels of MLP. When acquiring properties, we make investment decisions focusing on the location and versatility of properties, which are essential factors in pursuing long-term stability in managing logistics properties. As a general rule, we avoid acquiring properties with unique structural features that suit only certain types of tenants in certain industries. Instead, we prefer properties with specifications that meet broad logistical demand. To minimize fluctuations in revenue arising from factors such as rent reduction requests from tenants or unexpected tenants' departure, we acquire properties that will help reduce the risk of over-concentration of tenants by avoiding excessive dependency on a single tenant

or industry, and will help diversify lease period expirations.

Portfolio Management

In renewing existing lease contracts, we prefer generating solid revenue flows, such as by urging the existing tenant to renew the lease with a longer term. At the same time, we aim to increase rent revenues thorough strategic negotiations. In case that a tenant decides to move out, we conduct leasing activities based on this policy so that leases are maintained without any discontinuity and that revenues are secured, by leveraging our sponsor network, intermediary companies well versed in logistics properties and tenant information, and the network of the asset manager.

We promote the improvement of the overall satisfaction level of tenants by maintaining close contact with them. Specifically, we respond to tenants' needs with respect to expanding rental space, making functional improvements in line with tenant and industry needs, and implementing renewal of the properties. We conduct repairs and renovations of properties by keeping related costs below a certain level. In addition, we strive to maintain an optimal level of maintenance management for the properties by selecting appropriate property management companies that can provide efficient management in line with the characteristics of each property, by improving the quality of the property management control at the asset manager, and by standardizing various procedures. Furthermore, we will make additional investments in properties with locational advantage in terms of leasing and properties with OBR (Own Book Redevelopment) potential, taking into consideration tenant requests, the leasing needs of facilities, floor area ratios and other factors.

Financial strategy

We set the highest priority on stability and growth of dividends while maintaining relatively conservative LTV (Loan to Value) in financing. In public offerings, our policy is to consider the growth of unitholder value, including the growth of distributions per unit and NAV per unit. When pursuing debt financing, we diversify funding sources and repayment due dates. In addition, with regard to tenant leasehold and security deposits, we may use such deposits to partially fund property acquisitions for efficient cash management purpose.

Strategic and Financial Review of the six-month period ended July 31, 2023 (The 36th Period from February 1, 2023 to July 31, 2023)

During the six-month period under review, Japan's economy recovered moderately. Despite the impact from rising prices for goods, the recategorization of COVID-19 into a Class 5 infectious disease brought to the surface pent-up demand. The economy also got support from accommodative monetary policy and government economic measures. Corporate earnings continued at high levels, and business sentiment improved mildly. Against this backdrop, capital expenditures rose modestly. Looking at the price of goods, prices of consumer goods (excluding fresh foods) grew at a slower pace compared to the previous year, thanks in part to the downward pressure on energy prices from the government's economic policies. However, the forecasted price increase is trending upward again, recently in the low 3% range, as importers pass on higher prices on imported goods. In terms of the financial environment, interest rates in Japan are on the rise following the Bank of Japan's decision in July 2023 to implement flexibility in operations of yield curve control. In response, the TSE REIT Index continues to fluctuate.

Looking at the logistics leasing market, in the Tokyo Metropolitan Area, there continues to be historically solid demand from e-commerce players, as well as a diverse range of demand from furniture, construction materials, machinery, electronic components, home appliances, beverages, printed matter and apparel. New demand in the Tokyo Metropolitan Area reached a new record high in the April-June quarter of 2023. Despite the strong demand, there are some submarkets along the Tokyo Gaikan and the Metropolitan Central expressways where increased supply has led to slower absorption of vacancy. As a result,

the supply-demand environment is lax. In Osaka and Fukuoka, vacancies are being absorbed. In Nagoya, where supply has increased, tenants have been pre-leasing space before delivery, indicating strong demand.

Amid this environment, JLF continues to pursue stability and sustainable growth in DPU and NAVPU. In terms of external growth, we have made progress securing a pipeline of logistics facilities through joint development projects with business partners (Note 2), leveraging the know-how we have accumulated through OBR (Own Book Redevelopment) projects. Meanwhile, portfolio operations remained favorable as the occupancy rate posted 100.0% as of the end of the period under review. Furthermore, strong internal growth was achieved as multiple existing properties had leases that were renewed at higher rents.

(Note 1) “OBR” (Own Book Redevelopment) is the redevelopment of properties owned by JLF itself.

“Redevelopment” refers to the act of JLF building a new building on land that JLF owns after the existing building has been demolished. JLF collaborates with players such as construction companies, who build the new building on land JLF owns. After the building is complete, JLF acquires said building at a timing of its discretion. The same applies hereinafter.

(Note 2) “Joint developments with business partners” refers to initiatives where JLF is involved from the initial phases of the development of a logistics facility and thereby aims to acquire the property at a discounted price compared to bidding in the real estate acquisition market.

Results of Operations

The following table illustrates the financial results of the six-month period July 31, 2023 (The 36th Period from February 1, 2023 to July 31, 2023) and the six-month period ended January 31, 2023 (The 35th Period from August 1, 2023 to January 31, 2023):

	Period ended July 31, 2023	Period ended January 31, 2023
Operating revenue	¥10,139 million	¥10,156 million
Operating expenses	¥4,900 million	¥4,831 million
Operating income	¥5,328 million	¥5,324 million
Ordinary income	¥4,811 million	¥4,890 million
Net income	¥4,810 million	¥4,889 million
Earnings per unit	¥5,150	¥5,235
Distributions in excess of earnings per unit	¥0	¥0
Dividends per unit	¥5,151	¥5,235

In the 36th Period from February 1, 2023 to July 31, 2023, net income decreased 78 million yen from the previous period to 4,810 million yen. Major factors for the change in net income were as follows.

Expensing of property taxes for Urayasu, Kuki and Itabashi LCs	- 61 million yen
Higher repair and maintenance costs	- 69 million yen
Higher rent and facility charges	+ 39 million yen
Improvement in balance of utilities costs	+ 10 million yen
Existing properties, Other (lower depreciation costs, higher leasing fees, etc.)	+ 8 million yen
G&A (higher asset management fees, etc.)	- 13 million yen
Non-operating P/L (decrease in interest expenses, etc.)	+ 6 million yen

As a result of the above, JLF posted operating revenue of 10,139 million yen, operating income of 5,328 million yen, ordinary income of 4,811 million yen and net income of 4,810 million yen.

Distributions are subject to special taxation provisions (Special Taxation Measures Law (Act No. 26 of 1957, including

subsequent amendments, hereinafter referred to as "Special Taxation Measures Law"), and JLF decided to distribute the entire amount of unappropriated retained earnings for the fiscal period, excluding fractions of less than one yen per unit, in an attempt to make the maximum amount of profit distribution deductible for tax purposes, resulting in a distribution per unit of 5,151 yen.

Business Outlook

Recognition of the Environment

Looking forward, the Japanese economy is expected to recover moderately as pent-up demand surfaces, bolstered by a loose financial environment and economic support from the government. Together, these factors should overcome downward pressures from rising prices for natural resources and decelerating economies overseas. However, as central banks worldwide continue to raise rates, there are uncertainties that require caution, including the risk of sustained inflation driven by higher wages mainly in advanced nations, a correction to asset prices and volatility in foreign exchange markets, changes in lending stances from financial institutions, and increased difficulties achieving both inflation-fighting and economic growth as capital flows out of emerging nations.

In the logistics leasing market, the spread of the e-commerce market, the expansion of logistics networks, and the shift among manufacturers and retailers from just-in-time to just-in-case have combined to feed healthy demand for logistics space. However, in 2023 and beyond, high levels of new supply are planned for mainly the Tokyo and Osaka metropolitan areas, giving tenants more choice. As a result, uptake of this new space may decelerate as tenants become choosy on properties and submarkets, leading to prolonged slack in the relationship between supply and demand.

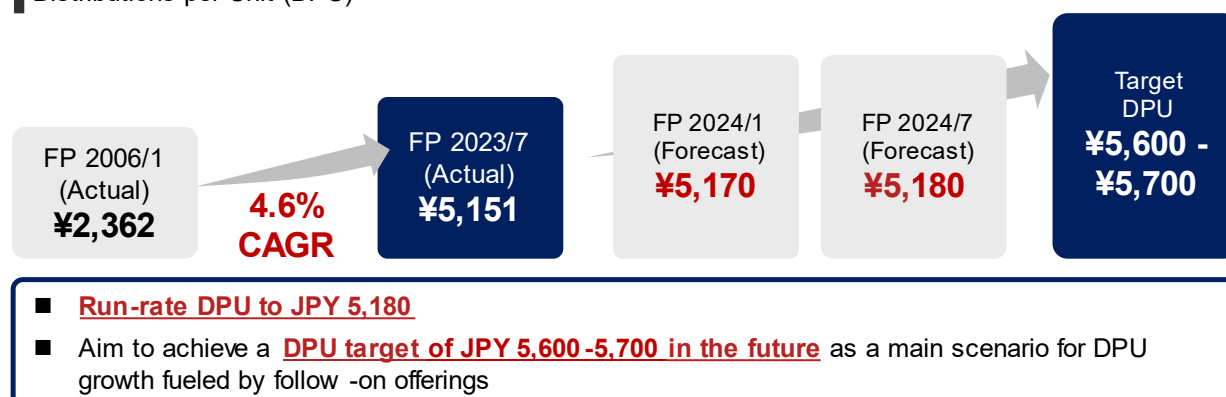
In the logistics acquisition market, the environment is expected to remain harsh, backed by demand from many investors for the defensive nature of cash flows from logistics properties and the large yield gap relative to global comparators.

Amid this environment, JLF has put forth its new strategy, Develop the Value, in March 2023. The new strategy builds on past operational strategies to target more stability and growth in DPU and NAVPU and aims to achieve a DPU target of 5,600 to 5,700 yen.

Moving forward, we will strive to enhance unitholder value by reducing risk considering all business environments, maintaining stability, and creating growth opportunities leveraging our unique competitive edge.

Growing DPU and NAVPU

Distributions per Unit (DPU)



Net Asset Value per Unit (NAVPU)



Japan Logistics Fund, Inc.

Since its IPO, JLF has constantly pursued a strategy of stability and sustainable growth in DPU and NAVPU.

JLF's DPU for FP 2023/7 was 5,151 yen, 21 yen higher than the forecast as of the previous period. JLF's compound annual growth rate since IPO through the FP 2023/7 has been 4.6%, putting it on par with the solid DPU growth trajectories of other logistics REITs in Japan. DPU for FP 2024/1 and FP 2024/7 are projected to be 5,170 yen and 5,180 yen, respectively, mainly due to the contribution of internal growth.

JLF's run-rate DPU is 5,180 yen, on par with our forecast for FP 2024/7. We aim to absorb the impact of headwinds such as cost inflation and interest rate increases by remaining flexible and continuing to achieve internal growth on rent hikes that outstrip cost pressures. By doing so, we look to grow the run-rate DPU to 5,180 yen, which is 50 yen higher than the 5,130-yen target set in FP 2022/7. In the meantime, we will continue to pursue our Develop the Value strategy with the aim of reaching our forward-looking DPU target of 5,600 to 5,700 yen as a main scenario for DPU growth fueled by follow-on offerings.

Moreover, NAVPU has grown at a CAGR of 5.9% from JLF's IPO through the end of July 2023.

With the longest track record among logistics REITs in Japan, JLF boasts a high-quality portfolio with a sector-leading 67.1% of its portfolio (by acquisition price) located in the Tokyo Bay Area or inside National Route 16--areas where the leasing market enjoys stability. This high-quality portfolio has led to J-REIT's top-class 58.1% unrealized gain as a percentage of portfolio value (as of the end of July 2023) and enabled solid growth in NAV.

Develop the Value

Execute independent strategy capable of responding to changes in the external environment
Maintain **stability** and generate **growth opportunities**

	Independence Competitive edge built by JLF	Resilience to changes in the external environment Advancing strategies that can reduce risk and capture growth opportunities based on a variety of business environments
Investment strategy	<ul style="list-style-type: none"> ■ Diverse acquisition means ■ Joint development and OBR projects that structurally generate superior yields 	<ul style="list-style-type: none"> ■ Select independent acquisition methods in response to the external environment ■ Increase pipeline with consideration for capital costs
Portfolio strategy	<ul style="list-style-type: none"> ■ Rent gap and negotiation abilities ■ Portfolio in favorable locations 	<ul style="list-style-type: none"> ■ Diversification of lease maturities ■ Introduce CPI escalator clauses into leases and negotiation rent according to lease durations ■ Avert risk of operating cost inflation (utilities)
Financing strategy	<ul style="list-style-type: none"> ■ Rich unrealized gain and favorable credit ■ Structurally advantageous liquidity on hand 	<ul style="list-style-type: none"> ■ Diversify debt maturities and lock in interest rates to reduce risk of higher rates ■ Study follow-on offerings that would be accretive to DPU and NAV
ESG strategy	<ul style="list-style-type: none"> ■ High ESG ratings from third parties 	<ul style="list-style-type: none"> ■ Advance an understanding and appropriate response to ESG risks and opportunities

Japan Logistics Fund, Inc.

Since 2022, we have promoted a Develop the Value strategy at JLF that aims to strengthen our independence, secure a differentiated and competitive edge, and build resilience against changes in the external environment that enables JLF to respond appropriately with flexibility to achieve stability and growth in unitholder value by measures such as DPU and NAVPU.

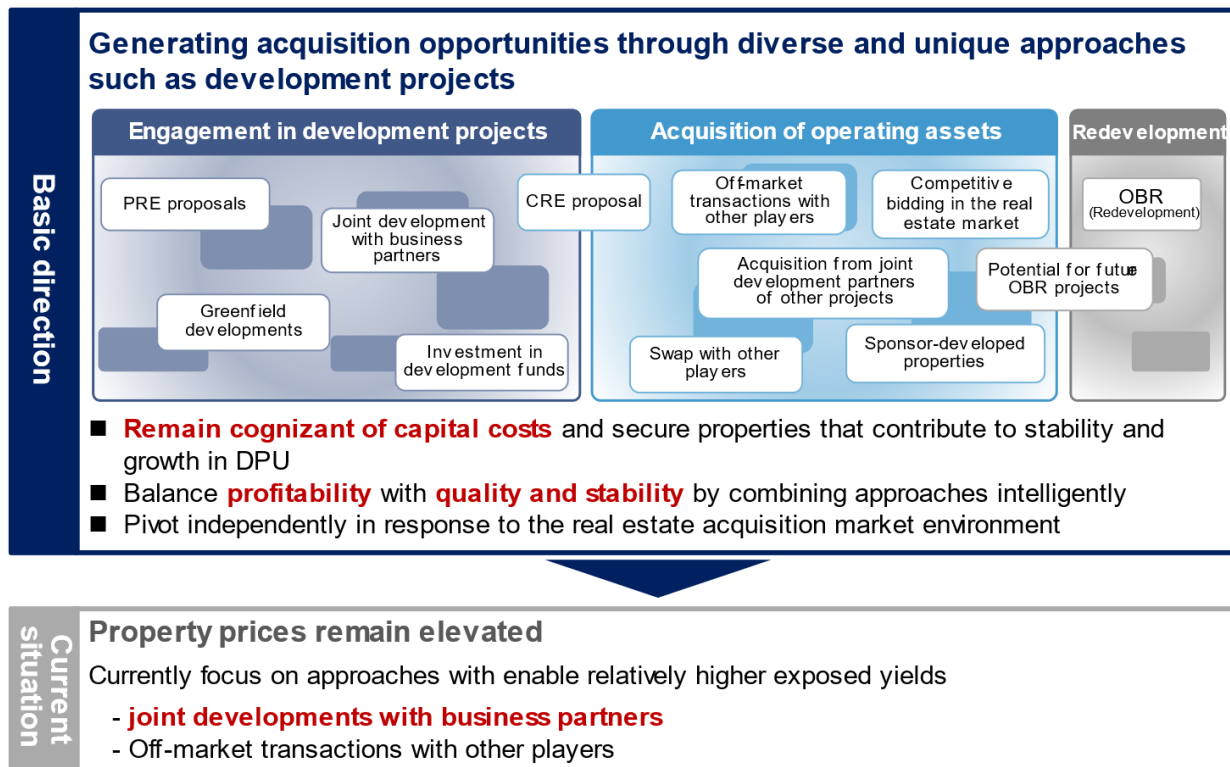
Our independence provides JLF with an edge by drawing deeply from various operational strategies we have developed over time. Meanwhile, the business environment is changing under the impact of factors such as high inflation and interest rate increases. We are promoting a strategy that prepares for those changes. By deploying operational strategies that balance independence with resilience against the external environment, we aim to maintain stability and generate growth opportunities. We have deployed an investment strategy based on diverse acquisition means including a long track record of redevelopment (OBR) projects on portfolio assets, with a recent focus on joint development projects that deliver structurally advantageous yields. In a volatile financial environment, we are increasing our acquisition pipeline with consideration for capital cost. We also select independent acquisition means, depending on changes in the real estate acquisition market environment.

Under our portfolio strategy, we promote internal growth leveraging a portfolio in favorable locations and the asset manager's negotiating strength rooted in analytical capabilities in rent gaps and submarket conditions. Furthermore, we aim to diversify lease maturities to bolster the portfolio against changes in the leasing market. We have also introduced CPI escalator clauses and, in negotiating lease renewals with tenants, we aim to obtain rent increase according to lease durations. We have protected the portfolio from future cost increases by reviewing lease terms related to utilities costs.

Our financing strategies are bolstered by strong credit and an industry-leading unrealized gain as a percentage of portfolio value. JLF does not pay out distributions in excess of profits, providing an operational strength in the form of structurally large liquidity on hand. Meanwhile, we have prepared against the risk of higher interest costs in the face of rising interest rates by diversifying debt maturities and maintaining a high level of fixed interest rates in the debt portfolio. Moreover, we will study follow-on offerings that would be accretive to DPU and NAVPU in the future.

We have made progress in our ESG strategy in recent years. JLF has received the relatively high level of third-party evaluations among J-REITs. Moving forward, we will continue to promote action based on an appropriate recognition of ESG-related risks and opportunities.

Property acquisition strategy



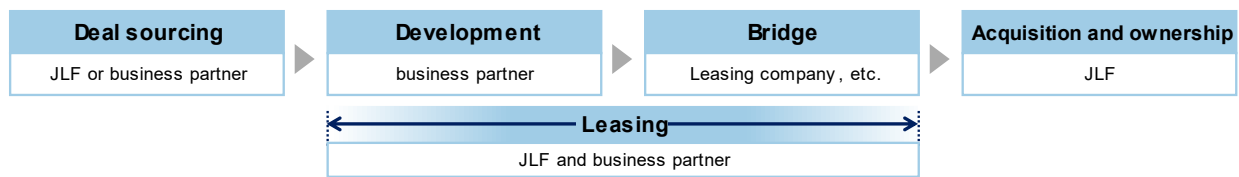
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JLF's investment strategy does not solely rely on acquiring operational assets from our sponsors or participating in competitive biddings in the real estate acquisition market. We strive to build a structure capable of generating acquisition opportunities in all environments by leveraging diverse and unique approaches. These approaches include joint developments with business partners, where JLF gets involved from the development phase of a logistics property, and redevelopment (OBR) projects. They also include CRE proposals, where JLF encourages the disposition of real estate assets held by operating companies, and off-market transaction with other players, which leverage JLF's vast network. In building up acquisition pipeline, we remain cognizant of capital costs and secure properties the contribute to stability and growth in DPU. Moreover, we aim to balance profitability with quality and stability by deftly combining a variety of acquisition means.

Given today's elevated real estate prices, we are focused on unique approaches, such as joint developments with business partners and off-market transactions with other players leveraging sourcing network which can be expected to deliver relatively high profitability.

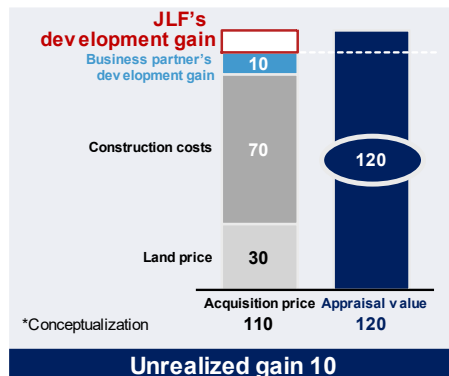
Promoting Joint Developments with Business Partners

Joint development value chain



Acquisition price structure

Able to secure advantageous yield



Desired yield on pipeline property

Aim to acquire at a yield that is superior to yields on market transactions
Fully cognizant of capital costs during acquisition

Property name	Amagasaki	Ichinomiya, Ichinomiya II, Fukuoka Tachiarai, Kazo II	Recent logistics REIT acquisitions
Appraisal NOI yield	4.5-4.7%	Average High 4% range	Average 4.0%
Comparison to market yield	+60-80 bps approximately	Average +70bps approximately	Average +24bps
Appraisal Discount Rate	10-15% approximately	Average 10% approximately	Average 3.2%
(Reference) JLF's implied CR	Implied CR level during the fiscal Period ended July 31, 2023		4.0% - 4.4%

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We are most focused on joint developments with business partners. JLF or business partners have sourced development land, and recruited business partners to develop logistics facilities. After development and the establishment of a bridge scheme to provide flexibility in acquisition timing, JLF will eventually acquire the property. In addition to obtaining leads on development land, by engaging proactively in the development process, from building planning to tenant leasing, JLF is positioned to share with its business partner development gains that would ordinarily be go to the developer. This approach makes it possible to acquire properties at structurally advantageous yields.

Among the pipeline properties, Amagasaki LC has appraisal NOI yield in the high 4% range--about 60-80 basis points higher than estimated market yields. Moreover, its projected acquisition price is approximately 10-15% lower than its appraisal value. On the other hand, Ichinomiya LC, Ichinomiya LC II, Fukuoka Tachiarai LC, and Kazo LC II have average appraisal NOI yields in the high 4% range-- average 70 basis points higher than estimated market yields. Moreover, Their projected acquisition prices are on average approximately 10% lower than their appraisal value. The pipeline properties are superior to recent logistics REITs acquisitions in all of appraisal NOI yield, market yields and discount to appraisal value.

Of course, in pursuing these acquisitions, we will remain mindful of JLF's capital cost, including implied cap rate of 4.0-4.4% for the period ended July 2023, at the time of acquisition.

Property Acquisition Pipeline

Increased pipeline of completed and near-completion projects, steady progress in lease-up

Pipeline status				Gross floor area	Completion of construction	Status	Bridge period
Engagement in development projects	Joint development with business partners	Amagasaki (Osaka Area)	100% Occupied	13,669m ²	2022/12 Completed	Forward Commitment	Until April 2, 2026
		Ichinomiya (Nagoya Area)	Over 90% Offer	78,717m ²	2023	First right of refusal, etc.	Until March 31, 2026
		Ichinomiya II (Nagoya Area)		71,096m ²	2023	First right of refusal, etc.	3 years after it is leased up
		Fukuoka Tachiarai (Fukuoka Area)	100% Occupied	13,118m ²	2023/7 Completed	First right of refusal, etc.	4 years after completion of construction
		Kazo II (Tokyo Met. Area)		16,112m ²	2024	First right of refusal, etc.	
		Narita (Tokyo Met. Area)		11,706m ²	2024	First right of refusal, etc.	3 years after completion of construction
Acquisition of operating assets	Sponsor-developed properties	Osaka Inland Project (Osaka Area)		90,074m ²	2025	First right of refusal, etc.	Under negotiation
	Off-market transactions	Ishikari Project (Other Area)	100% Occupied	23,148m ²	Completed	First right of refusal, etc.	Until March 30, 2026
		New Hokkaido Project (Other Area)	100% Occupied	Not disclosed	Completed	First right of refusal, etc.	Under negotiation
	CRE proposal	Shin Kiba Project (Tokyo Met. Area)	100% Occupied	19,234m ²	Completed	First right of refusal, etc.	5 years

Japan Logistics Fund, Inc.

We recognize that external growth continues to be an important element in driving stability and growth in DPU and NAVPU and are making solid progress building out JLF's pipeline. The number of pipeline properties that have been completed or are nearing completion is increasing, and tenant leasing for these properties is progressing well.

The Amagasaki LC (GFA: 13,669 m²) is a joint development project with a business partner. The property completed construction in December 2022 and is 100% occupied. JLF entered into a forward commitment with a leasing company to acquire that property. The planned acquisition date is on or before April 2, 2026.

Fukuoka Tachiarai LC (GFA: 13,118 m²) is also a joint development project with a business partner. The property completed construction in July 2023 and is 100% occupied.

Construction projects on the Ichinomiya LC (GFA: 78,717 m², over 90% offer), Ichinomiya LC II (GFA: 71,096 m²), Kazo LC II (GFA: 16,112 m²) and Narita LC (GFA: 11,706 m²) are scheduled to complete in 2023 and 2024. For each of the properties, bridge schemes have been built for post-development, and JLF has obtained right of refusal from the bridge entity. The bridge period on the Ichinomiya LC extends out to March 31, 2026, and the others last for 3 to 4 years after completion of construction or leasing. Leveraging a bridge scheme gives JLF flexibility to time the acquisition.

Meanwhile, we have also worked to build out a pipeline of operating assets, specifically, Osaka Inland Project (GFA: 90,074 m²), which is a sponsor-developed property, Ishikari PJ (GFA: 23,148 m², 100% occupied) and Hokkaido PJ (GFA: Not disclosed, 100% occupied), arrived at through an off-market transaction with other players, and Shinkiba PJ (GFA: 19,234 m², 100% occupied), which was brought to sale by our CRE proposal.

Pipeline Properties

Amagasaki Logistics Center

Joint development with business partners



Location	Amagasaki Hyogo
Area	13,669m ²
Occupancy rate	100%

- **Second joint development project** with JA Mitsui Leasing Tatemono
- Plan to acquire **fully leased** development at about **10%-15% discount to appraisal value**
- Location provides access to major consumer markets of Osaka and Kobe
- Walking distance to train station

Ichinomiya Logistics Center

Joint development with business partners



Location	Ichinomiya Aichi
Area	78,717m ²
Tenant Offer Rate	Over 90%

- **Joint development** with Tokyo Tatemono
- Located at the intersection between the Meishin and the Tokai-Hokuriku Expressways and close to central Nagoya. Great potential to serve as an important logistics point for **either long hauls or frequent deliveries**.
- Large-scale multitenant facility with a high degree of versatility and standard specifications that **can support a broad range of tenant needs and subdivision (as small as 1,000 tsubo)**

Fukuoka Tachiarai Logistics Center

Joint development with business partners



Location	Tachiarai Mii, Fukuoka
Area	13,118 m ²
Occupancy rate	100%

- Second **Joint development project** with builder Matsuo Construction Group
- **Great access to Tosu Junction**, a key logistics point that connects multiple highways in Kyushu, making the location very competitive for both local and long-range transport.
- Two-story, box-type logistics facility with a great deal of versatility and standard specifications.

Ishikari Project

Off-market transactions



Location	Ishikari Hokkaido
Area	23,148m ²
Occupancy rate	100%

- **Off-market transaction with another player** leveraging the asset manager's network
- Very competitive as **hub for deliveries coming in and out of Sapporo**. Convenient access to the Port of Ishikariwan-Shinko and Shin-Chitose Airport make it **suitable for both ocean and air freight**.
- Access between Ishikari and Sapporo: 30 minutes
- Ishikari is an important logistics site in Hokkaido.

Japan Logistics Fund, Inc.

Here are details on the four Pipeline properties.

The Amagasaki LC (GFA: 13,669 m²) is the second joint development project with JA Mitsui Leasing Tatemono, and it is 100% occupied. JLF is planning to acquire fully leased development at 10-15% discount to appraisal value. Its location provides access to major consumer markets of Osaka and Kobe. It is located within walking distance to train station.

Ichinomiya LC (GFA: 78,717 m²) is the joint development with Tokyo Tatemono, and its tenant offer is over 90%. It is located at the intersection between the Meishin and the Tokai-Hokuriku Expressways and close to central Nagoya. It has the great potential to serve as an important logistics point for either long hauls or frequent deliveries. It is large-scale multi-tenant facility with a high degree of versatility and standard specifications that can support a broad range of tenant needs and subdivision (as small as 1,000 tsubo)

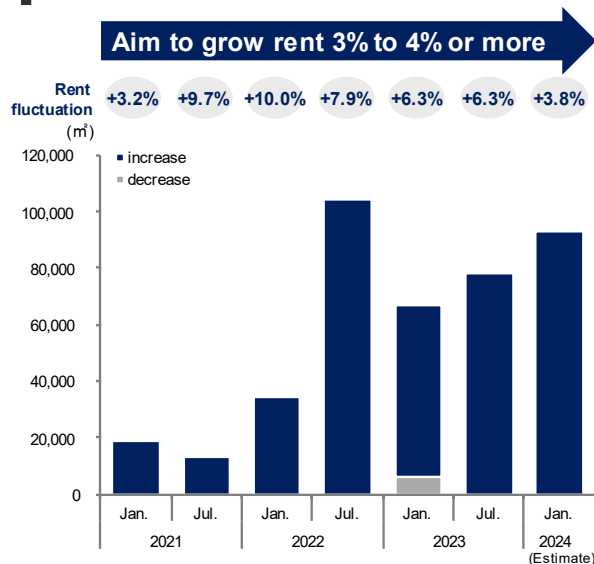
Fukuoka Tachiarai LC (GFA: 13,118 m²) is the joint development project with builder Matsuo Construction Group, and it is 100% occupied. It is great access to Tosu Junction, a key logistics point that connects multiple highways in Kyushu, making the location very competitive for both local and long-range transport. It is two-story, box-type logistics facility with a great deal of versatility and standard specifications.

Ishikari PJ (GFA: 23,148 m²) is the off-market transaction with another player leveraging the asset manager's network, and it is 100% occupied. It is very competitive as a hub for deliveries coming in and out of Sapporo, and convenient access to the Port of Ishikariwan-Shinko and Shin-Chitose Airport make it suitable for both ocean and air freight. The distance between Ishikari and Sapporo is 30 minutes by car. Ishikari is an important logistics site in Hokkaido.

Rental Growth

Continue to achieve **strong rental growth** through strategic negotiations based on analysis of the rent gap, market rent trends and trends at the tenant, etc.

Status of leases matured or maturing in the recent periods (excluding regular leases)



Japan Logistics Fund, Inc.

Recent lease renewals

Multi-tenant property located in Fukuoka Area

Rent growth (%)

+8.4%

- Eliminated the rent gap through tenacious negotiations leveraging the tenant relationship and a background of rising market rents.

Single-tenant property located in Tokyo Inland

Rent growth (%)

+12.8%

- First renewal in 10 years.
- Negotiated lease renewal to fulfill existing tenant's renewal needs.

Impact of rent hikes

Cumulative effects of increases to rent from FP 21/1 through FP 24/1 (yen/unit)

JPY 176/unit

JLF continues to make progress in rental growth.

We estimate the rent gap on JLF's portfolio averages in the high single digits as a percentage, given the rise in market rents for logistics properties, among other things. This should provide many opportunities to raise rents as leases expire.

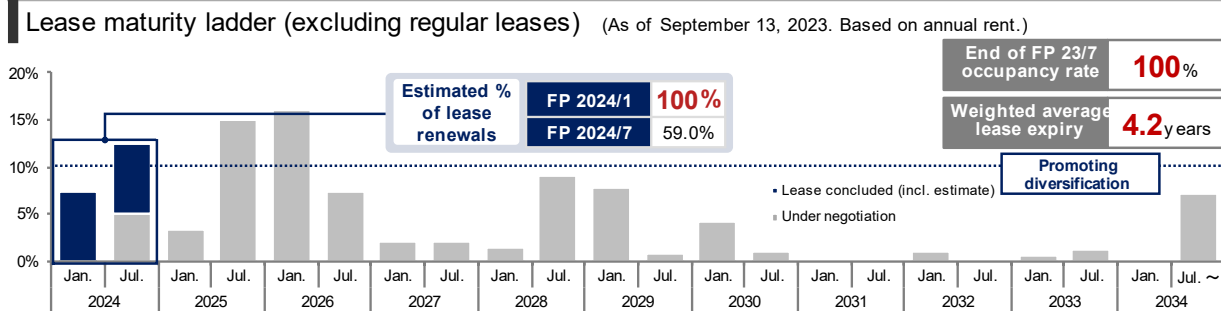
We continue to grow rent. Indeed, rent fluctuation has been in positive territory, indicating rent growth, for each period from the fiscal period ended January 2021 through the fiscal period ending January 2024. We expect to grow rent 3.8% in FP 2024/1. The cumulative effects of increases to rent from FP 21/1 through FP24/1 has amounted to JPY 176 per unit.

We achieved the following ambitious results aimed at closing the rent gap on the individual leases signed during the fiscal period ended July 2023.

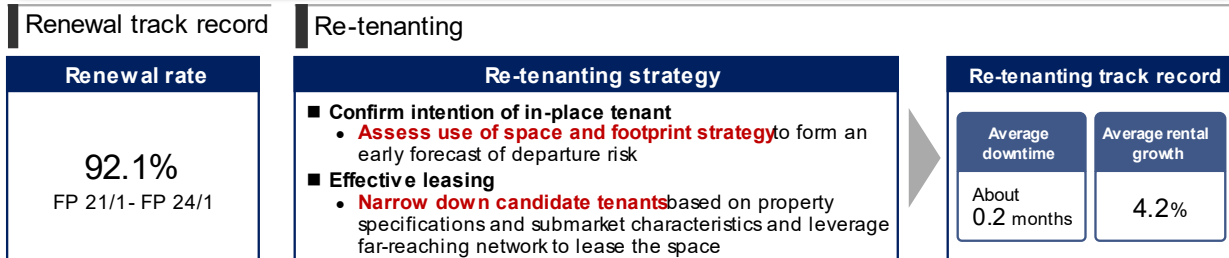
- In a multi-tenant property located in Fukuoka Area, we eliminated the rent gap through tenacious negotiations leveraging the tenant relationship and a background of rising market rents, and achieved to grow rent 8.4%.
- At a single-tenant property in Tokyo Inland Area, it was the first renewal in 10 years. We negotiated lease renewal to fulfill existing tenant's renewal needs, and achieved to grow rent 12.8%.

The rate of rent growth varies depending on the rent gap on leases due to expire, but we aim to sustain rent growth averaging about 3% to 4% or more on leases expiring in the fiscal period ending July 2024 and beyond, as well.

Spread out lease maturities and mitigate departure risk



Maintain rent stability through high levels of renewals and strategic re-tenanting



Japan Logistics Fund, Inc.

We are also mindful of portfolio stability.

We continue to maintain high occupancy, with portfolio occupancy at 100% as of the end of July 2023. We are mindful of spreading out maturities when renewing tenant leases to avoid the concentration of departure risk in specific timeframes. We have completed renewing all leases set to expire in the fiscal period ending January 2024. We have received offers to 59.0% of leases set to expire in the fiscal period ending July 2024 and are negotiating with the remaining tenants with the aim to renew their leases. So, we expect high occupancy to continue for some time.

Furthermore, JLF leverages the favorable locations and competitiveness of its portfolio to achieve high levels of tenant retention and stability in rental revenues through strategic re-tenanting upon tenant departure. Of the leases that expired or are set to expire between August 2020 and January 2024, 92.1% will be renewed. When tenants do leave, we work to assess the tenant's situation and arrive at an early forecast of trends while we engage in effective leasing activities. As a result, average downtime on re-tenanting situations that arose between August 2020 and January 2024 will be about 0.2 months. Average rental growth will be 4.2%. So, we have been able to achieve a smooth transition in tenants and rental growth.

Resistance to environmental changes

Control lease terms & conditions and secure resilience against environmental changes

Revisit lease terms & conditions

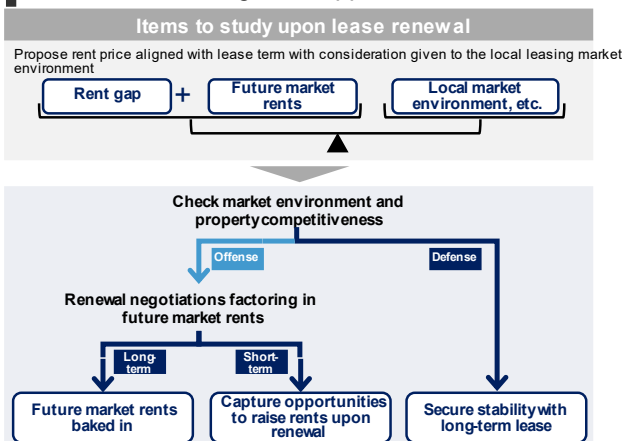
Continue to capture rent growth opportunities

Introduce CPI-linked escalator clauses	Recent successes
Promote introduction of escalator clauses to capture rent growth opportunities during inflationary periods	Signed leases at Fukuoka-area properties

Avert cost inflation risk

Pass on electricity costs to tenants	Recent successes
Switch to pass on actual costs to avoid risk of rising electricity costs during inflationary periods.	Exposure to electricity cost increases reduced to 3.9% of portfolio (Based on gross floor area)

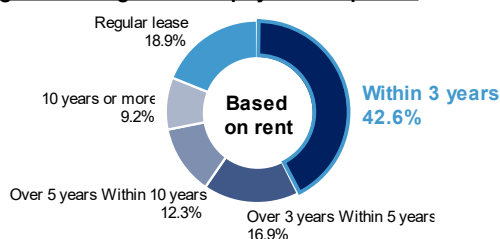
Secure future rent growth opportunities



Lease terms shortening recently

	Recent leases (FP 21/1 - FP 23/7)	Portfolio total (excluding regular leases)
Weighted average lease period	4.3 years	9.4 years

Weighted average lease expiry on total portfolio



Japan Logistics Fund, Inc.

We are also managing portfolio operations to protect JLF against environmental changes, especially inflation risk.

Looking at individual leases, we have made progress generating opportunities to raise rent by introducing CPI-linked escalator clauses at Fukuoka-area properties. Moreover, we have switched to pass on actual costs to avoid risk of rising electricity costs during inflationary periods. As a result, the exposure to electricity cost increases reduced to 3.9% of portfolio by the end of July 2023.

When negotiating lease renewals, for highly competitive properties, we will take an offence approach to the negotiations, considering the rent gap, future market rents based on the contract term, and the local market environment, etc. At properties that require attention, for example, due to new supply within a specific timeframe in the surrounding submarket, we prefer the stability of longer-term leases as a defense approach. We have recently developed aggressive negotiations for many properties due to the rent gap and a relatively strong leasing market.

When proposing long-term contracts, we will secure future rent increases in advance due to inflation, etc. When proposing short-term contracts, we will capture opportunities to raise rents upon renewal.

Result of these measures, the weighted average lease period of leases renewed over the past 3 years has been 4.3 years, compared to 9.4 years for the total portfolio. Meanwhile, 42.6% of the portfolio has leases set to expire within the next 3 years, providing frequent opportunities for incremental rental growth.

Stable Financial Foundation

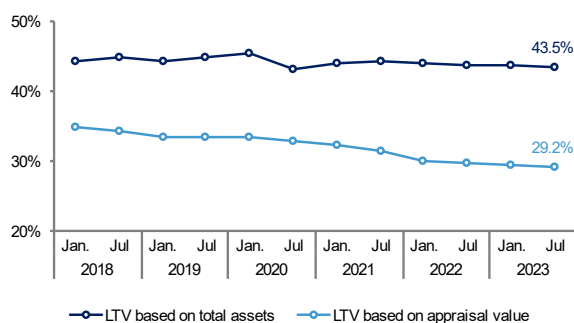
Strive to maintain a stable financial foundation by controlling LTV at sound levels
Leverage favorable credit to build relationships with diverse range of financial institutions

(As of July 31, 2023)

Amount of interest-bearing debt	119,700 million yen	Weighted average cost of debt	0.68 %	Credit Ratings	JCR AA (stable) R&I AA- (stable)
Commitment line limit	31,900 million yen	Weighted average debt maturity	4.2 年	LTV	Based on total assets 43.5% Based on appraisal value 29.2%

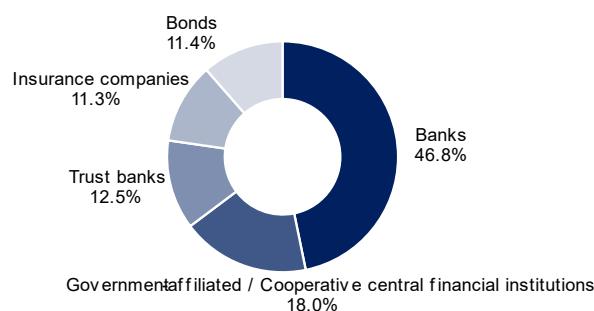
Change in LTV

Controlling LTV at sound levels



Funding sources

Diverse range of funding sources and means



Japan Logistics Fund, Inc.

JLF continues to maintain a stable financial foundation.

As of the end of July 2023, Total interest-bearing debt was 119,700 million yen. Weighted average cost of debt was 0.68%. And weighted average debt maturity was 4.2 years. JLF has a commitment line of 31,900 million yen to provide flexibility in property acquisition or refinancing.

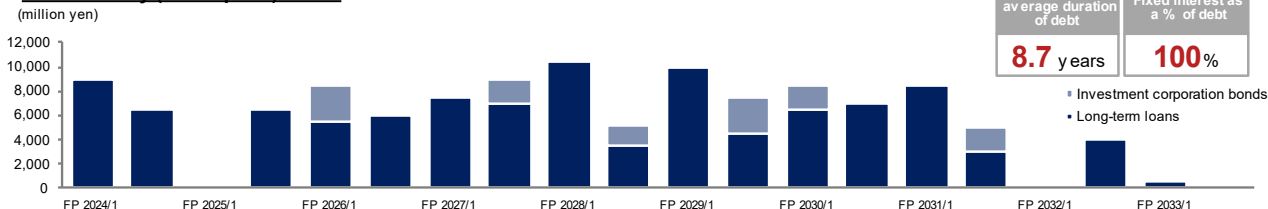
We control leverage at a sound level. As of the end of July 2023, LTV based on total assets was 43.5% and LTV based on appraisal value was 29.2%. We also maintain sound credit ratings, with an AA (Stable) from JCR and an AA- (Stable) from R&I. We leverage our favorable credit to diversify funding means and sources and secure funding stability.

Basic Direction for Interest-bearing Debt

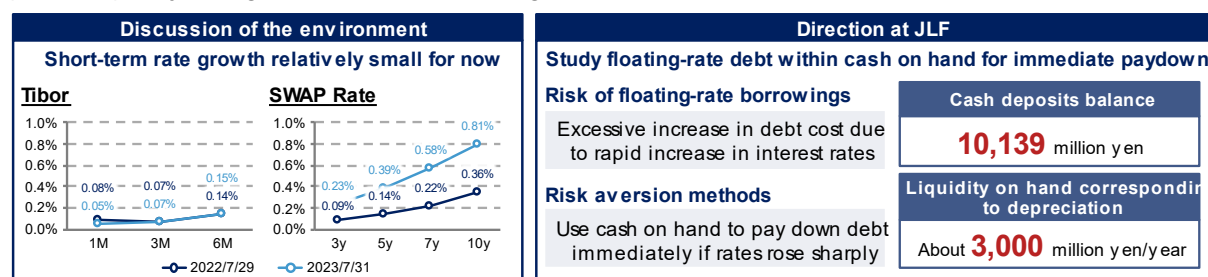
In order to secure resilience against interest rate increases spread out debt maturities as well as strive to maintain average debt durations and large percentage of debt on fixed rates

Average amount of re-financing about **7,100 million yen per period** (about 5.9% of total debt)

Debt maturity (redemption) ladder



(Reference) Study floating rate debt to lower borrowing costs



Japan Logistics Fund, Inc.

Operationally, securing resilience against interest rate increases is an important theme for JLF related to interest-bearing debt. At JLF, our basic policy is to spread out maturities while maintaining weighted average durations of debt and keeping fixed interest as a percentage of debt high.

We are most focused on spreading out maturities. This is important not only for resilience against interest rate increases, but also to reduce refinancing risk. Each period, our average refinance amount is about 7,100 million yen, or about 5.9% of total interest-bearing debt.

Additionally, we secure resilience against interest rate increases by taking longer duration on debt (8.7 years as of September 13, 2023) and a high level of fixed interest as a percentage of debt (100% as of September 13, 2023).

Recently there has been a marked increase in swap costs compared to short-term interest rates. While Tibor has remained relatively stable from 2022 into 2023, 3-year to 10-year swap rates have risen approximately 10 to 50 basis points. Amid this environment, we also study blending in floating-rate debt to the extent we can maintain a high level of fixed interest as a percentage of debt. However, considering the impact on JLF's costs from a sudden increase in short-term interest rates, we plan to limit any floating-rate debt to an amount that can be paid down with cash on hand. We look to take risk to the extent it can be controlled and mitigate any impact on JLF profits that would be caused by rising interest rates.

Capital Policy

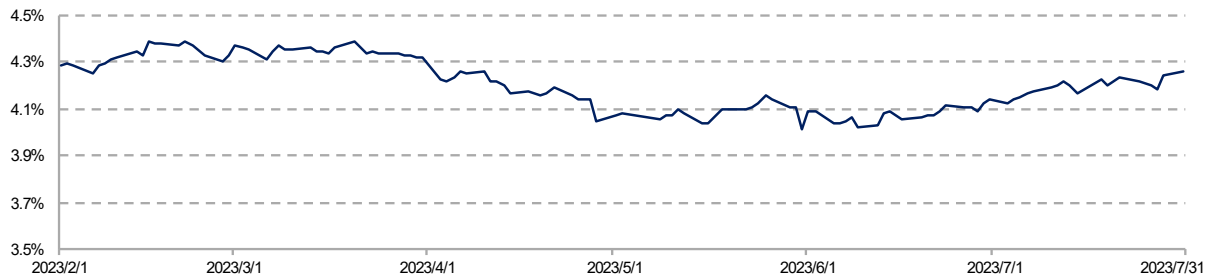
Policy on follow-on offerings

Study going forward with a follow-on offering in situations deemed to be accretive to DPU and NAVPU

Criteria for going forward with a followon offering

- | | | | | | |
|----------|------------------|----------|--------------------|----------|--|
| 1 | Accretive to DPU | 2 | Accretive to NAVPU | 3 | Acquiring properties at a yield above implied cap rate |
|----------|------------------|----------|--------------------|----------|--|

JLF's implied cap rate



Policy on unit buy-backs

Study buying back units at an effective time when unit price continues to be discounted

Japan Logistics Fund, Inc.

Since the acquisition pipeline is steadily building up, we clarified our policy on follow-on offerings with an eye to raising funds.

We will study going forward with a follow-on offering in situations deemed to be accretive to DPU and NAVPU.

We will adhere to the following three criteria when conducting follow-on offerings.

The first is accreting to DPU. In accreting DPU, we aim to achieve DPU growth mainly through external growth effects, rather than through financial approaches such as raising LTV or rental growth effects.

The second is accreting to NAVPU. In accreting NAVPU, we aim to acquire properties at a discount to the appraisal value and accrete NAVPU before and after the follow-on offering.

The third is acquiring properties at a yield above implied cap rate. We will acquire properties at yields superior to the implied cap rate as the capital cost.

Meanwhile, we will study buying back units through use of cash on hand, etc. at an effective time when unit price continues to be discounted.

Promoting ESG for Sustainable Business Value Creation

Advance an awareness of risks and opportunities and appropriate responses in relation to ESG and engage in improving ESG issues

Acquired external evaluations

- Acquired A rating from MSCI ESG. **Included in MSCI Japan ESG Select Leaders Index** in 2022. (as of September 13, 2023)



2023 CONSTITUENT MSCI JAPAN
ESG SELECT LEADERS INDEX

- In 2023, acquired 5 -star GRESB rating, the highest rating for a J-REIT



Set net zero targets

- Set target to reduce GHG emissions (SCOPE 1, 2) from JLF business activities **42% by FY 2030** (compared to 2021) and to **net zero by FY 2050**. **In 2022, acquired SBT certification for SMEs** that our FY2030 targets align with the ParisAccord
- Achieve netzero in FY2022 by **purchasing non-fossil certificates**



Procurement of Green Loans

- In February 2023, JLF raised **1,500 million yen** in green loans from Nippon Life Insurance and The Industrial Bank of Japan
- Total amount of green finance procured **1,500 million yen**

Progress in green building certifications

- Acquired green building certifications at **41** properties (**79.7%** of portfolio)



See ESG Initiatives for details

Japan Logistics Fund, Inc.

At JLF, we believe that corporations now need to consider ESG initiatives aimed at achieving a sustainable society through a variety of economic activities. That, of course, includes environmental (E) measures primarily aimed at climate change. It also entails social (S) and governance (G) issues, such as workstyle reforms, coexistence with our communities and stronger governance of management and fund operations. ESG initiatives are one of the top priorities at JLF. We are continuously working to improve ESG-related issues (materialities), including the following most recent initiatives.

a. Acquired the external evaluations

JLF acquired an MSCI ESG rating of A, which is relatively high among J-REITs. As a result, JLF has been included in the MSCI Japan ESG Select Leaders Index since December 2022. We believe that inclusion in the index will contribute to expanding the investor base and improving liquidity.

In the 2023 GRESB Real Estate Assessment, JLF has acquired the highest “5-star” GRESB rating, which is rated on a 5-point scale based on a global ranking of the overall score.

b. Setting a net zero target

JLF possesses a strong sense of ownership for ESG issues and based on its desire to share an awareness of those issues with investors, has signed on to a variety of initiatives.

In August 2021, the asset manager became a signatory to the Principles for Responsible Investing and, in August 2022, conducted information disclosures aligned with TCFD recommendations.

As for Measures and Targets under TCFD recommendations, we have set a target to reduce greenhouse gas emissions from JLF’s business activities (Scope 1 & 2) 42% by FY 2030 (compared to FY 2021) and to net zero by FY 2050.

With the signing of the Paris Agreement, the world is focused on net zero greenhouse gas emissions, and institutional investors have a policy of investing in companies that will achieve net zero emissions. That may affect JLF's fund-raising environment in the future. To show that JLF's net zero target aligns with the Paris Agreement, we have obtained SBT validation for SMEs.

Moreover, JLF achieved net-zero in FY2022 by purchasing non-fossil certificates.

c. Procurement of Green Loans

Through the procurement of funds through the green finance, 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 February 2023, JLF raised 1,500 million yen in green loans from Nippon Life Insurance and The Norinchukin Bank. As a result, the total amount of green finance procured is 11,500 million yen.

d. Progress in acquiring Green Building Certifications

JLF owns many environmentally friendly properties. As of September 13, 2023, 41 of the properties owned by JLF (or 79.7% of the existing portfolio by gross floor area) have received Green Building Certifications from: Certification for CASBEE Real Estate; CASBEE for Buildings (New Construction); or BELS Assessment. About important ESG matters (materialities), JLF has set as a KPI acquiring Green Building Certifications for 85% of its portfolio by FY 2023.

Dear investors

Over my career, I have been involved in real estate development, management of multiple real estate and private equity funds, as well as the management of private and public REITs. In those capacities, I have accumulated a broad range of experience in property acquisitions and dispositions, development, management and ESG. I will be putting that comprehensive experience to work managing JLF so that JLF continues to be the name of the first choice throughout any changes to the environment.

Since its IPO, JLF has pursued stability and sustainable growth in DPU and NAVPU. We will adhere to that direction as we aim to further increase unitholder value.

In recent years, the environment surrounding REIT operations has become increasingly uncertain, driven by inflation, interest rate increases and the like. Already, JLF's asset manager, Mitsui & Co., Logistics Partners, has increased headcount 50% in the past three years. Reforms to the organizational structure and business processes have positioned the organization to respond to environmental changes with flexibility and achieve further growth.

Moving forward, we will leverage this strengthened organization to advance more independent management in our strategies for investments, the portfolio, finance and ESG. In addition to maintaining strong internal growth and stable financial operations, we will leverage a variety of approaches to drive external growth by increasing the probability of acquisition through solid progress in development and leasing on joint development projects as well as pursuing off-market transactions with other players. By doing so, we aim to remain cognizant of capital cost, enhance stability and growth of DPU and expand the property pipeline.

Leveraging JLF's high-quality portfolio rooted in its 18-year track record, we will continue to strive to respond to environmental changes with flexibility, achieve stable growth in DPU and NAV, and maximize unitholder value. We hope to enjoy your continued support.



Seiichi Suzuki

President & CEO

Mitsui & Co., Logistics Partners Ltd.

Risks

Risk Profiles

The principal risks with respect to investment in JLF are as follows:

(i) Risks related to the marketability of the investment securities or the investment corporation bonds

- Risk associated with the fluctuation of market prices of the investment units or investment corporation bonds of JLF
- Risk associated with the distribution of cash and investment units buyback programs and etc.
- Risk associated with the fluctuation of income and expenses
- Risk due to the fact that the rights of unitholders and the rights of shareholders are not always identical
- Risk associated with JLF's investment units transactions in the market
- Risk associated with the redemption and coupon payment of the investment corporation bonds of JLF

(ii) Risks related to the management policy of the investment corporation

- Risk due to the fact that the investment target is logistics properties primarily
- Risk associated with the dependency on a small number of tenants
- Risk associated with single tenant properties
- Risk of not being able to purchase properties from Mitsui & Co., Ltd. and Sumitomo Mitsui Trust Bank, Limited as planned
- Risk of not being able to acquire or transfer of real estate
- Risk associated with funding through issuance of new investment units, borrowings and issuance of investment corporation bonds
- Risk associated with the dilution of value when new investment units are issued
- Risk associated with redevelopment projects (OBR)
- Risk associated with investment in data center

(iii) Risks related to parties concerned and framework of the investment corporation

- Risk associated with the dependency on Mitsui & Co., Ltd., Mitsui & Co. Asset Management Holdings Ltd., Sumitomo Mitsui Trust Bank, Limited and Kenedix, Inc., and with conflicts of interest
- Risk associated with the dependency on interested parties of JLF and with conflicts of interest
- Risk of dependency on executive officers of JLF and personnel of MLP
- Risk associated with changes in the investment policy of JLF
- Risk of bankruptcy or deregistration of JLF
- Risk associated with deposits and guarantees

(iv) Legal risks related to beneficial interests of real estate and trusts

- Risk associated with defects of real estate
- Risk associated with lease contracts
- Risk that accompanies damage, loss and deterioration of real estate due to disasters, and degradation of the surrounding environment
- Risk associated with owner liability and repair/maintenance costs related to real estate
- Risk associated with administrative laws and regulations related to real estate
- Risk associated with the establishment or amendment of laws
- Risk of being affected by bankruptcy, etc. of the seller
- Risk associated with the master lease company
- Risk associated with subleasing

- Risk associated with the use of real estate by tenants, etc.
- Risk associated with joint-ownership of properties
- Risk associated with sectional ownership buildings
- Risk associated with properties with leased land
- Risk associated with properties with leased building
- Risk associated with properties with limited proprietary right of land
- Risk associated with development properties, etc.
- Risk associated with detrimental substances
- Risk associated with specific facilities under the Water Pollution Prevention Act
- Risk associated with reserve land
- Specific risk when owning real estate in the form of trust beneficiary rights
- Risk associated with joint-ownership, etc. of trust beneficiary rights
- Risk related to forward commitment, etc.
- Risk related to landfill
- Risk to global warming countermeasures

(v) Risks related to a taxation system

- Risk associated with requirements for dividend deductibility
- Risk of dividend deductibility requirements not being fulfilled ex-post facto due to corrections following tax inquiries, etc.
- Risk of reduced tax system accompanying the acquisition of real estate not being applied
- Risk associated with changes in the general tax system

(vi) Other

- Risk associated with expert reports, etc.
- Risk associated with the dependency on market reports
- Risk associated with the application of impairment accounting
- Risk of increased tax burden due to discrepancy between accounting and taxation
- Risk associated with investment in silent partnership equity interests
- Risk to ESG assessment

The current risk profile of the JLF and the risk management systems employed by the MLP to manage those risks:

The appropriateness and effectiveness of the risk management structure are regularly evaluated and enhanced by the MLP. Deposits are exposed to risks of bankruptcy of the financial institutions which hold the deposit, and other credit risks. Such risks are, however, managed by limiting short-term deposits and depositing financial institutions with high credit ratings. Loans and investment corporation bonds are mainly used for asset acquisition or debt repayment, etc. While loans and bonds are exposed to liquidity risk at the time of due date and maturity date, such risk is controlled by diversifying lenders and maturity and due dates, diversifying financing means, establishing commitment lines to secure liquidity as well as monitoring cash flows periodically. JLF has 31.9 billion yen of commitment lines as of September 30, 2023.

Debt with a floating interest rate is exposed to interest rate fluctuation risks. JLF will manage the risk by maintaining conservative level of LTV and by increasing fixed-rate debt ratio.

Circumstances in which the JLF may use leverage:

JLF may take out loans or issue long-term or short-term investment corporation bonds for the purpose of acquiring assets, repair of properties, payment for dividends, payment for working capital of JLF, or repayment of obligations (including repayment of tenant leasehold or security deposits, and obligations related to loans or long-term or short-term corporate bonds) and other activities.

The types and sources of leverage permitted and associated risks:

JLF may raise funds through loans and issuance of investment corporation bonds.

Associated risks are;

- There are risks of delinquency in payment of principal or interest, or insolvency with regard to investment corporation bonds due to deterioration of JLF's credit status or other reasons.
- There is no guarantee that monetary debt and issuance of investment corporation bonds can be made at a timing or on terms that JLF desires since the possibility and terms of monetary debt and issuance of investment corporation bonds are affected by JLF's economic credibility, interest rate environment and other factors. As a result, there is a possibility that JLF will not be able to purchase assets that it had planned to purchase, forced to sell assets that it had not planned to sell, or face cash-flow issues.
- In cases where JLF makes loans or issues investment corporation bonds, financial covenants such as restricting monetary distribution to unitholders (including distribution in excess of earnings) may be imposed, collateral may be set to assets under management, or changes to articles of incorporation may be restricted. Such restrictions may affect the operation of JFL or may have a negative influence over the amount of monetary distribution, etc. to unitholders. All of JLF's debt as of the date of this document are unsecured; however, financial covenants have been imposed prescribing that a certain level of financial indicator figures must be maintained based on assets and liabilities, etc.
- The interest rate of loans and investment corporation bonds depends on the market trend at the time of the loan or issuance of the investment corporation bond, and will be influenced by subsequent market trends if the interest rate is variable. If the interest rate of the loan and investment corporation bond rise or if the amount of JLF's loan and investment corporation bond issuance increase, the amount of JLF's interest payment will increase. Such increase may have a negative impact on the amount of monetary distribution, etc. to unitholders.

Any restrictions on leverage:

The borrowing of funds will be limited to borrowings from qualified institutional investors that are prescribed in Article 2, Paragraph 3, Item 1 of the Financial Instruments and Exchange Act (only institutional investors prescribed in Article 67-15 of the Act on Special Measures concerning Taxation). The amount limit of the borrowings and investment corporation bond issuance shall be 1 trillion yen, respectively, and the sum of the two shall not exceed 1 trillion yen.

Any restrictions on collateral and asset reuse arrangements:

When borrowing funds or issuing investment corporation bonds, JLF may offer assets under management as collateral.

Maximum level of leverage which the MLP is entitled to employ on behalf of the JLF:

The upper limit of the percentage of the balance of borrowings and investment corporation bonds to JLF's total assets (hereinafter referred to as the "Percentage of Liabilities") will be 60%. However, the Percentage may temporarily exceed 60% due to acquisitions of new assets, etc. In order to secure the financial health and future margin for growth, JLF will maintain a lower Percentage of Liabilities and pursue conservative management for the time being.

Asset Management Report

1. Outline of Asset Management Operation

(1) Changes in Key Indicators

Management period	For the six-month period ended July 31, 2021	For the six-month period ended January 31, 2022	For the six-month period ended July 31, 2022	For the six-month period ended January 31, 2023	For the six-month period ended July 31, 2023
Operating Revenue (Millions of yen)	9,154	9,269	9,613	10,156	10,139
of which real estate leasing business revenue (Millions of yen)	9,154	9,269	9,613	10,156	10,139
Operating Expenses (Millions of yen)	4,852	4,448	4,522	4,831	4,900
of which real estate leasing business expenses (Millions of yen)	3,918	3,504	3,550	3,797	3,852
Operating profit (Millions of yen)	4,302	4,820	5,090	5,324	5,238
Ordinary profit (Millions of yen)	3,914	4,410	4,628	4,890	4,811
Profit (Millions of yen)	3,913	4,408	4,627	4,889	4,810
Total assets (Millions of yen)	259,430	260,342	273,789	274,670	274,933
(Period-on-period change) (%)	(-0.2)	(+0.4)	(+5.2)	(+0.3)	(+0.1)
Net assets (Millions of yen)	134,392	134,522	143,074	143,427	143,294
(Period-on-period change) (%)	(-0.3)	(+0.1)	(+6.4)	(+0.2)	(-0.1)
Unitholders' capital (Millions of yen)	127,344	127,344	135,658	135,658	135,658
The number of investment units outstanding (Units)	905,073	905,073	934,000	934,000	934,000
Net Assets per Unit (Yen)	148,487	148,631	153,185	153,562	153,419
Total Dividends (Millions of yen)	4,344	4,408	4,627	4,889	4,811
Dividends per Unit (Yen)	4,800	4,871	4,955	5,235	5,151
of which earnings Distribution per Unit (Yen)	4,800	4,871	4,955	5,235	5,151
of which Distributions in excess of earnings per Unit (Yen)	-	-	-	-	-
Ordinary profit to total assets (Annualized) (Note 1) (%)	1.5 (3.0)	1.7 (3.4)	1.7 (3.5)	1.8 (3.5)	1.8 (3.5)
Profit to Net Assets (Annualized) (Note 2) (%)	2.9 (5.9)	3.3 (6.5)	3.3 (6.7)	3.4 (6.8)	3.4 (6.8)
Capital adequacy ratio (Note 3) (%)	51.8	51.7	52.3	52.2	52.1
(Period-on-period change)	(-0.1)	(-0.1)	(+0.6)	(-0.1)	(-0.1)
Number of days under management (Days)	181	184	181	184	181
Payout Ratio (Note 4) (%)	111.0	99.9	100.0	99.9	100.0

Management period	For the six-month period ended July 31, 2021	For the six-month period ended January 31, 2022	For the six-month period ended July 31, 2022	For the six-month period ended January 31, 2023	For the six-month period ended July 31, 2023
Number of properties held at end of period (Bldgs.)	50	50	52	52	52
Total leasable area at end of period (Note 5) (m ²)	1,301,723.89	1,300,760.62	1,339,006.12	1,376,384.80	1,377,870.99
Number of tenants at end of period (Tenants)	65	66	70	71	70
Occupancy rate at end of period (%)	98.9	100.0	100.0	100.0	100.0
Depreciation and amortization (Millions of yen)	1,898	1,862	1,879	1,937	1,899
Capital expenditure (Millions of yen)	787	410	386	427	359
NOI (Net Operating profit) from leasing business (Note 6) (Millions of yen)	7,389	7,637	7,949	8,310	8,203
FFO (Funds From Operation) (Note 7) (Millions of yen)	6,067	6,281	6,514	6,841	6,727
FFO per unit (Note 8) (Yen)	6,704	6,940	6,975	7,325	7,203

(Note 1) Ordinary profit to Total assets = Ordinary profit / {(Total assets at the beginning of the period + Total assets at the end of the period) / 2} x 100 (Figures are rounded off to the nearest one decimal place.)

(Note 2) Profit to Net assets = Profit / {(Net assets at the beginning of the period + Net assets at the end of the period) / 2} x 100 (Figures are rounded off to the nearest one decimal place.)

(Note 3) Capital adequacy ratio = Net assets at the end of the period / Total assets at the end of the period x 100 (Figures are rounded off to the nearest one decimal place.)

(Note 4) Payout Ratio = Total Dividends / Profit x 100 (Figures are rounded down to one decimal place.)

(Note 5) The total leasable area is calculated mainly based on the leased area associated with buildings covered in the relevant lease contracts for the respective properties.

(Note 6) NOI from leasing business = Real estate leasing business revenue – Real estate leasing business expenses + Depreciation and amortization + Loss on retirement of noncurrent assets.

(Note 7) FFO = Profit + Depreciation and amortization + Loss on retirement of noncurrent assets + Loss on sale of real estate - Gain on sale of real estate

(Note 8) FFO per Unit = FFO / The number of investment units outstanding (Figures are rounded off to the nearest integral number.)

(Note 9) For amounts in units of millions of yen, figures are rounded down to the nearest million yen.

(2) Status of Capital Increase, etc.

Investment Units Issued and Outstanding and Changes of the Unitholders' capital are as follows:

Date	Summary	Total number of investment units issued		Unitholders' capital (Millions of yen)		Remarks
		Change	Balance	Change	Balance	
February 22, 2005	Private placement offering	1,000	1,000	500	500	(Note 1)
May 6, 2005	Capital increase through public offering	55,700	56,700	29,562	30,062	(Note 2)
June 1, 2005	Capital increase through third-party allotment	2,800	59,500	1,486	31,548	(Note 3)
February 8, 2006	Capital increase through public offering	46,500	106,000	35,668	67,217	(Note 4)
March 8, 2006	Capital increase through third-party allotment	2,800	108,800	2,147	69,365	(Note 5)
August 31, 2007	Capital increase through public offering	13,500	122,300	12,656	82,021	(Note 6)
February 23, 2010	Capital increase through public offering	8,500	130,800	5,123	87,145	(Note 7)
March 25, 2010	Capital increase through third-party allotment	500	131,300	301	87,446	(Note 8)
August 30, 2010	Capital increase through public offering	16,000	147,300	9,689	97,136	(Note 9)
September 24, 2010	Capital increase through third-party allotment	700	148,000	423	97,559	(Note 10)
September 13, 2013	Distribution in Excess of Earnings	-	148,000	-464	97,095	(Note 11)
October 2, 2013	Capital increase through public offering	16,000	164,000	14,634	111,729	(Note 12)
October 28, 2013	Capital increase through third-party allotment	2,000	166,000	1,829	113,559	(Note 13)
February 1, 2014	Investment Unit Split	664,000	830,000	-	113,559	(Note 14)
September 16, 2015	Capital increase through public offering	47,500	877,500	8,801	122,360	(Note 15)
October 15, 2015	Capital increase through third-party allotment	2,500	880,000	463	122,823	(Note 16)
September 27, 2017	Capital increase through public offering	42,750	922,750	8,509	131,332	(Note 17)
October 19, 2017	Capital increase through third-party allotment	2,250	925,000	447	131,780	(Note 18)
July 13, 2018	Cancellation	-11,000	914,000	-2,436	129,344	(Note 19)
January 11, 2019	Cancellation	-8,927	905,073	-1,999	127,344	(Note 20)
February 21, 2022	Capital increase through public offering	28,927	934,000	8,314	135,658	(Note 21)

(Note 1) Upon establishment of JLF, investment units were issued at the price of 500,000 yen per unit.

(Note 2) Investment units were newly issued at the price of 550,000 yen per unit (net proceeds of 530,750 yen) for new properties acquisition.

(Note 3) Investment units were newly issued through third-party allotment at the price of 530,750 yen per unit for new properties acquisition.

(Note 4) Investment units were newly issued at the price of 793,800 yen per unit (net proceeds of 767,070 yen) for new properties acquisition.

- (Note 5) Investment units were newly issued through third-party allotment at the price of 767,070 yen per unit for new properties acquisition.
- (Note 6) Investment units were newly issued at the price of 971,180 yen per unit (net proceeds of 937,486 yen) for new properties acquisition.
- (Note 7) Investment units were newly issued at the price of 624,680 yen per unit (net proceeds of 602,784 yen) for a new property acquisition.
- (Note 8) Investment units were newly issued through third-party allotment at the price of 602,784 yen per unit for partial repayment of bank borrowings.
- (Note 9) Investment units were newly issued at the price of 627,590 yen per unit (net proceeds of 605,592 yen) for a new property acquisition.
- (Note 10) Investment units were newly issued through third-party allotment at the price of 605,592 yen per unit for partial repayment of bank borrowings.
- (Note 11) Distribution in Excess of Earnings was resolved at the price of 3,138 yen per unit in order to level out the loss associated with OBR (Own Book Redevelopment).
- (Note 12) Investment units were newly issued at the price of 947,700 yen per unit (net proceeds of 914,652 yen) for new properties acquisition and partial repayment of bank borrowings.
- (Note 13) Investment units were newly issued through third-party allotment at the price of 914,652 yen per unit for partial repayment of bank borrowings.
- (Note 14) JLF has implemented a 5 - for - 1 investment unit split.
- (Note 15) Investment units were newly issued at the price of 191,782 yen per unit (net proceeds of 185,290 yen) for partial new properties acquisition and repayment of borrowings with respect to the acquisition of new properties.
- (Note 16) Investment units were newly issued through third-party allotment at the price of 185,290 yen per unit for financing future acquisition of specified assets, partial repayment of the borrowings or partial redemption of the investment corporation bond.
- (Note 17) Investment units were newly issued at the price of 206,017 yen per unit (net proceeds of 199,044 yen) for partial repayment of borrowings with respect to the acquisition of new properties and making up the decline in cash on hand used for the acquisitions.
- (Note 18) Investment units were newly issued through third-party allotment at the price of 199,044 yen per unit for financing future acquisition of specified assets and repayment of the borrowings.
- (Note 19) Investment units were repurchased through open-market transactions on the Tokyo Stock Exchange from March 14, 2018 to May 31, 2018 based on a discretionary transaction contract with a securities broker. All the acquired investment units were cancelled on July 13, 2018 based on a resolution at a meeting of the Board of Directors of JLF held on June 27, 2018.
- (Note 20) Investment units were repurchased through open-market transactions on the Tokyo Stock Exchange from September 13, 2018 to October 31, 2018 based on a discretionary transaction contract with a securities broker. All the acquired investment units were cancelled on January 11, 2019 based on a resolution at a meeting of the Board of Directors of JLF held on November 28, 2018.
- (Note 21) Investment units were newly issued at the price of 297,430 yen per unit (net proceeds of 287,414 yen) for a portion of the acquisition and the construction costs associated with the redevelopment. Additionally, they made up the decline in cash on hand used for the acquisition.

Changes in market price of investment securities

The market price of JLF's investment securities listed on the Tokyo Stock Exchange REIT Market changed during each fiscal period as follows:

For the six months ended	July 31, 2021	January 31, 2022	July 31, 2022	January 31, 2023	July 31, 2023
Highest	347,500 yen	362,500 yen	331,000 yen	335,500 yen	327,000 yen
Lowest	288,800 yen	292,800 yen	290,900 yen	294,600 yen	285,700 yen

(3) Distributions, etc.

For the distribution for the fiscal period under review, in accordance with the distribution policy stipulated in the Articles of Incorporation of JLF, distributions are subject to special taxation provisions (Special Taxation Measures Law (Act No. 26 of 1957, including subsequent amendments, hereinafter referred to as "Special Taxation Measures Law"), and JLF decided to distribute the entire amount of unappropriated retained earnings for the fiscal period, excluding fractions of less than one yen per unit, in order to achieve the maximum amount of profit distribution deductible for tax purposes, resulting in a distribution per unit of 5,151 yen.

Fiscal period		For the six-month period ended July 31, 2021	For the six-month period ended January 31, 2022	For the six-month period ended July 31, 2022	For the six-month period ended January 31, 2023	For the six-month period ended July 31, 2023
Total amount of unappropriated retained earnings	Thousands of yen	3,913,125	4,408,975	4,628,158	4,889,963	4,811,290
Accumulated earnings	Thousands of yen	-	364	188	473	256
Total amount of cash distributions	Thousands of yen	4,344,350	4,408,610	4,627,970	4,889,490	4,811,034
Dividends per unit	Yen	4,800	4,871	4,955	5,235	5,151
of which total amount of earnings distributions	Thousands of yen	4,344,350	4,408,610	4,627,970	4,889,490	4,811,034
Earnings distribution per unit	Yen	4,800	4,871	4,955	5,235	5,151
of which total amount of capital refunds	Thousands of yen	-	-	-	-	-
Capital refunds per unit	Yen	-	-	-	-	-
Portion of total amount of capital refunds that is total amount of distributions from reserve for adjustment of temporary differences, etc.	Thousands of yen	-	-	-	-	-
(Portion of capital refunds per unit that is distribution from reserve for adjustment of temporary differences, etc. per unit)	Yen	-	-	-	-	-
Portion of total amount of capital refunds that is total amount of distributions from distribution of reduction in capital, etc. under the tax law	Thousands of yen	-	-	-	-	-
(Portion of capital refunds per units that is distribution from distribution of reduction in capital, etc. under the tax law)	Yen	-	-	-	-	-

(4) Significant Subsequent Events

Not applicable.

[Reference Information]

<Holding of General Unitholders' Meeting>

The Board of Directors of the Investment Corporation, at its meeting held on September 13, 2023, resolved that the 14th Unitholders' Meeting to be held on October 23, 2023 would be subject to partial amendments to the Articles of Incorporation, the election of one Executive Director (candidate: Seiichi Suzuki, the president & CEO of the asset management company), the election of one substitute Executive Director (candidate: Ryota Sekiguchi, the CFO and Managing Director of Corporate Administration Dept. and Accounting Dept. of the asset management company), and the election of four Supervisory Directors (candidates: Yumiko Kikuchi (Note), Tsuyoshi Oyama, Motomi Oi, and Kanae Kamoshita, the current Supervisory Directors).

(Note) Although the maiden name and the name used for professional purposes are indicated, the name in the family register is Yumiko Ishida.

<Borrowings>

JLF made the following borrowings during period between the end of the current fiscal period up until the issuance date of this report.

Lender	Mitsui Sumitomo Insurance Company, Limited
Amount borrowed	1,000 million yen
Interest rate	0.70083%
Borrowing date	September 29, 2023
Repayment date	January 31, 2027
Borrowing method/ security	Unsecured/non-guaranteed
Repayment method	Lump-sum repayment on due date
Use of funds	To pay existing loans

2. Outline of JLF

(1) Status of Unitholders' Capital

Fiscal period	As of July 31, 2021	As of January 31, 2022	As of July 31, 2022	As of January 31, 2023	As of July 31, 2023
Total number of investment units authorized (Units)	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000
Total number of investment units issued (Units)	905,073	905,073	934,000	934,000	934,000
Unitholders' capital (Millions of yen)	127,344	127,344	135,658	135,658	135,658
Number of unitholders (Persons)	11,683	11,248	11,118	10,824	10,658

(2) Matters Concerning Investment Units

Major unitholders as of July 31, 2023 are as follows:

Name	Address	Number of investment units owned (Units)	Portion in the total number of investment units issued (%)
Custody Bank of Japan, Ltd. (Trust Account)	1-8-12 Harumi, Chuo-ku, Tokyo	255,661	27.37
The Master Trust Bank of Japan, Ltd. (Trust Account)	2-11-3 Hamamatsu-cho, Minato-ku, Tokyo	179,226	19.18
The Nomura Trust and Banking Co., Ltd. (Investment Trust Account)	2-2-2 Otemachi, Chiyoda-ku, Tokyo	43,311	4.63
SMBC Nikko Securities Inc.	3-3-1 Marunouchi, Chiyoda-ku, Tokyo	27,109	2.90
STATE STREET BANK AND TRUST COMPANY 505001	P.O.BOX 351 BOSTON MASSACHUSETTS 02101 U.S.A.	15,225	1.63
STATE STREET BANK WEST CLIENT - TREATY 505234	1776 HERITAGE DRIVE, NORTH QUINCY, MA 02171 U.S.A.	15,095	1.61
Meiji Yasuda Life Insurance Company	2-1-1 Marunouchi, Chiyoda-ku, Tokyo	12,450	1.33
JP MORGAN CHASE BANK 385771	25 BANK STREET, CANARY WHARF, LONDON, E14 5JP, UNITED KINGDOM	11,291	1.20
STATE STREET BANK AND TRUST COMPANY 505103	P.O.BOX 351 BOSTON MASSACHUSETTS 02101 U.S.A.	10,563	1.13
MetLife Insurance K.K.	1-3 Kioicho, Chiyoda-ku, Tokyo	9,100	0.97
Total		579,031	61.99

(Note) The "Portion in the total number of investment units issued" is indicated with figures rounded down to two decimal places.

(3) Matters Concerning Officers, etc.

A. The executive director, supervisory directors and accounting auditor for the six-month period July 31, 2023 are as follows:

Title	Name	Major concurrent posts outside JLF	Total compensation or fee for the six-month period ended July 31, 2023 (Thousands of yen)
Executive Director (Note 1)	Naohiro Kameoka (Note 2)	President & CEO, Mitsui & Co., Logistics Partners Ltd.	-
Supervisory Director (Note 1)	Yumiko Kikuchi (Note 3)	Trustee, Hosei University Supervisory Director, SBI Holdings, Inc. Executive Director (Chairman, International Relations Committee), Japan Association of Real Estate Counselors	7,200
	Tsuyoshi Oyama	Representative Director, RAF Laboratory Co., Ltd. Executive Adviser, Nikkei Financial Technology Research Institute, Inc.	
	Motomi Oi	CPA, Oi CPA Office Director, Rookie Corporation Outside Auditor, Ryoyo Electro Corporation	
	Kanae Kamoshita	Lawyer, Utops Law Office Supervisor, Japan Innovation Network	
Accounting auditor (Note 4) (Note 5)	Ernst & Young ShinNihon LLC	-	17,900

(Note 1) The Executive Director and Supervisory Directors do not own investment units of JLF under their own or other names, and might serve as directors or auditors of entities other than the above, but there are no mutual business interests between JLF and such entities, including those above.

(Note 2) Naohiro Kameoka resigned as of July 31, 2023, and Ryota Sekiguchi, who was elected as the Substitute Executive Director at the Unitholders' Meeting held on October 20, 2022, assumed the position of Executive Director as of August 1, 2023. Ryota Sekiguchi resigned as of October 23, 2023 and Seiichi Suzuki who was elected as the Executive Director at the Unitholders' Meeting held on October 23, 2023 assumed the position of Executive Director on the same date.

(Note 3) Although the name used for Yumiko Kikuchi is her maiden name and occupation, her name in the family register is Yumiko Ishida.

(Note 4) The audit contract with an accounting auditor is renewed every fiscal period. The renewal requires deliberation about reappointment or non-reappointment at a meeting of the Board of Directors.

(Note 5) The accounting auditor's compensation includes compensation for the audit of English financial statements and the non-audit of third-party guarantees for ESG, in the amount of 4.4 million yen. There is no compensation for persons belonging to the same network as the accounting auditor.

(4) Asset Management Company, Custodian and Administrative agent

Asset management company, custodian and administrative agent as of July 31, 2023 are as follows:

Business	Name
Asset management company	Mitsui & Co., Logistics Partners Ltd.
Custodian of assets	Sumitomo Mitsui Trust Bank, Limited
Administrative agent	Sumitomo Mitsui Trust Bank, Limited

3. Investment Assets of JLF

Investment Assets of ECF						
Type of assets	Use of assets	Region (Note 1)	As of July 31, 2023		As of January 31, 2023	
			Total amount owned (Millions of yen) (Note 2)	Percentage to total assets (%) (Note 3)	Total amount owned (Millions of yen) (Note 2)	Percentage to total assets (%) (Note 3)
Real estate	Logistics facility	Tokyo Metropolitan Area	10,878	4.0	10,982	4.0
		Osaka Area, Nagoya Area and Fukuoka Area	17,048	6.2	17,177	6.3
		Other Areas	1,517	0.6	1,534	0.6
	Subtotal		29,444	10.7	29,694	10.8
Real estate in trust	Logistics facility	Tokyo Metropolitan Area	211,515	76.9	212,668	77.4
		Osaka Area, Nagoya Area and Fukuoka Area	17,151	6.2	17,241	6.3
		Other Areas	908	0.3	916	0.3
	Subtotal		229,574	83.5	230,826	84.0
Deposits and other assets (Note 4)			15,913	5.8	14,149	5.2
Total assets			274,933	100.0	274,670	100.0

(Note 1) For region, please refer to "Area classification" below.

(Note 2) The total amount owned is based on the figures posted on the Balance Sheets as of the end of the fiscal period (real estate and real estate in trust are presented in book values after depreciation), and figures below one million yen have been omitted.

(Note 3) Figures are rounded off to the first decimal place.

(Note 4) Deposits and other assets include; deposit in trust assets of 4,860 million yen for the six-month period ended July 31, 2023 and of 4,878 million yen for the six-month period ended January 31, 2023.

<Area classification>

Area classification	Region
Tokyo Metropolitan Area	Tokyo, Kanagawa, Chiba and Saitama
Osaka Area	Osaka, Hyogo and Kyoto
Nagoya Area	Aichi, Gifu and Mie
Fukuoka Area	Fukuoka and Saga
Other Areas	Other than above

(2) Major Assets Held

The outline of major assets held by JLF is as follows:

Name of real estate, etc.	Book value (Millions of yen) (Note 1)	Total leasable area (m ²) (Note 2)	Leased area (m ²) (Note 3)	Occupancy rate (%) (Note 4)	Portion of real estate leasing business revenue (%) (Note 4)	Primary use
Urayasu Logistics Center	8,958	37,378.68	37,378.68	100.0	- (Note 5)	Logistics facility
Hiratsuka Logistics Center	1,211	11,418.57	11,418.57	100.0	- (Note 5)	Logistics facility
Shinkiba Logistics Center	2,145	11,595.40	11,595.40	100.0	- (Note 5)	Logistics facility
Urayasu Chidori Logistics Center	4,849	31,829.55	31,829.55	100.0	- (Note 5)	Logistics facility
Funabashi Nishiura Logistics Center	3,943	35,809.99	35,809.99	100.0	- (Note 5)	Logistics facility
Kawasaki Logistics Center	9,086	46,667.00	46,667.00	100.0	- (Note 5)	Logistics facility
Narashino Logistics Center	1,399	4,123.60	4,123.60	100.0	0.6	Logistics facility
Yachiyo Logistics Center	6,825	56,882.98	56,882.98	100.0	- (Note 5)	Logistics facility
Yokohama Fukuura Logistics Center	7,497	40,160.35	40,160.35	100.0	- (Note 5)	Logistics facility
Yachiyo Logistics Center II	3,597	32,389.75	32,389.75	100.0	1.9	Logistics facility
Urayasu Chidori Logistics Center II	1,368	6,192.80	6,192.80	100.0	- (Note 5)	Logistics facility
Ichikawa Logistics Center	3,948	18,735.76	18,735.76	100.0	- (Note 5)	Logistics facility
Shinonome Logistics Center (Note 7)	11,096	24,380.84	24,380.84	100.0	3.5	Logistics facility
Narashino Logistics Center II (Note 7)	5,887	43,508.54	43,508.54	100.0	- (Note 5)	Logistics facility
Ichikawa Logistics Center II (Note 7)	14,683	67,065.02	67,065.02	100.0	- (Note 5)	Logistics facility
Souka Logistics Center	12,910	55,300.10	55,300.10	100.0	- (Note 5)	Logistics facility
Tatsumi Logistics Center	8,031	29,810.84	29,810.84	100.0	- (Note 5)	Logistics facility
Kashiwa Logistics Center	3,182	20,550.73	20,550.73	100.0	- (Note 5)	Logistics facility
Musashimurayama Logistics Center	7,655	40,884.25	40,884.25	100.0	- (Note 5)	Logistics facility
Kashiwa Logistics Center II	3,514	50,159.55	50,159.55	100.0	- (Note 5)	Logistics facility
Shin-Koyasu Logistics Center (Note 7)	8,609	36,251.63	36,251.63	100.0	- (Note 5)	Logistics facility
Misato Logistics Center	3,345	19,405.45	19,405.45	100.0	- (Note 5)	Logistics facility
Sagamihara Logistics Center	6,975	42,733.37	42,733.37	100.0	- (Note 5)	Logistics facility
Chiba Kita Logistics Center	1,733	14,265.11	14,265.11	100.0	- (Note 5)	Logistics facility
Chiba Kita Logistics Center II	4,371	25,595.13	25,595.13	100.0	- (Note 5)	Logistics facility
Urayasu Chidori Logistics Center III	1,022	5,587.80	5,587.80	100.0	- (Note 5)	Logistics facility
Zama Logistics Center	1,699	9,352.06	9,352.06	100.0	- (Note 5)	Logistics facility
Shinkiba Logistics Center II	14,694	41,270.00	41,270.00	100.0	- (Note 5)	Logistics facility
Yokohama Machida Logistics Center	24,560	65,657.14	65,657.14	100.0	- (Note 5)	Logistics facility
Shiroi Logistics Center	3,827	25,653.79	25,653.79	100.0	- (Note 5)	Logistics facility

Name of real estate, etc.	Book value (Millions of yen) (Note 1)	Total leasable area (m ²) (Note 2)	Leased area (m ²) (Note 3)	Occupancy rate (%) (Note 4)	Portion of real estate leasing business revenue (%) (Note 4)	Primary use
Toda Logistics Center	1,969	7,219.40	7,219.40	100.0	- (Note 5)	Logistics facility
Ichikawa Logistics Center III	3,741	24,740.88	24,740.88	100.0	- (Note 5)	Logistics facility
Fujisawa Logistics Center	4,109	16,443.72	16,443.72	100.0	- (Note 5)	Logistics facility
Hanyu Logistics Center	1,324	5,919.53	5,919.53	100.0	0.6	Logistics facility
Saitama Kisai Logistics Center	3,044	24,574.14	24,574.14	100.0	- (Note 5)	Logistics facility
Kazo Logistics Center	2,864	25,189.47	25,189.47	100.0	- (Note 5)	Logistics facility
Kuki Logistics Center (Note 7)	8,583	28,888.33	28,888.33	100.0	- (Note 5)	Logistics facility
Itabashi Logistics Center	4,120	9,357.16	9,357.16	100.0	- (Note 5)	Logistics facility
Daito Logistics Center	9,011	97,391.00	97,391.00	100.0	- (Note 5)	Logistics facility
Osaka Fukuzaki Logistics Center	3,231	23,736.68	23,736.68	100.0	- (Note 5)	Logistics facility
Kiyosu Logistics Center	2,702	20,438.09	20,438.09	100.0	- (Note 5)	Logistics facility
Kadoma Logistics Center	991	7,416.19	7,416.19	100.0	- (Note 5)	Logistics facility
Komaki Logistics Center	1,740	9,486.45	9,486.45	100.0	- (Note 5)	Logistics facility
Komaki Logistics Center II	1,657	11,104.45	11,104.45	100.0	- (Note 5)	Logistics facility
Fukuoka Hakozaki Futo Logistics Center	2,530	24,463.69	24,463.69	100.0	- (Note 5)	Logistics facility
Fukuoka Kashiwhama Logistics Center	2,378	21,217.48	21,217.48	100.0	- (Note 5)	Logistics facility
Kasugai Logistics Center	3,292	22,246.29	22,246.29	100.0	- (Note 5)	Logistics facility
Takatsuki Logistics Center	1,530	7,305.33	7,305.33	100.0	- (Note 5)	Logistics facility
Aisai Logistics Center	2,583	13,852.46	13,852.46	100.0	- (Note 5)	Logistics facility
Osaka-Nishiyodogawa Logistics Center	2,548	10,213.81	10,213.81	100.0	- (Note 5)	Logistics facility
Maebashi Logistics Center	908	5,416.42	5,416.42	100.0	0.4	Logistics facility
Sendaiko-kita Logistics Center	1,517	10,634.24	10,634.24	100.0	- (Note 5)	Logistics facility
Total	259,019	1,377,870.99	1,377,870.99	100.0	100.0	

(Note 1) The book value is indicated with figures rounded down to the nearest million yen.

(Note 2) The total leasable area is calculated based on the leased area for the building described in the lease agreement for each property.

(Note 3) The leased area is the sum of the leased floor area of the building as stated in the lease agreement for each property.

(Note 4) The occupancy rate and the portion of real estate leasing business revenue are indicated with figures rounded off to the nearest one decimal place.

(Note 5) Not disclosed as the tenant did not agree to disclosure.

(Note 6) Figures for co-ownership are indicated.

Shinonome Logistics Center: 47%, Narashino Logistics Center II: 90%, Ichikawa Logistics Center II: 90%, Shin-Koyasu Logistics Center: 51%, Kuki Logistics Center: 44.5%

(3) Details of Properties

[Details of real estate Portfolio Properties]

The outline of portfolio properties held as of July 31, 2023 is as follows:

Name of real estate, etc. (Properties to be acquired, etc.)	Location	Type of ownership	Book value (Note1) (Millions of yen)	Appraised value at end of period (Note 2) (Millions of yen)
Urayasu Logistics Center	79 Minato, Urayasu, Chiba	Trust beneficiary right of real estate	8,958	16,500
Hiratsuka Logistics Center	1-4 Nagatoro, Hiratsuka, Kanagawa	Trust beneficiary right of real estate	1,211	1,920
Shinkiba Logistics Center	2-5-2 Shin-kiba, Koto-ku, Tokyo	Trust beneficiary right of real estate	2,145	4,000
Urayasu Chidori Logistics Center	12-2 Chidori, Urayasu, Chiba	Trust beneficiary right of real estate	4,849	11,600
Funabashi Nishiura Logistics Center	3-4-1 Nishiura, Funabashi, Chiba	Trust beneficiary right of real estate	3,943	8,020
Kawasaki Logistics Center	2-32-1 Sakuramoto, Kawasaki, Kanagawa	Trust beneficiary right of real estate	9,086	12,700
Narashino Logistics Center	3-2-2 Akanehama, Narashino, Chiba	Trust beneficiary right of real estate	1,399	2,340
Yachiyo Logistics Center	1734-4 Kamikouya, Yachiyo, Chiba	Trust beneficiary right of real estate	6,825	13,500
Yokohama Fukuura Logistics Center	2-3-1 Fukuura, Kanazawa-ku, Yokohama, Kanagawa	Trust beneficiary right of real estate	7,497	12,100
Yachiyo Logistics Center II	2039-1, Kamikouya, Yachiyo, Chiba	Trust beneficiary right of real estate	3,597	8,580
Urayasu Chidori Logistics Center II	10-1 Chidori, Urayasu, Chiba	Real estate	1,368	1,940
Ichikawa Logistics Center	1-8-36 Tajiri, Ichikawa, Chiba	Real estate	3,948	6,130
Shinonome Logistics Center	2-13-32 Shinonome, Koto-ku, Tokyo	Trust beneficiary right of real estate	11,096	15,900
Narashino Logistics Center II	3-6-3 Akanehama, Narashino, Chiba	Trust beneficiary right of real estate	5,887	10,800
Ichikawa Logistics Center II	1 Takahama-machi, Ichikawa, Chiba	Trust beneficiary right of real estate	14,683	24,500
Souka Logistics Center	1-6-39, Aoyagi, Souka, Saitama	Trust beneficiary right of real estate	12,910	18,600
Tatsumi Logistics Center	3-8-5, Tatsumi, Koto-ku, Tokyo	Trust beneficiary right of real estate	8,031	16,000
Kashiwa Logistics Center	6 Kashiwa Inter-Minami, Kashiwa, Chiba	Trust beneficiary right of real estate	3,182	4,980
Musashimurayama Logistics Center	1-26-1 Inadaira, Musashimurayama, Tokyo	Trust beneficiary right of real estate	7,655	10,900
Kashiwa Logistics Center II	1823-1, Fujigaya, Kashiwa, Chiba	Trust beneficiary right of real estate	3,514	5,090
Shin-Koyasu Logistics Center	3-12 Moriyacho, Kanagawa-ku, Yokohama, Kanagawa	Trust beneficiary right of real estate	8,609	13,200
Misato Logistics Center	480-1 Nizo, Misato, Saitama	Trust beneficiary right of real estate	3,345	5,170
Sagamihara Logistics Center	5-9-1 Nishi-Hashimoto, Midori- ku, Sagamihara, Kanagawa	Trust beneficiary right of real estate	6,975	12,700
Chiba Kita Logistics Center	1004 Yokodocho, Hanamigawa-ku, Chiba, Chiba	Real estate	1,733	2,710
Chiba Kita Logistics Center II	55-1 Naganumacho, Inage-ku, Chiba, Chiba	Trust beneficiary right of real estate	4,371	6,620
Urayasu Chidori Logistics Center III	15-19 Chidori, Urayasu, Chiba	Trust beneficiary right of real estate	1,022	1,770
Zama Logistics Center	1-1-43 Komatsubara, Zama, Kanagawa	Trust beneficiary right of real estate	1,699	2,650

Name of real estate, etc. (Properties to be acquired, etc.)	Location	Type of ownership	Book value (Note1) (Millions of yen)	Appraised value at end of period (Note 2) (Millions of yen)
Shinkiba Logistics Center II	2-13-10 Shin-kiba, Koto-ku, Tokyo	Trust beneficiary right of real estate	14,694	21,000
Yokohama Machida Logistics Center	7-30-1 Tsuruma, Machida, Tokyo	Trust beneficiary right of real estate	24,560	28,300
Shiroi Logistics Center	98 Naka Shiroi, Chiba	Real estate	3,827	5,540
Toda Logistics Center	1-5-3, Bijogi-kita, Toda, Saitama	Trust beneficiary right of real estate	1,969	2,640
Ichikawa Logistics Center III	17-18 Futamata-shinmachi, Ichikawa, Chiba	Trust beneficiary right of real estate	3,741	5,930
Fujisawa Logistics Center	9 Kiriharacho, Fujisawa, Kanagawa	Trust beneficiary right of real estate	4,109	4,650
Hanyu Logistics Center	1-371-8 Kawasaki, Hanyu, Saitama	Trust beneficiary right of real estate	1,324	2,030
Saitama Kisai Logistics Center	802-2 Nishinoya, Kazo, Saitama	Trust beneficiary right of real estate	3,044	5,320
Kazo Logistics Center	1-2-1 Minami Shinozaki, Kazo, Saitama	Trust beneficiary right of real estate	2,864	5,260
Kuki Logistics Center	8 Kawaraicho, Kuki, Saitama	Trust beneficiary right of real estate	8,583	9,170
Itabashi Logistics Center	1-15-5 Shingashi, Itabashi-ku, Tokyo	Trust beneficiary right of real estate	4,120	4,380
Daito Logistics Center	2-1-1, Midorigaoka, Daito, Osaka	Trust beneficiary right of real estate	9,011	20,900
Osaka Fukuzaki Logistics Center	2-1-36 Fukuzaki, Minato-ku, Osaka, Osaka	Trust beneficiary right of real estate	3,231	7,170
Kiyosu Logistics Center	92 Haruhi-gogashima, Kiyosu, Aichi	Real estate	2,702	6,420
Kadoma Logistics Center	9-7 Tonoshima-cho, Kadoma, Osaka	Real estate	991	1,910
Komaki Logistics Center	790-1 Nagata, Shimozue, Komaki, Aichi	Real estate	1,740	2,200
Komaki Logistics Center II	548-1, Nishinoshima Komaki, Aichi	Real estate	1,657	1,690
Fukuoka Hakozaiki Futo Logistics Center	4-2-6 Hakozaiki Futo, Higashi- ku, Fukuoka, Fukuoka	Trust beneficiary right of real estate	2,530	3,950
Fukuoka Kashiihama Logistics Center	2-1-10 Kashiihama Futo, Higashi- ku, Fukuoka, Fukuoka	Trust beneficiary right of real estate	2,378	3,980
Kasugai Logistics Center	5-1-3 Takamori-dai, Kasugai, Aichi	Real estate	3,292	5,040
Takatsuki Logistics Center	3-21-1 Zushi, Takatsuki, Osaka	Real estate	1,530	1,840
Aisai Logistics Center	32-6 Eda Minami-kawata, Aisai, Aichi	Real estate	2,583	3,010
Osaka Nishiyodogawa Logistics Center	2-9-133 Nakajima, Nishiyodogawa-ku, Osaka, Osaka	Real estate	2,548	2,850
Maebashi Logistics Center	258-14 Kamimasuda-machi, Maebashi, Gunma	Trust beneficiary right of real estate	908	1,390
Sendaiko-kita Logistics Center	4-15-12 Minato Miyagino-ku, Sendai, Miyagi	Real estate	1,517	2,060
Total			259,019	409,550

(Properties to be acquired, etc.)

Name of real estate, etc. (Properties to be acquired, etc.) (Note 3)	Location	Type of ownership	Book value (Note1) (Millions of yen)	Appraised value at end of period (Note 2) (Millions of yen)
Amagasaki Logistics Center (Note 4)	145-1, Nishi Mukoujima-cho, Amagasaki, Hyogo	Trust beneficiary right of real estate	-	4,870 (Note 5)

(Note 1) The book value does not include construction in progress.

(Note 2) The appraised value at end of period is based on the value appraised by a real estate appraiser as of the end of the fiscal period in accordance with the method and criteria of asset appraisal provided for by the Articles of Incorporation of JLF and the regulations specified by The Investment Trusts Association, Japan.

(Note 3) The Purchase Agreement qualifies as a forward commitment as stipulated by the Comprehensive Guidelines for the Supervision of Financial Instruments Operators, etc., set forth by the Financial Services Agency.

(Note 4) The scheduled delivery date is a date no later than April 2, 2026 and designated by JLF.

(Note 5) The appraised value is based on the value appraised by Japan Valuers Co., Ltd. as of July 31, 2023.

The status of leasing of real estate properties, etc. held by JLF is as follows:

Name of real estate, etc.	For the six-month period ended July 31, 2023				For the six-month period ended January 31, 2023			
	Total number of tenants [as of end of period] (tenants)	Occupanc y rate [as of end of period] (%) (Note 1)	Real estate leasing business revenue [during the period] (Millions of yen)	Portion of real estate leasing business revenue (%) (Note 1)	Total number of tenants [as of end of period] (tenants)	Occupanc y rate [as of end of period] (%) (Note 1)	Real estate leasing business revenue [during the period] (Millions of yen)	Portion of real estate leasing business revenue (%) (Note 1)
Urayasu Logistics Center	1	100.0	- (Note 2)	- (Note 2)	1	100.0	- (Note 2)	- (Note 2)
Hiratsuka Logistics Center	1	100.0	- (Note 2)	- (Note 2)	1	100.0	- (Note 2)	- (Note 2)
Shinkiba Logistics Center	1	100.0	- (Note 2)	- (Note 2)	1	100.0	- (Note 2)	- (Note 2)
Urayasu Chidori Logistics Center	1	100.0	- (Note 2)	- (Note 2)	1	100.0	- (Note 2)	- (Note 2)
Funabashi Nishiura Logistics Center	2	100.0	- (Note 2)	- (Note 2)	3	100.0	- (Note 2)	- (Note 2)
Kawasaki Logistics Center	1	100.0	- (Note 2)	- (Note 2)	1	100.0	- (Note 2)	- (Note 2)
Narashino Logistics Center	1	100.0	60	0.6	1	100.0	60	0.6
Yachiyo Logistics Center	2	100.0	- (Note 2)	- (Note 2)	2	100.0	- (Note 2)	- (Note 2)
Yokohama Fukuura Logistics Center	3	100.0	- (Note 2)	- (Note 2)	3	100.0	- (Note 2)	- (Note 2)
Yachiyo Logistics Center II	1	100.0	193	1.9	1	100.0	193	1.9
Urayasu Chidori Logistics Center II	1	100.0	- (Note 2)	- (Note 2)	1	100.0	- (Note 2)	- (Note 2)
Ichikawa Logistics Center	1	100.0	- (Note 2)	- (Note 2)	1	100.0	- (Note 2)	- (Note 2)
Shinonome Logistics Center	1	100.0	355	3.5	1	100.0	355	3.5
Narashino Logistics Center II	1	100.0	- (Note 2)	- (Note 2)	1	100.0	- (Note 2)	- (Note 2)
Ichikawa Logistics Center II	2	100.0	- (Note 2)	- (Note 2)	2	100.0	- (Note 2)	- (Note 2)
Souka Logistics Center	3	100.0	- (Note 2)	- (Note 2)	3	100.0	- (Note 2)	- (Note 2)
Tatsumi Logistics Center	1	100.0	- (Note 2)	- (Note 2)	1	100.0	- (Note 2)	- (Note 2)
Kashiwa Logistics Center	1	100.0	- (Note 2)	- (Note 2)	1	100.0	- (Note 2)	- (Note 2)
Musashimurayama Logistics Center	1	100.0	- (Note 2)	- (Note 2)	1	100.0	- (Note 2)	- (Note 2)
Kashiwa Logistics Center II	1	100.0	- (Note 2)	- (Note 2)	1	100.0	- (Note 2)	- (Note 2)
Shin-Koyasu Logistics Center	2	100.0	- (Note 2)	- (Note 2)	2	100.0	- (Note 2)	- (Note 2)
Misato Logistics Center	1	100.0	- (Note 2)	- (Note 2)	1	100.0	- (Note 2)	- (Note 2)
Sagamihara Logistics Center	1	100.0	- (Note 2)	- (Note 2)	1	100.0	- (Note 2)	- (Note 2)
Chiba Kita Logistics Center	1	100.0	- (Note 2)	- (Note 2)	1	100.0	- (Note 2)	- (Note 2)
Chiba Kita Logistics Center II	1	100.0	- (Note 2)	- (Note 2)	1	100.0	- (Note 2)	- (Note 2)
Urayasu Chidori Logistics Center III	1	100.0	- (Note 2)	- (Note 2)	1	100.0	- (Note 2)	- (Note 2)

Name of real estate, etc.	For the six-month period ended July 31, 2023				For the six-month period ended January 31, 2023			
	Total number of tenants [as of end of period] (tenants)	Occupanc y rate [as of end of period] (%) (Note 1)	Real estate leasing business revenue [during the period] (Millions of yen)	Portion of real estate leasing business revenue (%) (Note 1)	Total number of tenants [as of end of period] (tenants)	Occupanc y rate [as of end of period] (%) (Note 1)	Real estate leasing business revenue [during the period] (Millions of yen)	Portion of real estate leasing business revenue (%) (Note 1)
Zama Logistics Center	1	100.0	- (Note 2)	- (Note 2)	1	100.0	- (Note 2)	- (Note 2)
Shinkiba Logistics Center II	3	100.0	- (Note 2)	- (Note 2)	3	100.0	- (Note 2)	- (Note 2)
Yokohama Machida Logistics Center	6	100.0	- (Note 2)	- (Note 2)	6	100.0	- (Note 2)	- (Note 2)
Shiroi Logistics Center	1	100.0	- (Note 2)	- (Note 2)	1	100.0	- (Note 2)	- (Note 2)
Toda Logistics Center	1	100.0	- (Note 2)	- (Note 2)	1	100.0	- (Note 2)	- (Note 2)
Ichikawa Logistics Center III	1	100.0	- (Note 2)	- (Note 2)	1	100.0	- (Note 2)	- (Note 2)
Fujisawa Logistics Center	1	100.0	- (Note 2)	- (Note 2)	1	100.0	- (Note 2)	- (Note 2)
Hanyu Logistics Center	1	100.0	59	0.6	1	100.0	59	0.6
Saitama Kisai Logistics Center	1	100.0	- (Note 2)	- (Note 2)	1	100.0	- (Note 2)	- (Note 2)
Kazo Logistics Center	1	100.0	- (Note 2)	- (Note 2)	1	100.0	- (Note 2)	- (Note 2)
Kuki Logistics Center	3	100.0	- (Note 2)	- (Note 2)	3	100.0	- (Note 2)	- (Note 2)
Itabashi Logistics Center	1	100.0	- (Note 2)	- (Note 2)	1	100.0	- (Note 2)	- (Note 2)
Daito Logistics Center	1	100.0	- (Note 2)	- (Note 2)	1	100.0	- (Note 2)	- (Note 2)
Osaka Fukuzaki Logistics Center	1	100.0	- (Note 2)	- (Note 2)	1	100.0	- (Note 2)	- (Note 2)
Kiyosu Logistics Center	1	100.0	- (Note 2)	- (Note 2)	1	100.0	- (Note 2)	- (Note 2)
Kadoma Logistics Center	1	100.0	- (Note 2)	- (Note 2)	1	100.0	- (Note 2)	- (Note 2)
Komaki Logistics Center	1	100.0	- (Note 2)	- (Note 2)	1	100.0	- (Note 2)	- (Note 2)
Komaki Logistics Center II	1	100.0	- (Note 2)	- (Note 2)	1	100.0	- (Note 2)	- (Note 2)
Fukuoka Hakozaki Futo Logistics Center	1	100.0	- (Note 2)	- (Note 2)	1	100.0	- (Note 2)	- (Note 2)
Fukuoka Kashiihama Logistics Center	2	100.0	- (Note 2)	- (Note 2)	2	100.0	- (Note 2)	- (Note 2)
Kasugai Logistics Center	1	100.0	- (Note 2)	- (Note 2)	1	100.0	- (Note 2)	- (Note 2)
Takatsuki Logistics Center	1	100.0	- (Note 2)	- (Note 2)	1	100.0	- (Note 2)	- (Note 2)
Aisai Logistics Center	1	100.0	- (Note 2)	- (Note 2)	1	100.0	- (Note 2)	- (Note 2)
Osaka Nishiyodogawa Logistics Center	1	100.0	- (Note 2)	- (Note 2)	1	100.0	- (Note 2)	- (Note 2)
Maebashi Logistics Center	1	100.0	43	0.4	1	100.0	43	0.4
Sendaiko-kita Logistics Center	1	100.0	- (Note 2)	- (Note 2)	1	100.0	- (Note 2)	- (Note 2)

Name of real estate, etc.	For the six-month period ended July 31, 2023				For the six-month period ended January 31, 2023			
	Total number of tenants [as of end of period] (tenants)	Occupancy rate [as of end of period] (%) (Note 1)	Real estate leasing business revenue [during the period] (Millions of yen)	Portion of real estate leasing business revenue (%) (Note 1)	Total number of tenants [as of end of period] (tenants)	Occupancy rate [as of end of period] (%) (Note 1)	Real estate leasing business revenue [during the period] (Millions of yen)	Portion of real estate leasing business revenue (%) (Note 1)
Total	70	100.0	10,139	100.0	71	100.0	10,156	100.0

(Note 1) The occupancy rate and the portion of real estate leasing business revenue are indicated with figures rounded off to the nearest one decimal place.

(Note 2) Not disclosed as the tenant did not agree to disclosure.

[Statements of Renewable Energy Power Generation Facilities, etc.]

Not applicable.

[Statements of Rights to Operate a Public Facility, etc.]

Not applicable.

[Details of securities Portfolio Property]

Name of stock	Number of shares	Acquisition price (Thousands of yen)		Fair value (Thousands of yen) (Note)		Unrealized gain/loss (Thousands of yen)	Remarks	% of the Portfolio
		Per share	Total	Per share	Total			
Kuki Shobu Industrial Park Management Center	7,550	1	7,550	1	7,550	-	(Note)	0.0

(Note) As the shares are unlisted, the book value is shown.

(4) Outstanding Contract Amounts, etc. and Current Prices of Specified Transactions

The Outstanding contract amounts, etc. and current prices of specified transactions as of July 31, 2023 is as follows:

(Thousands of yen)

Division	Type of derivative transactions	Contract amount, etc. (Note 1)		Market value (Note 2) (Note 3)
			Amount that exceeds one year	
Over-the-counter	Interest rate swap transactions Receive variable, pay fixed	13,000,000	10,000,000	38,372
Total		13,000,000	10,000,000	38,372

(Note 1) Contract amount, etc. is measured at the amount calculated by the counter party to the interest rate swaps contracts based on the prevailing market interest rates and other assumptions.

(Note 2) The fair value is calculated based on prices and other conditions presented by counterparty of the agreement.

(Note 3) Because the interest rate swap transactions qualify special treatment stipulated in the financial instruments accounting standard, market value of the swaps are omitted.

(5) Status of Other Assets

Trust beneficiary rights with real estate, etc. as trust assets are all included in the table in (3) Details of Portfolio Properties above. There are no other significant investment assets that were specified assets as of July 31, 2023.

(6) Status of Asset Holding by Country and Region

Not applicable for countries and regions other than Japan.

4. Capital Expenditure for Properties

(1) Scheduled Capital Expenditure

Major scheduled capital expenditures associated with the planned repair work for real estate, etc. owned by JLF are listed below. The following scheduled expenditures include those accounted for as expenses.

Name of real estate, etc. (Location)	Purpose	Scheduled period	Estimated construction cost (Millions of yen) (Note)		
			Total amount	Payment for the period	Total amount paid
Daito Logistics Center (Daito, Osaka)	Outer wall waterproofing work on north of Warehouse I	January 2024	62	-	-
Kazo Logistics Center (Kazo, Saitama)	LED lighting installation	January 2024	44	-	-
Komaki Logistics Center (Komaki, Aichi)	Rest room renovation works	January 2024	41	-	-
Komaki Logistics Center (Komaki, Aichi)	Water tank and water supply pump renewal works	January 2024	21	-	-
Urayasu Chidori Logistics Center (Urayasu, Chiba)	Air conditioner renewal work (2nd term)	July 2024	104	-	-

(Note) Figures are rounded down to the nearest million yen.

(2) Capital Expenditure during the Fiscal Period

The following provides a summary of major construction work applicable to capital expenditure performed during the fiscal period in connection with the real estate, etc. owned by JLF.

Name of real estate, etc. (Location)	Purpose	Period	Amount of expenditure (Millions of yen) (Note)
Urayasu Chidori Logistics Center (Urayasu, Chiba)	Air conditioner renewal work (1st term)	July 2023	91

(Note) Figures are rounded down to the nearest million yen.

(3) Reserve for Long-Term Repair Plan (Reserve for Repairs)

Not applicable.

5. Expenses and Liabilities

(1) Expenses Related to Asset Management, etc.

(Thousands of yen)

Item	For the six-month period ended July 31, 2023	For the six-month period ended January 31, 2023
(a) Asset management fee	895,572	876,970
of which Management Fee I	581,733	556,479
Management Fee II	313,838	320,491
(b) Asset custody fee	26,462	26,406
(c) Administrative service fees	38,285	37,908
(d) Directors' compensations	7,200	7,500
(e) Other expenses	80,181	85,191
Total	1,047,702	1,033,977

(Note) In addition to the amounts stated above, asset management fees include 44,673 thousand yen in the six-month period ended January 31, 2023 for the construction on the redevelopment project of Urayasu Logistics Center.

(2) Status of Borrowings

The status of borrowings from each financial institution as of July 31, 2023 is as follows:

Classification (Lender)		Borrowing date	Balance at beginning of period (Millions of yen)	Balance at end of period (Millions of yen)	Average interest rate (Note 1)	Repayment due date	Use	Remarks
Current portion of long-term borrowings	Sumitomo Mitsui Banking Corporation	February 28, 2013	2,000	-	1.11125%	February 28, 2023	(Note 2)	Unsecured/ Non-guaranteed
	Nippon Life Insurance Company	February 28, 2013	500	-	1.18125%	February 28, 2023	(Note 2)	Unsecured/ Non-guaranteed
	Development Bank of Japan Inc.	March 11, 2013	-	2,000	1.25000%	February 29, 2024	(Note 2)	Unsecured/ Non-guaranteed
	Sumitomo Mitsui Banking Corporation	December 27, 2013	3,000	3,000	1.29625%	December 27, 2023	(Note 2)	Unsecured/ Non-guaranteed
	Sumitomo Mitsui Trust Bank, Limited		1,500	1,500				
	Development Bank of Japan Inc.		1,000	1,000				
	Nippon Life Insurance Company		500	500				
	Sumitomo Mitsui Banking Corporation	February 25, 2014	3,000	-	1.04875%	February 28, 2023	(Note 2)	Unsecured/ Non-guaranteed
	Nippon Life Insurance Company	March 24, 2014	-	2,500	1.04000%	February 29, 2024	(Note 2)	Unsecured/ Non-guaranteed
	Sumitomo Mitsui Trust Bank, Limited	March 31, 2015	-	1,000	0.59000%	March 29, 2024	(Note 2)	Unsecured/ Non-guaranteed
	Sumitomo Mitsui Trust Bank, Limited	December 4, 2015	2,000	2,000	0.45075%	November 30, 2023	(Note 2)	Unsecured/ Non-guaranteed
	Mitsui Sumitomo Insurance Company, Limited	September 30, 2016	1,000	1,000	0.20000%	September 29, 2023	(Note 2)	Unsecured/ Non-guaranteed
	Mitsui Sumitomo Insurance Company, Limited	February 3, 2017	-	1,000	0.25875%	February 29, 2024	(Note 2)	Unsecured/ Non-guaranteed
	MUFG Bank, Ltd.	August 31, 2017	2,000	2,000	0.30000%	February 28, 2023	(Note 2)	Unsecured/ Non-guaranteed
	Subtotal		16,500	15,500				

Classification (Lender)		Borrowing date	Balance at beginning of period (Millions of yen)	Balance at end of period (Millions of yen)	Average interest rate (Note 1)	Repayment due date	Use	Remarks
Long-term borrowings	Development Bank of Japan Inc.	March 11, 2013	2,000	-	1.25000%	February 29, 2024	(Note 2)	Unsecured/ Non-guaranteed
	Nippon Life Insurance Company	March 24, 2014	2,500	-	1.04000%	February 29, 2024	(Note 2)	Unsecured/ Non-guaranteed
	Sumitomo Mitsui Trust Bank, Limited	March 31, 2015	1,000	-	0.59000%	March 29, 2024	(Note 2)	Unsecured/ Non-guaranteed
	Sumitomo Mitsui Banking Corporation	March 31, 2015	1,000	1,000	0.77240%	March 31, 2025	(Note 2)	Unsecured/ Non-guaranteed
	The Bank of Fukuoka	December 4, 2015	500	500	0.52800%	November 28, 2025	(Note 2)	Unsecured/ Non-guaranteed
	Mizuho Trust & Banking Co., Ltd.	December 4, 2015	2,000	2,000	0.60250%	November 28, 2025	(Note 2)	Unsecured/ Non-guaranteed
	Mitsui Sumitomo Insurance Company, Limited	February 3, 2017	1,000	-	0.25875%	February 29, 2024	(Note 2)	Unsecured/ Non-guaranteed
	Resona Bank, Ltd.	February 3, 2017	2,000	2,000	0.46600%	February 3, 2027	(Note 2)	Unsecured/ Non-guaranteed
	The Bank of Fukuoka	March 15, 2017	2,000	2,000	0.38000%	March 31, 2027	(Note 2)	Unsecured/ Non-guaranteed
	Development Bank of Japan Inc.	March 15, 2017	2,500	2,500	0.55375%	March 31, 2028	(Note 2)	Unsecured/ Non-guaranteed
	Development Bank of Japan Inc.	March 15, 2017	2,500	2,500	0.60750%	March 30, 2029	(Note 2)	Unsecured/ Non-guaranteed
	Resona Bank, Ltd.	August 31, 2017	2,000	2,000	0.48205%	August 31, 2027	(Note 2)	Unsecured/ Non-guaranteed
	Sumitomo Mitsui Trust Bank, Limited	August 31, 2017	3,000	3,000	0.48205%	August 31, 2027	(Note 2)	Unsecured/ Non-guaranteed
	Development Bank of Japan Inc.	August 31, 2017	4,500	4,500	0.49313%	August 31, 2028	(Note 2)	Unsecured/ Non-guaranteed
	Development Bank of Japan Inc.	August 31, 2017	4,500	4,500	0.54375%	August 31, 2029	(Note 2)	Unsecured/ Non-guaranteed
	MUFG Bank, Ltd.	September 28, 2018	5,000	5,000	0.65000%	September 30, 2027	(Note 2)	Unsecured/ Non-guaranteed
	Sumitomo Mitsui Trust Bank, Limited	March 26, 2019	3,500	3,500	0.36750%	March 26, 2025	(Note 2)	Unsecured/ Non-guaranteed

Classification (Lender)		Borrowing date	Balance at beginning of period (Millions of yen)	Balance at end of period (Millions of yen)	Average interest rate (Note 1)	Repayment due date	Use	Remarks
Long-term borrowings	Mizuho Bank, Ltd.	March 26, 2019	1,000	1,000	0.46005%	March 26, 2027	(Note 2)	Unsecured/ Non-guaranteed
	Mizuho Bank, Ltd.	August 31, 2020	2,000	2,000	0.47255%	August 31, 2028	(Note 2)	Unsecured/ Non-guaranteed
	Mizuho Bank, Ltd.	August 31, 2020	2,000	2,000	0.55875%	August 31, 2030	(Note 2)	Unsecured/ Non-guaranteed
	The 77 Bank, Ltd.	December 25, 2020	500	500	0.39255%	December 25, 2028	(Note 2)	Unsecured/ Non-guaranteed
	MUFG Bank, Ltd.	December 25, 2020	1,000	1,000	0.55000%	December 25, 2029	(Note 2)	Unsecured/ Non-guaranteed
	Mizuho Bank, Ltd.	December 25, 2020	1,500	1,500	0.48625%	December 25, 2030	(Note 2)	Unsecured/ Non-guaranteed
	Sumitomo Mitsui Banking Corporation	February 26, 2021	2,000	2,000	0.27830%	February 28, 2025	(Note 2)	Unsecured/ Non-guaranteed
	Sumitomo Mitsui Banking Corporation	February 26, 2021	2,000	2,000	0.47761%	August 31, 2028	(Note 2)	Unsecured/ Non-guaranteed
	Nippon Life Insurance Company	February 26, 2021	1,500	1,500	0.60000%	February 28, 2031	(Note 2)	Unsecured/ Non-guaranteed
	Nippon Life Insurance Company	May 31, 2021	1,500	1,500	0.55000%	February 28, 2031	(Note 2)	Unsecured/ Non-guaranteed
	Shinkin Central Bank	August 31, 2021	1,000	1,000	0.32000%	August 31, 2025	(Note 2)	Unsecured/ Non-guaranteed
	The Norinchukin Bank	August 31, 2021	1,000	1,000	0.42630%	August 31, 2029	(Note 2)	Unsecured/ Non-guaranteed
	Nippon Life Insurance Company	August 31, 2021	2,000	2,000	0.32000%	January 31, 2027	(Note 2)	Unsecured/ Non-guaranteed
	Sumitomo Mitsui Banking Corporation	September 30, 2021	2,000	2,000	0.26161%	September 30, 2025	(Note 2)	Unsecured/ Non-guaranteed
	Sumitomo Mitsui Banking Corporation	September 30, 2021	3,000	3,000	0.49576%	September 30, 2030	(Note 2)	Unsecured/ Non-guaranteed
	Sumitomo Mitsui Banking Corporation	February 28, 2022	2,000	2,000	0.35000%	February 28, 2026	(Note 2)	Unsecured/ Non-guaranteed
	MUFG Bank, Ltd.	February 28, 2022	2,500	2,500	0.37500%	August 31, 2026	(Note 2)	Unsecured/ Non-guaranteed
	Sumitomo Mitsui Trust Bank, Limited	February 28, 2022	1,000	1,000	0.41000%	February 29, 2028	(Note 2)	Unsecured/ Non-guaranteed
	Mizuho Bank, Ltd.	February 28, 2022	1,000	1,000	0.47875%	February 28, 2030	(Note 2)	Unsecured/ Non-guaranteed

Classification (Lender)		Borrowing date	Balance at beginning of period (Millions of yen)	Balance at end of period (Millions of yen)	Average interest rate (Note 1)	Repayment due date	Use	Remarks
Long-term borrowings	Resona Bank, Ltd.	February 28, 2022	1,000	1,000	0.50000%	July 31, 2030	(Note 2)	Unsecured/ Non-guaranteed
	The 77 Bank, Ltd.	February 28, 2022	1,000	1,000	0.62000%	July 31, 2030	(Note 2)	Unsecured/ Non-guaranteed
	Kansai Mirai Bank, Limited	February 28, 2022	1,000	1,000	0.57000%	February 29, 2032	(Note 2)	Unsecured/ Non-guaranteed
	SBI Shinsei Bank, Limited (Note 3)	February 28, 2022	1,000	1,000	0.62000%	February 29, 2032	(Note 2)	Unsecured/ Non-guaranteed
	The Yamaguchi Bank, Ltd.	February 28, 2022	1,000	1,000	0.67000%	February 29, 2032	(Note 2)	Unsecured/ Non-guaranteed
	MUFG Bank, Ltd.	March 31, 2022	3,000	3,000	0.41000%	September 30, 2026	(Note 2)	Unsecured/ Non-guaranteed
	Sumitomo Mitsui Trust Bank, Limited	August 31, 2022	1,000	1,000	0.55500%	August 31, 2028	(Note 2)	Unsecured/ Non-guaranteed
	Nippon Life Insurance Company	August 31, 2022	1,000	1,000	0.68000%	August 31, 2030	(Note 2)	Unsecured/ Non-guaranteed
	Tokio Marine & Nichido Fire Insurance Co., Ltd.	August 31, 2022	2,000	2,000	0.41250%	February 28, 2027	(Note 2)	Unsecured/ Non-guaranteed
	MUFG Bank, Ltd.	September 30, 2022	3,000	3,000	0.83000%	March 31, 2030	(Note 2)	Unsecured/ Non-guaranteed
	SBI Shinsei Bank, Limited (Note 3)	September 30, 2022	1,000	1,000	0.76625%	September 30, 2030	(Note 2)	Unsecured/ Non-guaranteed
	Shinkin Central Bank	November 30, 2022	500	500	0.63000%	November 30, 2027	(Note 2)	Unsecured/ Non-guaranteed
	The Norinchukin Bank	October 30, 2022	1,000	1,000	0.82063%	May 31, 2030	(Note 2)	Unsecured/ Non-guaranteed
	Sumitomo Mitsui Banking Corporation	February 28, 2023	-	4,000	0.34250%	February 28, 2026	(Note 2)	Unsecured/ Non-guaranteed

Classification (Lender)		Borrowing date	Balance at beginning of period (Millions of yen)	Balance at end of period (Millions of yen)	Average interest rate (Note 1)	Repayment due date	Use	Remarks
Long-term borrowings	Nippon Life Insurance Company	February 28, 2023	-	500	1.13000%	August 31, 2032	(Note 2)	Unsecured/ Non-guaranteed
	MUFG Bank, Ltd.	February 28, 2023	-	2,000	0.89250%	February 28, 2029	(Note 2)	Unsecured/ Non-guaranteed
	The Norinchukin Bank	February 28, 2023	-	1,000	1.17625%	February 28, 2032	(Note 2)	Unsecured/ Non-guaranteed
	Subtotal		89,500	90,500				
Total			106,000	106,000				

(Note 1) The average interest rate indicates a weighted average of interest rates for the period. Regarding the borrowings hedged by interest rate swaps to avoid interest rate fluctuation risk, the average interest rate indicates a weighted average of interest rates adjusted by considering the effect of the interest rate swaps.

(Note 2) All the funds were used for the purchase of real estate properties or trust beneficiary rights of real estate, repayment of borrowings.

(3) Status of Investment Corporation Bonds

The status of investment corporation bonds issued as of July 31, 2023 is as follows:

Issue	Issue date	Balance at beginning of period (Millions of yen)	Balance at end of period (Millions of yen)	Interest rate	Maturity date	Repayment method	Purpose	Note
#2 nd Unsecured Investment Corporation Bond	December 27, 2013	3,000	3,000	1.28000%	December 26, 2025	Lump-sum payment on the maturity date	(Note 1)	(Note 2)
#3 rd Unsecured Investment Corporation Bond	March 12, 2014	3,000	3,000	1.62000%	March 12, 2029	Lump-sum payment on the maturity date	(Note 1)	(Note 2)
#4 th Unsecured Investment Corporation Bond (Private offering to qualified institutional investors)	February 8, 2016	1,700	1,700	0.53500%	February 8, 2028	Lump-sum payment on the maturity date	(Note 1)	(Note 2)
#5 th Unsecured Investment Corporation Bond	April 20, 2017	2,000	2,000	0.48000%	April 20, 2027	Lump-sum payment on the maturity date	(Note 1)	(Note 2)
#6 th Unsecured Investment Corporation Bond	November 18, 2019	2,000	2,000	0.53000%	November 16, 2029	Lump-sum payment on the maturity date	(Note 1)	(Note 2)
#7 th Unsecured Investment Corporation Bond (Green Bond)	April 26, 2021	2,000	2,000	0.49000%	April 25, 2031	Lump-sum payment on the maturity date	(Note 1)	(Note 2)
Total		13,700	13,700					

(Note 1) The funds are used for the repayment of borrowings.

(Note 2) This investment corporation bond is equipped with the same rank rider limited among certain investment corporation bonds.

(4) Status of Short-Term Investment Corporation Bonds

Not applicable.

(5) Status of Investment unit warrants

Not applicable.

6. Trading For the six-month period ended July 31, 2023

(1) Status, etc. of Real Estate Properties and Asset-Backed Securities Trading

Not applicable.

(2) Status, etc. of Another Assets Trading

Not applicable.

(3) Valuation of Specified Assets, etc.

A. Real Estate Properties

Not applicable.

B. Others

Not applicable.

(4) Status of Transactions with Interested Parties, etc. and Major Shareholders

A. Transactions

Not applicable.

B. Fees, etc. Paid to Interested Parties, etc. and Major Shareholders

(Thousands of yen)

Classification	Total amount paid (A)	Details of transactions with interested parties, etc. and major shareholders		Portion (B) / (A)
		Name of party to which fees were paid	Amount paid (B)	
Insurance expenses	27,483	Mitsuibussan Insurance Co., Ltd.	26,165	95.2%
Asset custody fee	26,462	Sumitomo Mitsui Trust Bank, Limited	26,462	100.0%
Administrative service fees	38,285	Sumitomo Mitsui Trust Bank, Limited	38,285	100.0%
Other expenses	28,735	Sumitomo Mitsui Trust Bank, Limited	14,748	51.3%

(Note 1) Interested parties, etc. are comprised of interested parties, etc. of an asset management company with which JLF has an asset management consignment contract as defined in Article 123 of the Order for Enforcement of the Investment Trust Act.

(Note 2) Other than above fees, etc., JLF paid brokerage fee to interested parties in the six-month period ended July 31, 2023, details below:

Mitsui & Co., Asset Management Holdings Ltd. 53,786 thousand yen

(5) Status, etc. of Transactions with the Asset Management Company Pertaining to Its Business Other than Asset Management

As of July 31, 2023, MLP does not follow any side business. Therefore, there is not applicable in this item.

7. Financial Information

(1) Financial Position and Operating Results

For the financial position and operating results, please refer to the accompanying documents: Balance Sheets, Statements of Income, Statements of Unitholders' Equity, Notes to Financial Statements and Statements of Cash Distribution.

(2) Changes in Calculation Method for Depreciation

Not applicable.

(3) Changes in Valuation Method of Real Estate Properties, etc.

Not applicable.

(4) Status, etc. of Beneficiary Certificates of Investment Trusts Established by JLF

Not applicable.

8. Other Information

(1) Notice

A. General Unitholders' Meeting
Not applicable.

B. Investment Corporation Board of Directors
Not applicable.

(2) Disclosure relating to overseas real estate investment corporation
Not applicable.

(3) Disclosure relating to property held by overseas real estate investment corporation
Not applicable.

(4) Others

For the purpose of this report, amounts that are below one unit are rounded down to one unit and percentages are rounded off to the nearest unit unless otherwise specified.

Independent Auditor's Report

The Board of Directors
Japan Logistics Fund, Inc.

Opinion

We have audited the accompanying financial statements of Japan Logistics Fund, Inc. (the "Company"), which comprise the balance sheet as at July 31, 2023, and the statements of income and retained earnings, changes in net assets, and cash flows for the six-month period then ended, and notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at July 31, 2023, and its financial performance and its cash flows for the six-month period then ended in accordance with accounting principles generally accepted in Japan.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Japan, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

The other information comprises the information included in the Semi Annual Report that contains audited financial statements but does not include the financial statements and our auditor's report thereon. Management is responsible for preparation and disclosure of the other information. Supervisory Directors are responsible for overseeing the Company's reporting process of the other information.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Responsibilities of Management and Supervisory Directors for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in Japan, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern and disclosing, as required by accounting principles generally accepted in Japan, matters related to going concern.

Supervisory Directors are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with auditing standards generally accepted in Japan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.
- Consider internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances for our risk assessments, while the purpose of the audit of the financial statements is not expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation in accordance with accounting principles generally accepted in Japan.

We communicate with the Executive Director regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Executive Director with a statement that we have complied with the ethical requirements regarding independence that are relevant to our audit of the financial statements in Japan, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

Fee-related information

The fees paid or payable to us and other EY Member Firms for the audits of the financial statements of the Company and other non-audit fees charged in the audit period to the Company are presented in paragraph (3) titled “Matters Concerning Officers, etc.” in Section 2 “Outline of JLF” included in the Asset Management Report in the Semi Annual Report for the six-month period ended July 31, 2023 of the Company.

Interest Required to Be Disclosed by the Certified Public Accountants Act of Japan

Our firm and its designated engagement partners do not have any interest in the Company which is required to be disclosed pursuant to the provisions of the Certified Public Accountants Act of Japan.

Ernst & Young ShinNihon LLC
Tokyo, Japan

October 20, 2023

竹之内 和徳

Kazunori Takenouchi
Designated Engagement Partner
Certified Public Accountant

寺岡 久仁子

Kuniko Teraoka
Designated Engagement Partner
Certified Public Accountant

Financial Statements
Balance Sheet

(Thousands of yen)

	As of July 31, 2023	As of January 31, 2023
Assets		
Current assets		
Cash and deposits	10,089,756	8,120,116
Cash and deposits in trust	4,860,454	4,878,672
Operating accounts receivable	607,980	647,485
Prepaid expenses	5,010	6,832
Consumption taxes receivable	-	84,489
Other	852	158
Total current assets	15,564,053	13,737,754
Non-current assets		
Property, plant and equipment		
Buildings	19,884,724	19,858,063
Accumulated depreciation	-4,357,769	-4,095,461
Buildings, net	15,526,954	15,762,601
Structures	613,888	613,888
Accumulated depreciation	-194,375	-181,621
Structures, net	419,512	432,267
Tools, furniture and fixtures	19,516	19,516
Accumulated depreciation	-7,366	-5,950
Tools, furniture and fixtures, net	12,149	13,565
Land	13,486,139	13,486,139
Construction in progress	-	3,343
Buildings in trust	134,492,206	134,212,301
Accumulated depreciation	-37,906,717	-36,439,486
Buildings in trust, net	96,585,489	97,772,814
Structures in trust	3,804,415	3,801,025
Accumulated depreciation	-1,714,541	-1,648,440
Structures in trust, net	2,089,873	2,152,585
Tools, furniture and fixtures in trust	53,041	52,577
Accumulated depreciation	-29,132	-27,165
Tools, furniture and fixtures in trust, net	23,909	25,412
Land in trust	130,875,705	130,875,705
Total property, plant and equipment	259,019,734	260,524,437
Intangible assets		
Other	3,782	4,670
Total intangible assets	3,782	4,670
Investments and other assets		
Investment securities	7,550	7,550
Long-term prepaid expenses	244,230	243,414
Deferred tax assets	7	20
Guarantee deposits	10,020	10,020
Derivatives	38,372	93,005
Other	2,000	2,000
Total investments and other assets	302,180	356,009
Total non-current assets	259,325,697	260,885,117
Deferred assets		
Investment corporation bond issuance costs	43,393	47,676
Total deferred assets	43,393	47,676
Total assets	274,933,145	274,670,548

(Thousands of yen)

	As of July 31, 2023	As of January 31, 2023
Liabilities		
Current liabilities		
Operating accounts payable	776,878	979,012
Current portion of long-term borrowings	15,500,000	16,500,000
Distributions payable	5,334	5,966
Accrued expenses	1,293,221	1,285,098
Income taxes payable	766	1,019
Accrued consumption taxes	675,942	-
Advances received	1,815,779	1,785,786
Deposits received	-	4,675
Total current liabilities	20,067,923	20,561,558
Non-current liabilities		
Investment corporation bonds	13,700,000	13,700,000
Long-term borrowings	90,500,000	89,500,000
Leasehold and guarantee deposits received	1,362,627	1,413,207
Leasehold and guarantee deposits received in trust	5,757,677	5,818,854
Long-term deposits received	250,862	249,568
Total non-current liabilities	111,571,767	110,681,630
Total liabilities	131,639,091	131,243,189
Net assets		
Unitholders' equity		
Unitholders' capital		
Unitholders' capital, gross	140,559,170	140,559,170
Deduction from unitholders' capital (Note 4 (2))	-4,900,686	-4,900,686
Unitholders' capital, net	135,658,483	135,658,483
Surplus		
Voluntary retained earnings		
Reserve for reduction entry of special provisions of replaced property (Note 4 (3))	2,219,363	2,219,363
Reserve for tax purpose reduction entry	566,543	566,543
Total voluntary retained earnings	2,785,907	2,785,907
Unappropriated retained earnings (undisposed loss)	4,811,290	4,889,963
Total surplus	7,597,198	7,675,870
Total unitholders' equity	143,255,681	143,334,354
Valuation and translation adjustments		
Deferred gains or losses on hedges	38,372	93,005
Total valuation and translation adjustments	38,372	93,005
Total net assets (Note 4 (4))	143,294,054	143,427,359
Total liabilities and net assets	274,933,145	274,670,548

Statement of Income and Retained Earnings

(Thousands of yen)

	For the six-month period ended July 31, 2023	For the six-month period ended January 31, 2023
Operating revenue		
Leasing business revenue (Note 5(1))	9,803,140	9,763,626
Other leasing business revenue (Note 5(1))	335,928	392,521
Total operating revenue	10,139,068	10,156,148
Operating expenses		
Expenses related to leasing business (Note 5(1))	3,852,478	3,797,885
Asset management fee	895,572	876,970
Asset custody fee	26,452	26,406
Administrative service fees	38,285	37,908
Directors compensation	7,200	7,500
Other operating expenses	80,181	85,191
Total operating expenses	4,900,180	4,831,863
Operating profit	5,238,888	5,324,285
Non-operating income		
Interest income	25	24
Interest on refund	312	743
Gain on forfeiture of unclaimed distributions	431	305
Other	98	33
Total non-operating income	867	1,107
Non-operating expenses		
Interest expenses	308,647	316,401
Borrowing related expenses	51,855	48,107
Interest expenses on investment corporation bonds	62,369	63,742
Amortization of investment corporation bond issuance costs	4,282	4,353
Other	1,000	2,000
Total non-operating expenses	428,155	434,605
Ordinary profit	4,811,600	4,890,786
Profit before income taxes	4,811,600	4,890,786
Income taxes - current	770	1,023
Income taxes - deferred	12	-11
Total income taxes	782	1,012
Profit	4,810,817	4,889,774
Retained earnings brought forward	473	188
Unappropriated retained earnings (undisposed loss)	4,811,290	4,889,963

Statement of Changes in Net Assets

For the six-month period ended July 31, 2023

(Thousands of yen)

	Unitholders' equity								
	Unitholders' capital			Surplus					Total unitholders' equity
	Unitholders' capital, gross	Deduction from unitholders' capital	Unitholders' capital, net	Voluntary retained earnings			Unappropriated retained earnings (undisposed loss)	Total surplus	
				Reserve for reduction entry of special provisions of replaced property	Reserve for tax purpose reduction entry	Voluntary retained earnings			
Balance at beginning of period	140,559,170	-4,900,686	135,658,483	2,219,363	566,543	2,785,907	4,889,963	7,675,870	143,334,354
Changes of items during period									
Dividends of surplus							-4,890,490	-4,889,490	-4,889,490
Profit							4,810,817	4,810,817	4,810,817
Net changes of items other than unitholders' equity									
Total changes of items during period	—	—	—	—	—	—	-78,672	-78,672	-78,672
Balance at end of period	140,559,170	-4,900,686	135,658,483	2,219,363	566,543	2,785,907	4,811,290	7,597,198	143,255,681

	Valuation and translation adjustments		Total net assets
	Deferred gains or losses on hedges	Total valuation and translation adjustments	
Balance at beginning of period	93,005	93,005	143,427,359
Changes of items during period			
Dividends of surplus			-4,889,490
Profit			4,810,817
Net changes of items other than unitholders' equity	-54,633	-54,633	-54,633
Total changes of items during period	-54,633	-54,633	-133,305
Balance at end of period	38,372	38,372	143,294,054

For the six-month period ended January 31, 2023

(Thousands of yen)

	Unitholders' equity								
	Unitholders' capital			Surplus					Total unitholders' equity
	Unitholders' capital, gross	Deduction from unitholders' capital	Unitholders' capital, net	Voluntary retained earnings			Unappropriated retained earnings (undisposed loss)	Total surplus	
				Reserve for reduction entry of special provisions of replaced property	Reserve for tax purpose reduction entry	Voluntary retained earnings			
Balance at beginning of period	140,559,170	-4,900,686	135,658,483	2,219,363	566,543	2,785,907	4,628,158	7,414,066	143,072,549
Changes of items during period									
Dividends of surplus							-4,627,970	-4,627,970	-4,627,970
Profit							4,889,774	4,889,774	4,889,774
Net changes of items other than unitholders' equity									
Total changes of items during period	—	—	—	—	—	—	261,804	261,804	261,804
Balance at end of period	140,559,170	-4,900,686	135,658,483	2,219,363	566,543	2,785,907	4,889,963	7,675,870	143,334,354

	Valuation and translation adjustments		Total net assets
	Deferred gains or losses on hedges	Total valuation and translation adjustments	
Balance at beginning of period	2,275	2,275	143,074,825
Changes of items during period			
Dividends of surplus			-4,627,970
Profit			4,889,774
Net changes of items other than unitholders' equity	90,730	90,730	90,730
Total changes of items during period	90,730	90,730	352,534
Balance at end of period	93,005	93,005	143,427,359

Statement of Cash Flows

(Thousands of yen)

	For the six-month period ended July 31, 2023	For the six-month period ended January 31, 2023
Cash flows from operating activities		
Profit before income taxes	4,811,600	4,890,786
Depreciation	1,900,160	1,938,515
Amortization of investment corporation bond issuance costs	4,282	4,353
Interest income	-25	-24
Interest expenses	371,016	380,144
Loss on retirement of non-current assets	17,203	14,590
Decrease (increase) in operating accounts receivable	39,505	-67,098
Decrease (increase) in consumption taxes refund receivable	84,489	108,270
Increase (decrease) in accrued consumption taxes	675,942	-
Decrease (increase) in prepaid expenses	1,821	-1,606
Decrease (increase) in long-term prepaid expenses	-816	32,072
Increase (decrease) in operating accounts payable	-160,057	305,856
Increase (decrease) in accrued expenses	11,600	69,371
Increase (decrease) in advances received	29,992	45,555
Other, net	-5,800	4,844
Subtotal	7,780,917	7,725,631
Interest income received	25	24
Interest expenses paid	-374,493	-374,892
Income taxes (paid) refund	-1,023	-788
Net cash provided by (used in) operating activities	7,405,425	7,349,976
Cash flows from investing activities		
Purchase of property, plant and equipment	-114,545	-2,047,393
Purchase of property, plant and equipment in trust	-339,304	-357,439
Proceeds from leasehold and guarantee deposits received	-	48,331
Refund of leasehold and guarantee deposits received	-50,579	-
Proceeds from leasehold and guarantee deposits received in trust	9,323	68,722
Refund of leasehold and guarantee deposits received in trust	-70,500	-17,237
Net cash provided by (used in) investing activities	-565,606	-2,305,016
Cash flows from financing activities		
Proceeds from long-term borrowings	7,500,000	9,500,000
Repayments of long-term borrowings	-7,500,000	-9,500,000
Distributions paid	-4,889,690	-4,630,481
Net cash provided by (used in) financing activities	-4,889,690	-4,630,481
Net increase (decrease) in cash and cash equivalents	1,950,128	414,478
Cash and cash equivalents at beginning of period	12,803,843	12,389,364
Cash and cash equivalents at end of period (Note7)	14,753,971	12,803,843

Notes to Financial Statements

1. Organization

JLF is the first logistics properties focused J-REIT, with target areas of Tokyo Metropolitan area, Osaka, Nagoya and Fukuoka Area. Based on the AITIC, JLF was founded on February 22, 2005 by MLP as the asset management company and was listed on the REIT section of the Tokyo Stock Exchange on May 9 of the same year (securities code: 8967).

As of July 31, 2023 (the end of the 36th Period), JLF owns 52 properties under management with a total acquisition price of 290,590 million yen and total assets of 274,933 million yen.

2. Basis of Presenting Financial Statements

JLF maintains its accounting records and prepares its financial statements in accordance with accounting principles generally accepted in Japan (Japanese GAAP), including provisions set forth in the Financial Instrument and Exchange Act of Japan, the AITIC, the Companies Act of Japan and the related regulations, which are different in certain respects as to the application and disclosure requirements of International Financial Reporting Standards.

The accompanying financial statements are prepared from the Japanese financial statements of JLF, which were prepared in accordance with Japanese GAAP and were presented in the Securities Report of JLF filed with the Kanto Local Finance Bureau of the Ministry of Finance. The amounts in the financial statements originally prepared in Japanese have been rounded off to the nearest thousand in the accompanying financial statements unless otherwise specified. JLF does not prepare consolidated financial statements, as JLF has no subsidiaries.

3. Summary of Significant Accounting Policies

(1) Valuation standard and method for assets

Investment securities

Other Securities

Stocks without market quotations

Valued at cost accounting method based on the moving average method.

(2) Depreciation method for non-current assets

(i) Property, plant, and equipment (including trust assets)

The straight-line method is used.

The useful lives of property, plant and equipment are listed below.

Buildings	2 to 75 years
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Structures	2 to 58 years
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Tools, furniture, and fixtures	2 to 15 years
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(ii) Intangible assets

The straight-line method is used.

(3) Accounting for deferred assets

Investment corporation bond issuance costs

Investment corporation bond issuance costs are amortized by the straight-line method over the period through redemption.

(4) Accounting for income and expenses

(i) Accounting for property taxes

Concerning fixed property tax, city planning tax, depreciated asset tax, etc. on real estate, etc. owned, of the tax amount levied and determined, the method of accounting for the amount corresponding to the concerned fiscal period as expenses related to real estate leasing business is adopted.

In acquiring real estate or trust beneficiary rights that have real estate as assets in trust, the amount equivalent to fixed property taxes, etc. for the year of acquisition is included in the acquisition cost. The amount equivalent to fixed property tax, etc. included in the cost of acquisition of real estate, etc. is not applicable in current period and in the previous period.

(ii) Revenue recognition policy

The following is a description of JLF's principal performance obligations with respect to revenue arising from contracts with customers and the normal point in time at which such performance obligations are satisfied (the normal point in time at which revenue is recognized).

(a) Sales of real estate and other assets

Revenue from sales of real estate and other assets is recognized when the customer, the buyer, obtains control of the real estate and other assets by fulfilling delivery obligations stipulated in the contract for the sale of real estate and other assets.

(b) Utility revenues

Utility revenues are recognized based on the electricity, water, and other supplies to the lessee, which is the customer, in accordance with the real estate lease contract and related agreements.

For those utilities revenues for which JLF is determined to be an agent, JLF recognizes revenues at the net amount received as charges for electricity, water, etc. supplied by another party, less the amount paid to such other party.

(5) Hedge accounting method

- (i) Hedge accounting method
Deferred hedge accounting is applied.
However, specially designated accounting is applied to transactions that meet the requirements for specially designated accounting for interest swaps.
 - (ii) Hedging instruments and hedged items
Hedging instruments: Interest rate swap transactions
Hedged items: Interest on borrowings
 - (iii) Hedging policy
JLF utilizes derivative transactions to hedge the risks specified in the Articles of Incorporation of the Investment Corporation based on its risk management policy.
 - (iv) Method of assessing hedge effectiveness
Hedge effectiveness is assessed by making a comparison between the cumulative total of cash flow fluctuations attributable to hedged items and the cumulative total of cash flow fluctuations attributable to the means of hedging, and examining the ratio of these totals of fluctuations. However, the assessment of effectiveness is not conducted for transactions that meet the requirements for specially designated accounting for interest swaps.
- (6) Scope of cash and cash equivalents in the statement of cash flows
Cash and cash equivalents consist of cash on hand, cash in trust, deposits, and deposits in trust withdrawable on demand, and short-term investments, which are easily convertible into cash, with low risk of price fluctuation and with a maturity of less than three months.
- (7) Other significant basis for preparation of financial statements
Accounting for trust beneficiary right for real estate, etc. as trust asset
Regarding trust beneficiary right for real estate, etc. held as trust asset, all assets, and liabilities as well as all revenue and expense items associated with trust assets are accounted for under the respective account items of the Balance Sheet and Statement of Income and Retained Earnings.
Of the trust assets accounted for under the respective account items, the following items with significance are separately indicated on the Balance Sheet.
- (a) Cash and deposits in trust
 - (b) Buildings in trust, Structures in trust, Tools, furniture and fixtures in trust, and Land in trust
 - (c) Tenant leasehold and security deposits in trust

4. Notes to Balance Sheet

(1) Commitment line contracts

The Company has the commitment line contracts with the banks.

	(Thousands of yen)	
	As of July 31, 2023	As of January 31, 2023
Total amount specified in the commitment line contracts	31,900,000	31,900,000
Borrowing balance at end of period	-	-
Outstanding borrowing commitments at end of period	31,900,000	31,900,000

(2) Status of cancellation of own investment units

	As of July 31, 2023	As of January 31, 2023
Total number own investment units cancelled	19,927 units	19,927 units
Total amount of cancellation	4,436,262 thousand yen	4,436,262 thousand yen

(Note) There are no cancellation of own investment units during the six-month period under review.

(3) The breakdown of reserve for reduction entry of special provisions of replaced property prescribed in Article 2, Paragraph 2, Item 28 of the Ordinance on Accounting of Investment Corporations is as follows:

Items	Breakdown	
Corresponding property	Ichikawa Logistics Center II / land	
Reason for recognition and amount	Gain on sales of real estate properties of 2,618,320 thousand yen due to sales of Funabashi Nishiura Logistics Center II and Yokosuka Logistics Center.	
Policy for reversal	Reversal into retained earnings is made in accordance with tax regulations.	
Description of reversal in the period	Not applicable.	
	As of July 31, 2023	As of January 31, 2023
Balance before provision and reversal in the period	2,219,363 thousand yen	2,219,363 thousand yen
Reversal in the statement of income and retained earnings	-	-
Amount on the balance sheet	2,219,363 thousand yen	2,219,363 thousand yen
Provision as disclosed in 22. Distribution Information	-	-
Reversal as disclosed in 22. Distribution Information	-	-
Balance after provision and reversal in the period	2,219,363 thousand yen	2,219,363 thousand yen

(4) Minimum amount of net assets prescribed in Article 67, Item 4 of the Investment Trusts Act

(Thousands of yen)		
	As of July 31, 2023	As of January 31, 2023
	50,000	50,000

5. Notes to Statement of Income and Retained Earnings

Breakdown of income from real estate leasing business

	(Thousands of yen)	
	For the six-month period ended July 31, 2023	For the six-month period ended January 31, 2023
(i) Real estate leasing business revenue		
Rent revenue-real estate		
Rent income	9,543,055	9,506,404
Land rents received	600	600
Facility charges	259,485	256,622
Other lease business revenue		
Parking charges	31,205	30,660
Utilities charges	282,072	345,864
Other operating income	22,650	15,996
Total real estate leasing business revenue	10,139,068	10,156,148
(ii) Real estate leasing business expenses		
Expenses related to rent business		
Taxes and dues	896,540	827,160
Outsourcing service expenses	286,459	287,328
Utilities expenses	302,791	375,711
Repair expenses	331,651	257,747
Insurance expenses	26,557	26,425
Other expenses related to rent business	92,002	71,294
Depreciation	1,899,271	1,937,627
Loss on retirement of non-current assets	17,203	14,590
Total real estate leasing business expenses	3,852,478	3,797,885
(iii) Income from real estate leasing business		
((i) - (ii))	6,286,590	6,358,262

6. Notes to Statement of Changes in Net Assets

Total number of investment units authorized and total number of investment units issued and outstanding

	For the six-month period ended July 31, 2023	For the six-month period ended January 31, 2023
Total number of investment units authorized	10,000,000 units	10,000,000 units
Total number of investment units issued and outstanding	934,000 units	934,000 units

7. Notes to Statement of Cash Flows

Relationship between cash and cash equivalents at end of period and the amount on the balance sheet

	(Thousands of yen)	
	For the six-month period ended July 31, 2023	For the six-month period ended January 31, 2023
Cash and deposits	10,089,756	8,120,116
Cash and deposits in trust	4,860,454	4,878,672
Long-term deposits received (Note)	-196,239	-194,945
Cash and cash equivalents	14,753,971	12,803,843

(Note) "Long-term deposits received" means the deposits for which the withdrawal is restricted based on the co-ownership agreement for the property in trust.

8. Lease Transactions

Operating lease transactions (as a lessor)

	(Thousands of yen)	
	For the six-month period ended July 31, 2023	For the six-month period ended January 31, 2023
Future lease payments receivable		
Due within one year	16,762,206	17,289,231
Due after one year	43,015,870	49,022,353
Total	59,778,076	66,311,585

9. Financial Instruments

(1) Matters concerning the status of financial instruments

(i) Policies on financial instruments

JLF procures funds mainly by additionally issuing investment units, borrowing funds, or issuing investment corporation bonds for the purpose of securing funds required for acquisition of assets and repair of assets, payments of dividends, and operation of JLF or repayment of debts.

When procuring funds through interest-bearing debt, JLF comprehensively takes into account the conditions in the capital market and the financial environment, the capital structure of JLF and lease terms with tenants, impact on the existing unitholders, and other factors, expects the future changes in economic and social conditions, and selects an effective means of procuring funds in terms of long or short borrowing periods and fixed or variable interest rates.

JLF uses derivative transactions for the purpose of hedging interest rate fluctuation risk and other risks and does not enter into derivative transactions for speculative or trading purpose.

JLF invests surplus funds in securities and monetary claims with a focus on safety and liquidity, and does not engage into speculative investment.

(ii) Description of financial instruments and associated risks, and the risk management system

Deposits are one means of investing the surplus funds of JLF and are exposed to credit risk such as the bankruptcy of deposit financial institutions. JLF works to mitigate credit risk by shortening the period of deposits and dealing with deposit financial institutions with high credit ratings.

Borrowings and investment corporation bonds are used primarily for acquisition of assets and repayments of debts, and are exposed to liquidity risk at the time of repayment/redemption. JLF strives to mitigate liquidity risk by diversifying lenders, repayment periods, and means of funds procurement and by securing liquidity on hand by setting commitment lines and manages liquidity risk by preparing cash flow management sheets and other methods.

Variable interest rate borrowings are exposed to the risk of interest rate fluctuations. Derivative transactions are utilized for certain borrowings as hedges by JLF to mitigate this risk. See "(5) Hedge accounting method" above under "Summary of Significant Accounting Policies" for details about the hedging instruments, hedged items, hedging policy, and method of assessing hedge effectiveness, etc. in hedge accounting.

(iii) Description of financial instruments

Fair value of financial instruments comprises value based on market prices or rationally calculated value in the case the market prices are not available. As certain assumptions are applied in performing calculations of such value, the value may differ if different assumptions are used. In addition, the contract amount of derivative transactions, which is presented in the following section entitled "Derivatives," is not indicative of the market risk attributable to derivative transactions.

(2) Matters concerning fair value, etc. of financial instruments

Carrying amount, fair value and their differences as of July 31, 2023 are as follows. Notes to "Cash and bank deposits" and "Cash and bank deposits in trust" are omitted because the fair value approximates the book value due to cash and short-term settlements.

	(Thousands of yen)		
	Amount on the balance sheet	Fair value	Difference
(1) Current portion of long-term borrowings	15,500,000	15,592,821	92,821
(2) Investment corporation bond	13,700,000	13,681,856	-18,143
(3) Long-term borrowings	90,500,000	90,588,572	88,572
Total liabilities	119,700,000	119,863,250	163,250
Derivative transactions *	38,372	38,372	-

*Net amounts are shown for credits and liabilities attributable to derivative transactions, and the total of the items that constitute net liabilities is shown in negative.

Carrying amount, fair value and their differences as of January 31, 2023 are as follows. Notes to "Cash and bank deposits" and "Cash and bank deposits in trust" are omitted because the fair value approximates the book value due to cash and short-term settlements.

(Thousands of yen)

	Amount on the balance sheet	Fair value	Difference
(1) Current portion of long-term borrowings	16,500,000	16,616,023	116,023
(2) Investment corporation bond	13,700,000	13,646,909	-53,090
(3) Long-term borrowings	89,500,000	90,012,522	512,522
Total liabilities	119,700,000	120,275,455	575,455
Derivative transactions *	93,005	93,005	-

*Net amounts are shown for credits and liabilities attributable to derivative transactions, and the total of the items that constitute net liabilities is shown in negative.

(Note 1) Matters concerning the method of calculating the market value of financial instruments and derivative transactions.

(1) Current portion of long-term borrowings, (3) Long-term borrowings

The fair value of long-term borrowings with fixed interest rates is calculated by discounting such borrowings at rates that would be applied if new borrowings with the same amount are borrowed under similar terms and conditions. (However, long-term borrowings that are subject to specially designated accounting for interest swaps are calculated by discounting such borrowings at reasonably estimated rates that would be applied if new borrowings with the same amount are borrowed under similar terms and conditions.

(2) Investment corporation bond

When quoted market prices are available, the fair value is determined based on the reference value issued by the Japan Securities Dealers Association.

When quoted market prices are not available, the fair value is determined based on the present value calculated by discounting the total amount of principal and interest using a discount rate that reflects the remaining period and credit risk of the corresponding investment corporation bond.

Derivative transactions

See "Derivatives" below.

(Note 2) Lease and guarantee deposited and lease and guarantee deposited in trust are omitted due to immateriality.

(Note 3) Carrying amount of stocks without market quotation on the balance sheet

	As of July 31, 2023	As of January 31, 2023
Investment securities	7,550	7,550

Investment securities

The balance sheet amounts shown above are not subject to disclosure of fair value in accordance with Paragraph 5 of the "Guidance on Disclosures about Fair Value of Financial Instruments" (ASBJ Guidance No. 19, March 31, 2020).

(Note 4) Scheduled repayment amount of long-term borrowings and other interest-bearing debt after the closing date

As of July 31, 2023

(Thousands of yen)

	Within 1 year	1~2 years	2~3 years	3~4 years	4~5 years	After 5 years
Long-term borrowings	15,500,000	6,500,000	11,500,000	14,500,000	14,000,000	44,000,000
Investment corporation bond	-	-	3,000,000	2,000,000	1,700,000	7,000,000
Total	15,500,000	6,500,000	14,500,000	16,500,000	15,700,000	51,000,000

As of January 31, 2023

(Thousands of yen)

	Within 1 year	1~2 years	2~3 years	3~4 years	4~5 years	After 5 years
Long-term borrowings	16,500,000	6,500,000	12,000,000	9,500,000	17,500,000	44,000,000
Investment corporation bond	-	-	3,000,000	-	2,000,000	8,700,000
Total	16,500,000	6,500,000	15,000,000	9,500,000	19,500,000	52,700,000

10. Derivatives

(1) Transactions not subject to hedge accounting

Not applicable for the six-month periods ended July 31, 2023 and January 31, 2023.

(2) Transactions subject to hedge accounting

For the six-month period ended July 31, 2023

The following table shows the contract amount on the closing date for derivative transactions, or the amount corresponding to the principal specified in the contract.

Hedge accounting method	Type of derivative transactions	Primary hedged items	Contract amount (Thousands of yen)		Fair value (Thousands of yen)	Method used to calculate the fair value
				Amount over one year		
Deferred hedge accounting	Interest rate swap transactions Receive variable, pay fixed	Long-term borrowings	7,000,000	7,000,000	38,372	Based on prices and other conditions presented by financial institutions
Special treatment for hedge accounting of interest rate swaps	Interest rate swap transactions Receive variable, pay fixed	Long-term borrowings	6,000,000	3,000,000	*	-

* Because the interest rate swaps accounted for using the special treatment are treated together with the hedged long-term borrowings, their fair value is included in that of the long-term borrowings.

For the six-month period ended January 31, 2023

The following table shows the contract amount on the closing date for derivative transactions, or the amount corresponding to the principal specified in the contract.

Hedge accounting method	Type of derivative transactions	Primary hedged items	Contract amount (Thousands of yen)		Fair value (Thousands of yen)	Method used to calculate the fair value
				Amount over one year		
Deferred hedge accounting	Interest rate swap transactions Receive variable, pay fixed	Long-term borrowings	7,000,000	7,000,000	93,005	Based on prices and other conditions presented by financial institutions
Special treatment for hedge accounting of interest rate swaps	Interest rate swap transactions Receive variable, pay fixed	Long-term borrowings	6,000,000	4,000,000	*	-

* Because the interest rate swaps accounted for using the special treatment are treated together with the hedged long-term borrowings, their fair value is included in that of the long-term borrowings.

11. Tax Effect Accounting

(1) Breakdown of major causes of deferred tax assets and deferred tax liabilities

	(Thousands of yen)	
	As of July 31, 2023	As of January 31, 2023
Deferred tax assets, current		
Enterprise tax not deductible	7	20
Subtotal deferred tax, current	7	20
Total deferred tax assets, current	7	20
Deferred tax assets, net, current	7	20

(2) Breakdown by major cause of material difference between the effective statutory tax rate and the effective tax rate after applying tax effect accounting

	As of July 31, 2023	As of January 31, 2023
Effective statutory tax rate	31.46%	31.46%
Adjustments		
Deductible cash distributions	-31.46%	-31.45%
Other	0.02%	0.01%
Effective tax rate after applying tax effect accounting	0.02%	0.02%

12. Transactions with Related Parties

(1) Parent company and principal corporate unitholders

Not applicable to the six-month period ended July 31, 2023 and the six-month period ended January 31, 2023.

(2) Subsidiaries and affiliates

Not applicable to the six-month period ended July 31, 2023 and the six-month period ended January 31, 2023.

(3) Sister companies

Not applicable to the six-month period ended July 31, 2023 and the six-month period ended January 31, 2023.

(4) Directors and principal individual unitholders

For the six-month period ended July 31, 2023

Classification	Name of company or individual	Address	Paid-in capital or investment	Business description or occupation	Voting rights holding ratio	Nature of transaction	Transaction amount (Thousands of yen)	Account	Balance at end of period (Thousands of yen)
Director or the close relative	Naohiro Kameoka	-	-	Executive Director of Japan Logistics Fund, Inc. and President & CEO of Mitsui & Co., Logistics Partners Ltd.	-	Payment of asset management fee to Mitsui & Co., Logistics Partners Ltd. (Note 1)	895,572 (Note 2)	Accrued expenses	985,129 (Note 2)

(Note 1) This is a transaction executed by Naohiro Kameoka as President of a third party (Mitsui & Co., Logistics Partners Ltd.), and the fee is in line with the Articles of Incorporation of JLF.

(Note 2) Of the above amounts, the transaction amount does not include consumption taxes while the balance at the end of the six-month period does.

For the six-month period ended January 31, 2023

Classification	Name of company or individual	Address	Paid-in capital or investment	Business description or occupation	Voting rights holding ratio	Nature of transaction	Transaction amount (Thousands of yen)	Account	Balance at end of period (Thousands of yen)
Director or the close relative	Naohiro Kameoka	-	-	Executive Director of Japan Logistics Fund, Inc. and President & CEO of Mitsui & Co., Logistics Partners Ltd.	-	Payment of asset management fee to Mitsui & Co., Logistics Partners Ltd. (Note 1)	921,643 (Note 2)	Accrued expenses	964,667 (Note 2)

(Note 1) This is a transaction executed by Naohiro Kameoka as President of a third party (Mitsui & Co., Logistics Partners Ltd.), and the fee is in line with the Articles of Incorporation of JLF.

(Note 2) Of the above amounts, the transaction amount does not include consumption taxes while the balance at the end of the six-month period does.

13. Lease Properties

JLF holds logistics properties for lease in the Tokyo Metropolitan area and other areas. The amounts on the Balance Sheet, changes during the fiscal period, and fair value of lease properties are as follows:

(Thousands of yen)

	For the six-month period ended July 31, 2023	For the six-month period ended January 31, 2023
Amount on the balance sheet		
Balance at the beginning of the period	260,521,093	255,519,741
Changes during the period	-1,501,358	5,001,351
Balance at the end of the period	259,019,734	260,521,093

Fair value at the end of the period	409,550,000	408,710,000
(Note 1)	The amount on the balance sheet is acquisition cost less accumulated depreciation. The amount on the balance sheet does not include the amount of the construction in progress.	
(Note 2)	The increase of the lease properties in the six-month period ended January 31, 2023 is mainly by construction on the OBR of Urayasu Logistics Center (6,419,881 thousand yen).	
(Note 3)	The fair value at the end of the six-month period is the appraisal value provided by an outside real estate appraiser.	
The income concerning lease properties, etc. for the six-month period ended July 31, 2023 and the six-month period ended January 31, 2023 is indicated under "Notes to Statement of Income and Retained Earnings" above.		

14. Revenue Recognition

For the six-month period ended July 31, 2023

(i) Information on the breakdown of revenue from contracts with customers

(Thousands of yen)

	Revenue from contracts with customers (Note)	Sales to external customers
Sale of real estate, etc.	-	-
Utility revenues	282,072	282,072
Other	-	9,856,996
Total	282,072	10,139,068

(Note) Rental business income and other income subject to ASBJ Statement No. 13 "Accounting Standard for Lease Transactions" is not included in "Revenue from Contracts with Customers" because the revenue recognition accounting standard does not apply to such income. Revenues from contracts with customers mainly include revenues from sales of real estate and utilities.

(ii) Information that provides a basis for understanding revenue from contracts with customers.

For the six-month period ended July 31, 2023, as described in the Notes to Summary of Significant Accounting Policies.

(iii) Information about the relationship between the satisfaction of performance obligations under contracts with customers and cash flows from such contracts, and the amount and timing of revenue expected to be recognized in subsequent periods from contracts with customers that existed at the end of the current period.

A. Outstanding contract assets and liabilities, etc.

(Thousands of yen)

	For the six-month period ended July 31, 2023
Receivables arising from contracts with customers (beginning balance)	74,617
Receivables arising from contracts with customers (ending balance)	65,724
Contract assets (beginning balance)	-
Contract assets (ending balance)	-
Contract liabilities (beginning balance)	-
Contract liabilities (ending balance)	-

B. Transaction price allocated to remaining performance obligations

Not applicable.

JLF has the right to receive from the customer the amount of consideration that directly corresponds to the value for the customer, as the lessee, for the portion of the performance completed by the end of the fiscal period, and therefore, in accordance with Paragraph 19 of the Implementation Guidance of the Accounting Standard for Revenue Recognition, JLF has recognized revenue at the amount it has the right to claim. Accordingly, the provisions of paragraph 80-22(2) of

the Accounting Standard for Revenue Recognition have been applied and the transaction price allocated to the remaining performance obligations has not been included in the notes to the financial statements.

For the six-month period ended January 31, 2023

(i) Information on the breakdown of revenue from contracts with customers

(Thousands of yen)

	Revenue from contracts with customers (Note)	Sales to external customers
Sale of real estate, etc.	-	-
Utility revenues	345,864	345,864
Other	-	9,810,283
Total	345,864	10,156,148

(Note) Rental business income and other income subject to ASBJ Statement No. 13 "Accounting Standard for Lease Transactions" is not included in "Revenue from Contracts with Customers" because the revenue recognition accounting standard does not apply to such income. Revenues from contracts with customers mainly include revenues from sales of real estate and utilities.

(ii) Information that provides a basis for understanding revenue from contracts with customers.

For the six-month period ended January 31, 2023, as described in the Notes to Summary of Significant Accounting Policies.

(iii) Information about the relationship between the satisfaction of performance obligations under contracts with customers and cash flows from such contracts, and the amount and timing of revenue expected to be recognized in subsequent periods from contracts with customers that existed at the end of the current period.

A. Outstanding contract assets and liabilities, etc.

(Thousands of yen)

	For the six-month period ended January 31, 2023
Receivables arising from contracts with customers (beginning balance)	63,781
Receivables arising from contracts with customers (ending balance)	74,617
Contract assets (beginning balance)	-
Contract assets (ending balance)	-
Contract liabilities (beginning balance)	-
Contract liabilities (ending balance)	-

B. Transaction price allocated to remaining performance obligations

Not applicable.

JLF has the right to receive from the customer the amount of consideration that directly corresponds to the value for the customer, as the lessee, for the portion of the performance completed by the end of the fiscal period, and therefore, in accordance with Paragraph 19 of the Implementation Guidance of the Accounting Standard for Revenue Recognition, JLF has recognized revenue at the amount it has the right to claim. Accordingly, the provisions of paragraph 80-22(2) of the Accounting Standard for Revenue Recognition have been applied and the transaction price allocated to the remaining performance obligations has not been included in the notes to the financial statements.

15. Segment Information

(1) Segment information

Description is omitted as JLF engages in a single segment of the real estate leasing business.

(2) Related information

For the six-month period ended July 31, 2023

A. Information by product and service

Description is omitted as net sales for external customers in a single product/service category exceed 90% of the operating revenue on Statement of Income and Retained Earnings.

B. Information by region

(a) Net sales

Description is omitted as net sales for external customers in Japan exceed 90% of the operating revenue on the Statement of Income and Retained Earnings.

(b) Property, plant, and equipment

Description is omitted as the amount of property, plant, and equipment located in Japan exceeds 90% of the property, plant, and equipment on the Balance Sheet.

C. Information by major tenant

Description is omitted as net sales for all single external customers are less than 10% of the operating revenue on the Statement of Income and Retained Earnings.

For the six-month period ended January 31, 2023

A. Information by product and service

Description is omitted as net sales for external customers in a single product/service category exceed 90% of the operating revenue on Statement of Income and Retained Earnings.

B. Information by region

(a) Net sales

Description is omitted as net sales for external customers in Japan exceed 90% of the operating revenue on the Statement of Income and Retained Earnings.

(b) Property, plant, and equipment

Description is omitted as the amount of property, plant, and equipment located in Japan exceeds 90% of the property, plant, and equipment on the Balance Sheet.

C. Information by major tenant

Description is omitted as net sales for all single external customers are less than 10% of the operating revenue on the Statement of Income and Retained Earnings.

16. Per Unit Information

	For the six-month period ended July 31, 2023	For the six-month period ended January 31, 2023
Net assets per unit	153,419 yen	153,562 yen
Profit per unit	5,150 yen	5,235 yen

(Note 1) Profit per unit was calculated by dividing profit by average number of investment units during period.

Diluted profit per unit is not stated as there are no dilutive investment units.

(Note 2) The calculation of profit per unit is based on the following.

(Thousands of yen)

	For the six-month period ended July 31, 2023	For the six-month period ended January 31, 2023
Profit	4,810,817	4,889,774
Amount not attributable to common unitholders	-	-
Profit pertaining to common investment units	4,810,817	4,889,774
Average number of investment units during period	934,000 units	934,000 units

17. Significant Subsequent Events

Not applicable.

18. Securities

(1) Stocks

Name of stock	Number of shares	Acquisition price (Thousands of yen)		Fair value (Thousands of yen) (Note 2)		Unrealized gain/loss (Thousands of yen)	Remarks
		Per share	Total	Per share	Total		
Kuki Shobu Industrial Park Management Center (Note 1)	7,550	1	7,550	1	7,550	-	-

(Note 1) In connection with the acquisition of the Kuki Logistics Center, JLF acquired shares in accordance with the share handling rules of the industrial park management company in which the property is located, in proportion to the land holding area.

(Note 2) As the shares are unlisted, the book value is shown.

(2) Securities other than stocks

Not applicable.

19. Contract Amounts and Fair Value of Derivative Transactions

(Thousands of yen)

Classification	Type of derivative transactions	Contract amount (Note 1)		Fair value (Note 2) (Note 3)
			Amount over one year	
Over-the-counter	Interest rate swap transactions Receive variable, pay fixed	13,000,000	10,000,000	38,372
Total		13,000,000	10,000,000	38,372

(Note 1) The contract amount represents the notional principal amount of the interest rate swaps.

(Note 2) The fair value is calculated based on prices and other conditions presented by counterparty of the agreement.

(Note 3) In the amount of fair value, the transactions for which special treatment for interest rate swaps is applied in accordance with Accounting Standard for Financial Instruments (ASBJ Statement No. 10 issued on July 4, 2019) are not carried at fair value in the Balance Sheet.

20. Property, Plant and Equipment, and Intangible Assets

(Thousands of yen)

Type of asset		Balance at beginning of the period	Amount of increase during the period	Amount of decrease during the period	Balance at end of the period	Accumulated depreciation / Accumulated amortization		Net balance at end of the period	Remarks
							Depreciation and amortization		
Property, plant and equipment	Buildings (including accompanying facilities)	19,858,063	29,257	2,596	19,884,724	4,357,769	264,610	15,526,954	
	Structures	613,888	—	—	613,888	194,375	12,754	419,512	
	Tools, furniture and fixtures	19,516	—	—	19,516	7,366	1,416	12,149	
	Land	13,486,139	—	—	13,486,139	—	—	13,486,139	
	Construction in progress	3,343	—	3,343	—	—	—	—	
	Buildings in trust (including accompanying facilities in trust)	134,212,301	381,576	101,671	134,492,206	37,906,717	1,552,035	96,585,489	
	Structures in trust	3,801,025	3,819	429	3,804,415	1,714,541	66,487	2,089,873	
	Tools, furniture and fixtures in trust	52,577	464	—	53,041	29,132	1,966	23,909	
	Land in trust	130,875,705	—	—	130,875,705	—	—	130,875,705	
	Subtotal	302,922,562	415,117	108,041	303,229,638	44,209,904	1,899,271	259,019,734	
Intangible assets		9,344	—	—	9,344	5,561	888	3,782	
Total		302,931,906	415,117	108,041	303,238,983	44,215,465	1,900,160	259,023,517	

21. Investment Corporation Bond

Issue	Issue date	Balance at beginning of the period (Thousands of yen)	Amount of increase during the period (Thousands of yen)	Amount of decrease during the period (Thousands of yen)	Balance at end of the period (Thousands of yen)	Interest rate	Redemption maturity date	Use	Collateral
#2 nd Unsecured Investment Corporation Bond	December 27, 2013	3,000,000	-	-	3,000,000	1.28000%	December 26, 2025	(Note 1)	(Note 2)
#3 rd Unsecured Investment Corporation Bond	March 12, 2014	3,000,000	-	-	3,000,000	1.62000%	March 12, 2029	(Note 1)	(Note 2)
#4 th Unsecured Investment Corporation Bond	February 8, 2016	1,700,000	-	-	1,700,000	0.53500%	February 8, 2028	(Note 1)	(Note 2)
#5 th Unsecured Investment Corporation Bond	April 20, 2017	2,000,000	-	-	2,000,000	0.48000%	April 20, 2027	(Note 1)	(Note 2)
#6 th Unsecured Investment Corporation Bond	November 18, 2019	2,000,000	-	-	2,000,000	0.53000%	November 16, 2029	(Note 1)	(Note 2)
#7 th Unsecured Investment Corporation Bond	April 26, 2021	2,000,000	-	-	2,000,000	0.49000%	April 25, 2031	(Note 1)	(Note 2)
Total		13,700,000	-	-	13,700,000				

(Note 1) The funds are used for the repayment of borrowings.

(Note 2) This investment corporation bond is equipped with the same rank rider limited among certain investment corporation bonds.

(Note 3) The redemption schedule of investment corporation bond for each of the five years after the balance sheet date is as follows:

(Thousands of yen)

	Within 1 year	Due after 1 year, but within 2 years	Due after 2 years, but within 3 years	Due after 3 years, but within 4 years	Due after 4 years, but within 5 years
Investment corporation bond	-	-	3,000,000	2,000,000	1,700,000

22. Borrowings

Classification (Lender)		Borrowing date	Balance at beginning of period (Thousands of yen)	Amount of increase during the period (Thousands of yen)	Amount of decrease during the period (Thousands of yen)	Balance at end of period (Thousands of yen)	Average interest rate (Note 1)	Repayment due date	Use	Remarks
Current portion of long-term borrowings	Sumitomo Mitsui Banking Corporation	February 28, 2013	2,000,000	-	2,000,000	-	1.11125%	February 28, 2023	(Note 2)	Unsecured/ Non-guaranteed
	Nippon Life Insurance Company	February 28, 2013	500,000	-	500,000	-	1.18125%	February 28, 2023	(Note 2)	Unsecured/ Non-guaranteed
	Development Bank of Japan Inc.	March 11, 2013	-	2,000,000	-	2,000,000	1.25000%	February 29, 2024	(Note 2)	Unsecured/ Non-guaranteed
	Sumitomo Mitsui Banking Corporation	December 27, 2013	3,000,000	-	-	3,000,000	1.29625%	December 27, 2023	(Note 2)	Unsecured/ Non-guaranteed
	Sumitomo Mitsui Trust Bank, Limited		1,500,000	-	-	1,500,000				
	Development Bank of Japan Inc.		1,000,000	-	-	1,000,000				
	Nippon Life Insurance Company		500,000	-	-	500,000				
	Sumitomo Mitsui Banking Corporation	February 25, 2014	3,000,000	-	3,000,000	-	1.04875%	February 28, 2023	(Note 2)	Unsecured/ Non-guaranteed
	Nippon Life Insurance Company	March 24, 2014	-	2,500,000	-	2,500,000	1.04000%	February 29, 2024	(Note 2)	Unsecured/ Non-guaranteed
	Sumitomo Mitsui Trust Bank, Limited	March 31, 2015	-	1,000,000	-	1,000,000	0.59000%	March 29, 2024	(Note 2)	Unsecured/ Non-guaranteed
	Sumitomo Mitsui Trust Bank, Limited	December 4, 2015	2,000,000	-	-	2,000,000	0.45075%	November 30, 2023	(Note 2)	Unsecured/ Non-guaranteed
	Mitsui Sumitomo Insurance Company, Limited	September 30, 2016	1,000,000	-	-	1,000,000	0.20000%	September 29, 2023	(Note 2)	Unsecured/ Non-guaranteed
	Mitsui Sumitomo Insurance Company, Limited	February 3, 2017	-	1,000,000	-	1,000,000	0.25875%	February 29, 2024	(Note 2)	Unsecured/ Non-guaranteed
	MUFG Bank, Ltd.	August 31, 2017	2,000,000	-	-	2,000,000	0.30000%	February 28, 2023	(Note 2)	Unsecured/ Non-guaranteed
	Subtotal		16,500,000	6,500,000	7,500,000	15,500,000				
Long-term borrowings	Development Bank of Japan Inc.	March 11, 2013	2,000,000	-	2,000,000	-	1.25000%	February 29, 2024	(Note 2)	Unsecured/ Non-guaranteed
	Nippon Life Insurance Company	March 24, 2014	2,500,000	-	2,500,000	-	1.04000%	February 29, 2024	(Note 2)	Unsecured/ Non-guaranteed
	Sumitomo Mitsui Trust Bank, Limited	March 31, 2015	1,000,000	-	1,000,000	-	0.59000%	March 29, 2024	(Note 2)	Unsecured/ Non-guaranteed

Classification (Lender)		Borrowing date	Balance at beginning of period (Thousands of yen)	Amount of increase during the period (Thousands of yen)	Amount of decrease during the period (Thousands of yen)	Balance at end of period (Thousands of yen)	Average interest rate (Note 1)	Repayment due date	Use	Remarks
Long-term borrowings	Sumitomo Mitsui Banking Corporation	March 31, 2015	1,000,000	-	-	1,000,000	0.77240%	March 31, 2025	(Note 2)	Unsecured/ Non-guaranteed
	The Bank of Fukuoka	December 4, 2015	500,000	-	-	500,000	0.52800%	November 28, 2025	(Note 2)	Unsecured/ Non-guaranteed
	Mizuho Trust & Banking Co., Ltd.	December 4, 2015	2,000,000	-	-	2,000,000	0.60250%	November 28, 2025	(Note 2)	Unsecured/ Non-guaranteed
	Mitsui Sumitomo Insurance Company, Limited	February 3, 2017	1,000,000	-	1,000,000	-	0.25875%	February 29, 2024	(Note 2)	Unsecured/ Non-guaranteed
	Resona Bank, Ltd.	February 3, 2017	2,000,000	-	-	2,000,000	0.46600%	February 3, 2027	(Note 2)	Unsecured/ Non-guaranteed
	The Bank of Fukuoka	March 15, 2017	2,000,000	-	-	2,000,000	0.38000%	March 31, 2027	(Note 2)	Unsecured/ Non-guaranteed
	Development Bank of Japan Inc.	March 15, 2017	2,500,000	-	-	2,500,000	0.55375%	March 31, 2028	(Note 2)	Unsecured/ Non-guaranteed
	Development Bank of Japan Inc.	March 15, 2017	2,500,000	-	-	2,500,000	0.60750%	March 30, 2029	(Note 2)	Unsecured/ Non-guaranteed
	Resona Bank, Ltd.	August 31, 2017	2,000,000	-	-	2,000,000	0.48205%	August 31, 2027	(Note 2)	Unsecured/ Non-guaranteed
	Sumitomo Mitsui Trust Bank, Limited	August 31, 2017	3,000,000	-	-	3,000,000	0.48205%	August 31, 2027	(Note 2)	Unsecured/ Non-guaranteed
	Development Bank of Japan Inc.	August 31, 2017	4,500,000	-	-	4,500,000	0.49313%	August 31, 2028	(Note 2)	Unsecured/ Non-guaranteed
	Development Bank of Japan Inc.	August 31, 2017	4,500,000	-	-	4,500,000	0.54375%	August 31, 2029	(Note 2)	Unsecured/ Non-guaranteed

Classification (Lender)		Borrowing date	Balance at beginning of period (Thousands of yen)	Amount of increase during the period (Thousands of yen)	Amount of decrease during the period (Thousands of yen)	Balance at end of period (Thousands of yen)	Average interest rate (Note 1)	Repayment due date	Use	Remarks
Long-term borrowings	MUFG Bank, Ltd.	September 28, 2018	5,000,000	-	-	5,000,000	0.65000%	September 30, 2027	(Note 2)	Unsecured/ Non-guaranteed
	Sumitomo Mitsui Trust Bank, Limited	March 26, 2019	3,500,000	-	-	3,500,000	0.36750%	March 26, 2025	(Note 2)	Unsecured/ Non-guaranteed
	Mizuho Bank, Ltd.	March 26, 2019	1,000,000	-	-	1,000,000	0.46005%	March 26, 2027	(Note 2)	Unsecured/ Non-guaranteed
	Mizuho Bank, Ltd.	August 31, 2020	2,000,000	-	-	2,000,000	0.47255%	August 31, 2028	(Note 2)	Unsecured/ Non-guaranteed
	Mizuho Bank, Ltd.	August 31, 2020	2,000,000	-	-	2,000,000	0.55875%	August 31, 2030	(Note 2)	Unsecured/ Non-guaranteed
	The 77 Bank, Ltd.	December 25, 2020	500,000	-	-	500,000	0.39255%	December 25, 2028	(Note 2)	Unsecured/ Non-guaranteed
	MUFG Bank, Ltd.	December 25, 2020	1,000,000	-	-	1,000,000	0.55000%	December 25, 2029	(Note 2)	Unsecured/ Non-guaranteed
	Mizuho Bank, Ltd.	December 25, 2020	1,500,000	-	-	1,500,000	0.48625%	December 25, 2030	(Note 2)	Unsecured/ Non-guaranteed
	Sumitomo Mitsui Banking Corporation	February 26, 2021	2,000,000	-	-	2,000,000	0.27830%	February 28, 2025	(Note 2)	Unsecured/ Non-guaranteed
	Sumitomo Mitsui Banking Corporation	February 26, 2021	2,000,000	-	-	2,000,000	0.47761%	August 31, 2028	(Note 2)	Unsecured/ Non-guaranteed
	Nippon Life Insurance Company	February 26, 2021	1,500,000	-	-	1,500,000	0.60000%	February 28, 2031	(Note 2)	Unsecured/ Non-guaranteed
	Nippon Life Insurance Company	May 31, 2021	1,500,000	-	-	1,500,000	0.55000%	February 28, 2031	(Note 2)	Unsecured/ Non-guaranteed
	Shinkin Central Bank	August 31, 2021	1,000,000	-	-	1,000,000	0.32000%	August 31, 2025	(Note 2)	Unsecured/ Non-guaranteed
	The Norinchukin Bank	August 31, 2021	1,000,000	-	-	1,000,000	0.42630%	August 31, 2029	(Note 2)	Unsecured/ Non-guaranteed
	Nippon Life Insurance Company	August 31, 2021	2,000,000	-	-	2,000,000	0.32000%	January 31, 2027	(Note 2)	Unsecured/ Non-guaranteed
	Sumitomo Mitsui Banking Corporation	September 30, 2021	2,000,000	-	-	2,000,000	0.26161%	September 30, 2025	(Note 2)	Unsecured/ Non-guaranteed
	Sumitomo Mitsui Banking Corporation	September 30, 2021	3,000,000	-	-	3,000,000	0.49576%	September 30, 2030	(Note 2)	Unsecured/ Non-guaranteed
	Sumitomo Mitsui Banking Corporation	February 28, 2022	2,000,000	-	-	2,000,000	0.35000%	February 28, 2026	(Note 2)	Unsecured/ Non-guaranteed
	MUFG Bank, Ltd.	February 28, 2022	2,500,000	-	-	2,500,000	0.37500%	August 31, 2026	(Note 2)	Unsecured/ Non-guaranteed
	Sumitomo Mitsui Trust Bank, Limited	February 28, 2022	1,000,000	-	-	1,000,000	0.41000%	February 29, 2028	(Note 2)	Unsecured/ Non-guaranteed
	Mizuho Bank, Ltd.	February 28, 2022	1,000,000	-	-	1,000,000	0.47875%	February 28, 2030	(Note 2)	Unsecured/ Non-guaranteed

Classification (Lender)		Borrowing date	Balance at beginning of period (Thousands of yen)	Amount of increase during the period (Thousands of yen)	Amount of decrease during the period (Thousands of yen)	Balance at end of period (Thousands of yen)	Average interest rate (Note 1)	Repayment due date	Use	Remarks
Long-term borrowings	Resona Bank, Ltd.	February 28, 2022	1,000,000	-	-	1,000,000	0.50000%	July 31, 2030	(Note 2)	Unsecured/ Non-guaranteed
	The 77 Bank, Ltd.	February 28, 2022	1,000,000	-	-	1,000,000	0.62000%	July 31, 2030	(Note 2)	Unsecured/ Non-guaranteed
	Kansai Mirai Bank, Limited	February 28, 2022	1,000,000	-	-	1,000,000	0.57000%	February 29, 2032	(Note 2)	Unsecured/ Non-guaranteed
	SBI Shinsei Bank, Limited (Note 3)	February 28, 2022	1,000,000	-	-	1,000,000	0.62000%	February 29, 2032	(Note 2)	Unsecured/ Non-guaranteed
	The Yamaguchi Bank, Ltd.	February 28, 2022	1,000,000	-	-	1,000,000	0.67000%	February 29, 2032	(Note 2)	Unsecured/ Non-guaranteed
	MUFG Bank, Ltd.	March 31, 2022	3,000,000	-	-	3,000,000	0.41000%	September 30, 2026	(Note 2)	Unsecured/ Non-guaranteed
	Sumitomo Mitsui Trust Bank, Limited	August 31, 2022	1,000,000	-	-	1,000,000	0.55000%	August 31, 2028	(Note 2)	Unsecured/ Non-guaranteed
	Nippon Life Insurance Company	August 31, 2022	1,000,000	-	-	1,000,000	0.68000%	August 31, 2030	(Note 2)	Unsecured/ Non-guaranteed
	Tokio Marine & Nichido Fire Insurance Co., Ltd.	August 31, 2022	2,000,000	-	-	2,000,000	0.41250%	February 28, 2027	(Note 2)	Unsecured/ Non-guaranteed
	MUFG Bank, Ltd.	September 30, 2022	3,000,000	-	-	3,000,000	0.83000%	March 31, 2030	(Note 2)	Unsecured/ Non-guaranteed
	SBI Shinsei Bank, Limited (Note 3)	September 30, 2022	1,000,000	-	-	1,000,000	0.76625%	September 30, 2030	(Note 2)	Unsecured/ Non-guaranteed
	Shinkin Central Bank	November 30, 2022	500,000	-	-	500,000	0.63000%	November 30, 2027	(Note 2)	Unsecured/ Non-guaranteed
	The Norinchukin Bank	November 30, 2022	1,000,000	-	-	1,000,000	0.82063%	May 31, 2030	(Note 2)	Unsecured/ Non-guaranteed
	Sumitomo Mitsui Banking Corporation	February 28, 2023	-	4,000,000	-	4,000,000	0.34250%	February 28, 2026	(Note 2)	Unsecured/ Non-guaranteed
	Nippon Life Insurance Company	February 28, 2023	-	500,000	-	500,000	1.13000%	August 31, 2032	(Note 2)	Unsecured/ Non-guaranteed
	MUFG Bank, Ltd.	February 28, 2023	-	2,000,000	-	2,000,000	0.89250%	February 28, 2029	(Note 2)	Unsecured/ Non-guaranteed
	The Norinchukin Bank	February 28, 2023	-	1,000,000	-	1,000,000	1.17625%	February 29, 2032	(Note 2)	Unsecured/ Non-guaranteed
	Subtotal		89,500,000	7,500,000	6,500,000	90,500,000				
Total			106,000,000	14,000,000	14,000,000	106,000,000				

(Note 1) The average interest rate indicates a weighted average of interest rates for the period. Regarding the borrowings hedged by interest rate swaps to avoid interest rate fluctuation risk, the average interest rate indicates a weighted average of interest rates adjusted by considering the effect of the interest rate swaps.

(Note 2) All the funds were used for the purchase of real estate properties or trust beneficiary rights of real estate, or repayment of borrowings.

(Note 3) Annual repayments of long-term borrowings (except for the current portion) scheduled for the next five years after the balance sheet date are as follows:

(Thousands of yen)				
	Due after 1 year, but within 2 years	Due after 2 years, but within 3 years	Due after 3 years, but within 4 years	Due after 4 years, but within 5 years
Long-term borrowings	6,500,000	11,500,000	14,500,000	14,000,000

23. Distribution Information

(Yen)		
	For the six-month period ended July 31, 2023	For the six-month period ended January 31, 2023
I. Unappropriated retained earnings	4,881,290,958	4,889,963,096
II. Distributions	4,811,034,000	4,889,490,000
(Distributions per unit)	(5,151)	(5,235)
III. Retained earnings to be carried forward	256,958	473,096
Method of calculation of distributions	<p>The amount of distribution is limited to the amount of income in accordance with the cash distribution policy stipulated in Article 39 (1) of the Articles of Incorporation of JLF, and shall exceed the amount equivalent to 90% of the distributable dividend amount of JLF provided in Article 67.15 of the Act on Special Measures Concerning Taxation. Based on this policy, JLF decided to distribute 4,811,034,000 yen, which is the maximum integral multiple of the total number of investment units issued and outstanding (934,000 units), in an amount not exceeding unappropriated retained earnings for the period.</p> <p>JLF does not make distributions in excess of earnings as stipulated in Article 39 (2) of the Articles of Incorporation of JLF.</p>	<p>The amount of distribution is limited to the amount of income in accordance with the cash distribution policy stipulated in Article 39 (1) of the Articles of Incorporation of JLF, and shall exceed the amount equivalent to 90% of the distributable dividend amount of JLF provided in Article 67.15 of the Act on Special Measures Concerning Taxation. Based on this policy, JLF decided to distribute 4,889,490,000 yen, which is the maximum integral multiple of the total number of investment units issued and outstanding (934,000 units), in an amount not exceeding unappropriated retained earnings for the period.</p> <p>JLF does not make distributions in excess of earnings as stipulated in Article 39 (2) of the Articles of Incorporation of JLF.</p>