Japan Logistics Fund, Inc.

February 19, 2016

For Immediate Release

Real Estate Investment Trust
Japan Logistics Fund, Inc.
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(Security Code: 8967)

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Notice Concerning the Amendment of Asset Management Guideline

Mitsui & Co., Logistics Partners Ltd. (hereafter referred to as "MLP"), the asset management company of Japan Logistics Fund Inc. (hereafter referred to as "JLF"), announced today that the board of directors of MLP has decided to amend its Asset Management Guideline as described below.

1. Contents of the Change
   Reflecting the change of situation surrounding soil contamination, MLP has decided to amend its Asset Management Guideline regarding "soil contamination", one of the key evaluation items in considering acquisition of real estate. (Please see details in Appendix.) This amendment allows JLF to purchase real estate with certain level of possibility of anthropogenic soil contamination, only if JLF can cap the potential economic losses arising from the contamination with insurance, etc. based on assurance by a soil investigation company. This amendment only intends to marshal the basic concept of economic losses arising from soil contamination, and does not intend to loosen investment criteria on the contamination.

2. Date of the Change
   February 19, 2016

[Appendix]

(End)

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

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

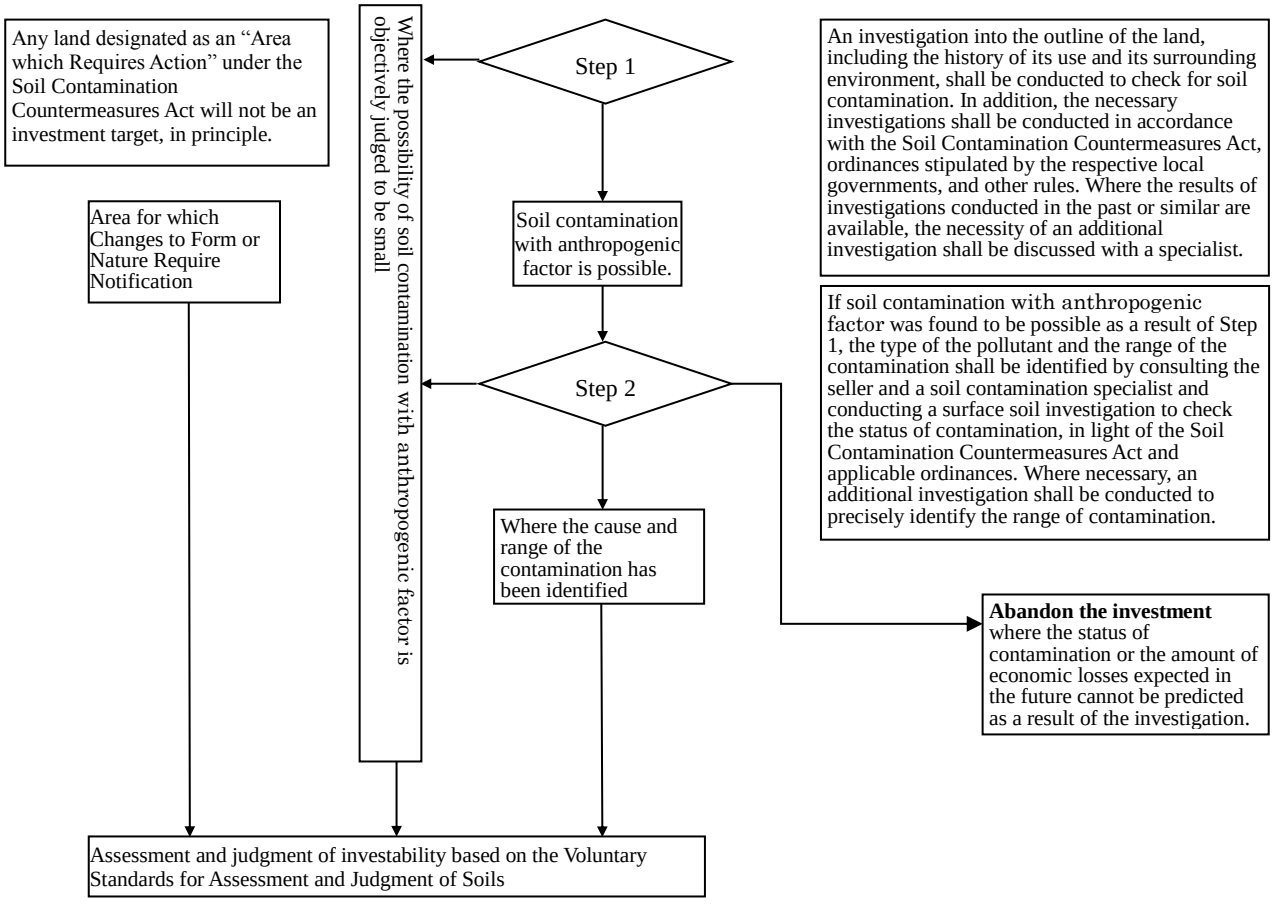
Contents of the changes (Underlined parts have been changed)

Before	After
2. Investment policy 1) (Omitted) 2) Investment stance B) Acquisition policy b. Key evaluation items vi) Soil Contamination Soils that may be acquired shall be limited to those which have been treated appropriately in accordance with the Soil Contamination Countermeasures Act (Act No. 53 of May 29, 2002; including all revisions that have been made thereafter (Note); hereinafter referred to as the "Soil Contamination Countermeasures Act"), environmental legislation, ordinances of local governments, and similar. Soils which have been treated in accordance with the above legislation but are found to be contaminated shall be subject to investigations and confirmation by external specialists concerning the details of the contamination, including its contents, range, and cause (anthropogenic factor or natural factor), and the investability of such soils shall be assessed and judged in accordance with the separately stipulated Voluntary Standards for Assessment and Judgment of Soils. The contents of these voluntary standards shall be reviewed as necessary in the case of revisions to legislation in the future. (Note) As a result of the revision to the Soil Contamination Countermeasures Act in April 2010, stipulations were added concerning areas designated as an "Area which Requires Action" and an "Area for which Changes to Form or Nature Require Notification." - Area which Requires Action An area which, as a result of an outline investigation of soil contamination, was confirmed to have contamination which will or may cause harm to human health and which will need to be subject to an action by the relevant local government, such as the removal of the contamination	2. Investment policy 1) (Omitted) 2) Investment stance B) Acquisition policy b. Key evaluation items (vi) Soil Contamination Soils that may be acquired shall be limited to (i) those which have been confirmed to be unlikely to have contamination with anthropogenic factor, in principle or (ii) those whose contamination with anthropogenic factor has been resolved appropriately in accordance with the Soil Contamination Countermeasures Act (Act No. 53 of May 29, 2002; including all revisions that have been made thereafter; hereinafter referred to as the "Soil Contamination Countermeasures Act"), other environmental legislation, ordinances of local governments, and similar. Any soil which falls under an "Area which Requires Action" as stipulated in the Soil Contamination Countermeasures Act shall not be acquired, in principle. However, investment may be made in a soil even if contamination with anthropogenic factor exists or the possibility of contamination with anthropogenic factor exceeds a certain limit, provided that, after investigation and confirmation of the soil concerning the details of its contamination, including its contents, range, and cause (whether it was caused by an anthropogenic factor or a natural factor), the soil falls under (i) one that has been treated appropriately in accordance with the Soil Contamination Countermeasures Act, other environmental legislation, ordinances of local governments, and similar; (ii) one about which the amount of economic losses expected in the future may be estimated reasonably because the cause and range of the contamination have been identified or for any other reason; (iii) one where the cause and range of the contamination cannot be identified but it is expected to be possible to set the upper limit of possible future economic losses, including the cost for treating

- Area for which Changes to Form or Nature Require Notification An area which, as a result of an outline investigation of soil contamination, was confirmed to have a level of contamination that will not cause harm to human health and which was designated by the relevant local government as an area for which changes to form or nature require notification	contamination, with insurance, etc. based on assurance by a soil investigation company or similar, *and* provided that such a soil is confirmed to satisfy the separately stipulated Voluntary Standards for Assessment and Judgment of Soils as a result of the assessment and judgment of its investability in light of the said standards. With regard to the said investigation and confirmation of the contamination, a surface soil investigation aimed at checking the status of contamination shall be conducted in light of the Soil Contamination Countermeasures Act and ordinances, through consultations with the seller, a specialist, and others, thereby identifying the types of the contaminants and the range of the contamination as much as possible, and where necessary, an additional investigation such as a groundwater investigation shall be conducted to identify the range of contamination as precisely as possible. The contents of the above voluntary standards shall be reviewed as necessary in the case of revisions to legislation in the future.
Voluntary Standards for Assessment and Judgment of Soils ■ That an appropriate measure has been taken for the soil contamination of the land so that a hazardous substance(s) discharged or scattered from the said land or its percolation into the groundwater will not have a negative impact on the internal or surrounding environment ■ That it is possible to predict the amount of cost for treating contamination to prepare for possible future contamination and that the profitability of the property is secured ■ That there is no concern that soil contamination of the land will affect its liquidation or cause a significant reduction in its property value when the land is sold in the future To prevent the soil assessment from being arbitrary and to ensure that it is appropriate, the investability of each property shall be judged by following the Soil Assessment Workflow below.	Voluntary Standards for Assessment and Judgment of Soils ■ That an appropriate measure has been taken for the soil contamination of the land so that a hazardous substance(s) discharged or scattered from the said land or its percolation into the groundwater will not affect the internal or surrounding environment, or that there is no concern about a negative impact on the internal or surrounding environment in light of the shape of the land, the pathway of the groundwater, the properties of the hazardous substance(s) existing in the contaminated land, and others ■ That it is possible to reasonably estimate the amount of cost for treating contamination to prepare for possible future contamination or to set the upper limit of the cost for treating contamination with insurance, etc. and that the profitability of the property is secured even if the said cost for treating contamination is assumed

	■ That there is no concern that soil contamination of the land will affect its liquidation or cause a significant reduction in its property value when the land is sold in the future To prevent the soil assessment from being arbitrary and to ensure that it is appropriate, the investability of each property shall be judged by following the Soil Assessment Workflow below, specifically.

Soil Assessment Workflow (Before the revision)



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Soil Assessment Workflow (After the revision)

