Japan Logistics Fund, Inc.

January 26, 2017

For Immediate Release

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

Asset Management Company
Mitsui & Co., Logistics Partners Ltd.
Representative: Keita Tanahashi
President
Contact: Ryota Sekiguchi
Deputy General Manager,
Corporate Planning &Finance Dept.
TEL +81-3-3238-7171

Notice Concerning Borrowing Capital

Japan Logistics Fund, Inc. (hereinafter referred to as "JLF") announced today that it has decided to raise funds through bank loans as detailed below:

1. Use of the Proceeds

Proceeds will be used to pay the acquisitions of trust beneficiary right of real estate and associated costs described in the "Notice Concerning Acquisition of a New Asset (Shinkiba Logistics Center II)" on July 28,2016 and "Notice Concerning Acquisition of a New Asset (Souka Logistics Center (Additional Portion))" on January 26,2017. In addition, proceeds will be used to repay an exitsting loan (please refer to "3. The bank loan to be repaid").

2. Details of the Loans

<table>
<tr><th>Lender</th><th>Amount of Loans</th><th>Debt Cost</th><th>Term of Maturity</th><th>Borrowing Date</th><th>Repayment Date</th></tr>
<tr><td>Nippon Life Insurance Company</td><td>3,000 million yen</td><td>Fixed (Note 1)</td><td>4 years</td><td rowspan="5">February 3, 2017</td><td>February 26, 2021</td></tr>
<tr><td>Shinkin Central Bank</td><td>1,000 million yen</td><td rowspan="2">1- month JPY TIBOR by Japanese Bankers Association (Note 2, Note 3) + 0.10%</td><td rowspan="2">4 years and 6 months</td><td rowspan="2">August 31, 2021</td></tr>
<tr><td>The Norinchukin Bank</td><td>1,000 million yen</td></tr>
<tr><td>Mitsui Sumitomo Insurance Co., Ltd.</td><td>1,000 million yen</td><td>Fixed (Note 1)</td><td>7 years</td><td>February 29, 2024</td></tr>
<tr><td>Resona Bank, Ltd.</td><td>2,000 million yen</td><td>1- month JPY TIBOR by Japanese Bankers Association (Note 2, Note 3) + 0.16%</td><td>10 years</td><td>February 3, 2027</td></tr>
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Lender	Amount of Loans	Debt Cost	Term of Maturity	Borrowing Date	Repayment Date
Mitsubishi UFJ Trust and Banking Corporation	2,000 million yen	Fixed (Note 1)	5 years and 1 month	February 27, 2017	March 31, 2022
Sumitomo Mitsui Banking Corporation	1,000 million yen	Fixed (Note 1)	4 years and 6 months	February 28, 2017	September 30, 2021
Sumitomo Mitsui Trust Bank, Limited	2,000 million yen	3- month JPY TIBOR by Japanese Bankers Association (Note 2) + 0.12%	3 years	March 15, 2017	March 31, 2020
Mitsubishi UFJ Trust and Banking Corporation	1,000 million yen				
Sumitomo Mitsui Banking Corporation	3,000 million yen	Fixed (Note 1)	4 years and 6 months		September 30, 2021
The Bank of Fukuoka, Ltd	2,000 million yen	Fixed (Note 1)	10 years		March 31, 2027
Development Bank of Japan	2,500 million yen	Fixed (Note 1)	11 years		March 31, 2028
Development Bank of Japan	2,500 million yen	Fixed (Note 1)	12 years		March 30, 2029
Sumitomo Mitsui Banking Corporation	1,000 million yen	Fixed (Note 1)	4 years and 6 months	March 27, 2017	September 30, 2021
Mitsubishi UFJ Trust and Banking Corporation	1,000 million yen	Fixed (Note 1)	5 years		March 31, 2022

(Note1) The applicable interest rate will be decided and noticed on two business days prior to the borrowing date.

(Note2) Please refer to Japanese Bankers Association TIBOR administration's website (http://www.jbatibor.or.jp/english/rate/) for more information regarding JPY TIBOR of Japanese Bankers Association.

(Note3) Applicable debt cost of the loans will be substantially fixed by each interest rate swap agreement.

(Note4) Unsecured/non-guaranteed, payment in full amount on the repayment day.

(Note5) For further details of Shinkiba Logistics Center Ⅱ and Souka Logistics Center, please refer to (Press Releases for Reference) .

3. The bank loan to be repaid

Lender	Total Amount of Loan	Debt Cost	Term of Maturity	Borrowing Date	Repayment Date
Mitsubishi UFJ Trust and Banking Corporation	2,000 million yen	0.82000% (Fixed)	5 years	February 27, 2012	February 27, 2017
Sumitomo Mitsui Banking Corporation	1,000 million yen	0.35000% (Fixed)	3 years	March 24, 2014	February 28, 2017
Sumitomo Mitsui Banking Corporation	1,000 million yen	0.86625% (Fixed)	5 years	March 26, 2012	March 27, 2017
Mitsubishi UFJ Trust and Banking Corporation	1,000 million yen				

(Note) For further details of the bank loans, please refer to (Press Releases for Reference) .

4. Balance of the Interest-Bearing Debt after the New Loan

(Millions of yen)

	Before New Loans (as of January 26, 2017)	After New Loans (as of March 27, 2017)	Increase/ Decrease
Short-Term Loans	-	-	-
Long-Term Loans	64,000	85,000	±21,000
(Current Portion of the Above L-T Loan)	5,000	2,500	-2,500
Total Loans	64,000	85,000	±21,000
Investment Corporation Bonds	7,700	7,700	±0
(Current Portion of the Above Bonds)	-	-	-
Total Interest-Bearing Debt	**71,700**	**92,700**	**±21,000**

5. Other

For details of risks related to repayment of the loans, please refer to “Investment Risks” described on a Securities Registration Statement (Japanese) submitted on October 28, 2016.

(End)

(Press Releases for Reference)

-Notice Concerning Borrowing Capital on February 19, 2009.

-Notice Concerning Borrowing Capital on February 22, 2012.

-Notice Concerning Borrowing Capital on March 21, 2012.

-Notice Concerning Borrowing Capital on March 13, 2014.

-Notice Concerning Acquisition of a New Asset (Shinkiba Logistics Center II) on July 28,2016.

-Notice Concerning Acquisition of a New Asset (Souka Logistics Center (Additional Portion)) on January 26,2017.

*The Fund’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.