REIT Financial Report for the Fiscal Period ended January 31, 2017 (The 23rd Period)

March 10, 2017

Name of REIT issuer: Japan Logistics Fund, Inc. Stock exchange listing: Tokyo Stock Exchange
Security code: 8967 URL: http://8967.jp/eng
Representative: Keita Tanahashi , Executive Director

Name of asset management company: Mitsui & Co., Logistics Partners Ltd.
Representative: Keita Tanahashi, President
Contact: Ryota Sekiguchi, Deputy General Manager, Corporate Planning & Finance Dept.
TEL: +81-(0)3-3238-7171

Scheduled date for submission of Securities Report: April 27, 2017
Scheduled date for commencing dividend payments: April 6, 2017
IR Material: Will be posted on the website
IR Meeting: Will be held for institutional investors and security analysts

(Figures are rounded down to the nearest million yen)

1. Performance for the Fiscal Period ended January 2017 (The 23rd Period from August 1, 2016 to January 31, 2017)

(1) Operating Results (% represents change from the previous period)

	Operating Revenue		Operating Income		Ordinary Income		Net Income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
The 23rd Period	7,748	2.2	3,981	1.1	3,591	0.8	3,591	0.8
The 22nd Period	7,584	0.4	3,936	(1.4)	3,563	0.4	3,562	0.4

	Net Income per Unit	Net Income to Net Assets	Ordinary Income to Total Assets	Ordinary Income to Operating Revenue
	Yen	%	%	%
The 23rd Period	4,080	2.8	1.7	46.4
The 22nd Period	4,048	2.8	1.7	47.0

(2) Dividends

	Dividends per Unit (excluding Distributions in excess of earnings)	Total Dividends (excluding Distributions in excess of earnings)	Distributions in excess of earnings per Unit	Total Distributions in excess of earnings	Payout Ratio	Distributions to Net Assets
	Yen	Millions of yen	Yen	Millions of yen	%	%
The 23rd Period	4,081	3,591	0	0	100.0	2.8
The 22nd Period	4,048	3,562	0	0	99.9	2.8

(Note) Payout Ratio = Total Dividends (excluding Distributions in excess of earnings)/Net Income x 100 (figures are rounded down to the nearest decimal place)

(3) Financial Position

	Total Assets	Net Assets	Net Assets to Total Assets	Net Assets per Unit
	Millions of yen	Millions of yen	%	Yen
The 23rd Period	209,500	128,634	61.4	146,175
The 22nd Period	209,384	128,605	61.4	146,142

(Reference) Unitholders' equity The 23rd Period: 128,634 million yen The 22nd Period: 128,605 million yen

(4) Cash Flows

	Net Cash Provided by (Used in) Operating Activities	Net Cash Provided by (Used in) Investing Activities	Net Cash Provided by (Used in) Financing Activities	Cash and Cash Equivalents at End of Period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
The 23rd Period	5,412	(1,002)	(3,561)	11,284
The 22nd Period	5,274	(1,057)	(3,555)	10,435

2. Forecasts for the Fiscal Period ending July 2017 (The 24th Period from February 1, 2017 to July 31, 2017) and the Fiscal Period ending January 2018 (The 25th Period from August 1, 2017 to January 31, 2018)

(% represents change from the previous period)

	Operating Revenue		Operating Income		Ordinary Income		Net Income		Dividends per Unit (excluding distributions in excess of earnings)	Distributions in Excess of Earnings per Unit
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen	Yen
The 24th Period	7,960	2.7	4,082	2.5	3,662	2.0	3,661	1.9	4,160	0
The 25th Period	8,234	3.4	4,185	2.5	3,740	2.1	3,739	2.1	4,250	0

(Reference) Forecast for net income per unit The 25th Period: 4,250 yen The 24th Period: 4,160 yen

* Other

(1) Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements after error corrections

(i) Changes in accounting policies due to revisions to accounting standards None
(ii) Changes in accounting policies other than (i) None
(iii) Changes in accounting estimates None
(iv) Restatement of prior period financial statements after error corrections None

(2) Number of investment units issued and outstanding

(i) Number of investment units (including treasury investment units) issued and outstanding at the end of each period
The 23rd Period: 880,000 units The 22nd Period: 880,000 units

(ii) Number of treasury investment units issued and outstanding at end of period
The 23rd Period: 0 unit The 22nd Period: 0 unit

(Note) For the number of investment units serving as the basis of calculation of net income per unit, please refer to "Per Unit Information" on page 25.

* Explanation on the financial audit

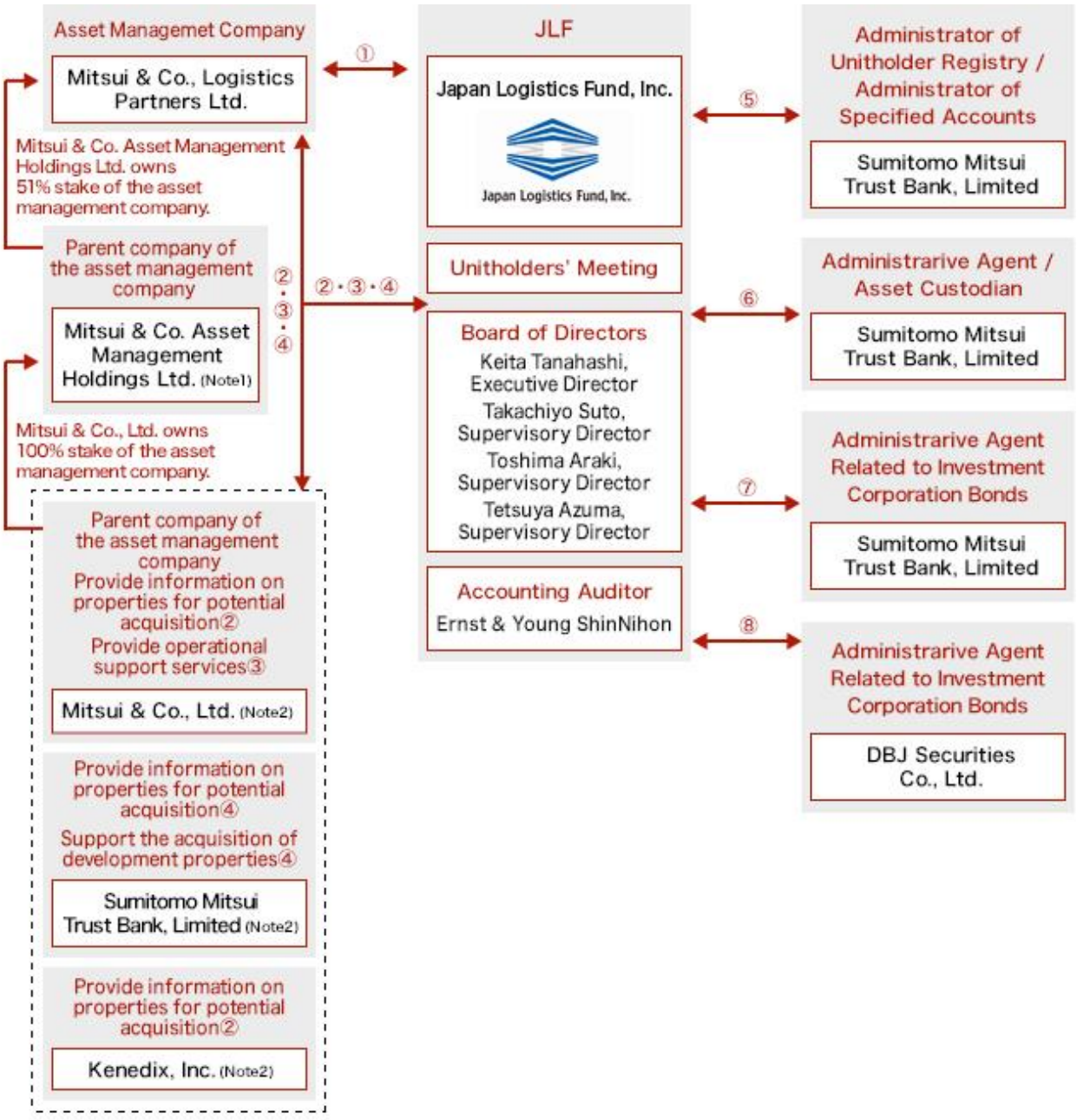
Financial audit procedures in accordance with the Financial Instruments and Exchange Act have not yet finished as of March 10, 2017.

* Explanation on the appropriate use of forecasts and other notes

(Note to forward-looking statements)

This document contains forecasts and other forward-looking statements based on the information currently available and on certain assumptions judged as rational by the Japan Logistics Fund, Inc. (hereafter referred to as "JLF"), and the actual operating results, etc. may differ significantly from that anticipated by JLF due to various factors. Moreover, the forecasts are not intended to guarantee any amount of dividend distribution and distribution in excess of earnings. For notes regarding assumptions underlying these forecasts, please refer to "2. Management Discussions and Analysis (2) Asset Management Status (ii) Outlook for the Next Fiscal Period D. Forecasts" on page 8.

1. Overview of Affiliates of JLF



①Asset Management Agreement
②Agreement Related to Support for the Acquisition of Logistics Real Estate
③Basic Agreement Related to Operational Support Service in the Acquisition of Properties
④Basic Agreement Related to the Provision of Brokerage Information on Real Estate and the like / Agreement Related to the Support of the Acquisition of Development Properties
⑤Agreement for Administration of Unitholder Registry and Specified Accounts
⑥Agreement for Administrative Agent and Asset Custody
⑦Fiscal Agency Agreement
⑧Agreement for Administration of Private Placement and Investment Corporation Bond Registry

(Note 1) Mitsui & Co. Asset Management Holdings Ltd. is a wholly-owned subsidiary of Mitsui & Co., Ltd.

(Note 2) Hereinafter, Mitsui & Co. Ltd., Sumitomo Mitsui Trust Bank, Limited, and Kenedix, Inc., companies that provide information on properties, may individually or collectively called be "sponsor(s)."

(Note 3) The names of JLF and its affiliates, asset management roles and outline of related operations (including other major related parties of JLF) are omitted from disclosure, as there have been no material changes since the latest Securities Report (Japanese) (submitted on October 28, 2016).

2. Management Discussions and Analysis

(1) Asset Management Policies

Disclosure is omitted, as there have been no material changes in the "Investment Policy," "Investment Target," and "Distribution Policy" since the latest Securities Report (Japanese) (submitted on October 28, 2016).

(2) Asset Management Status

(i) Summary of Results for the Fiscal Period ended January 2017 (The 23rd Period)

A. Background of JLF

JLF is the first J- REIT dedicated to "logistics properties" with real estate and other assets used for logistic facilities primarily in the Tokyo Metropolitan, Kinki, Chubu and Kyushu areas as investment targets. Based on the Act on Investment Trusts and Investment Corporations (Act No. 198 of 1951; including revisions enforced thereafter) (hereinafter, "the Investment Trust Act"), JLF was founded on February 22, 2005 with Mitsui & Co., Logistics Partners Ltd. as the founding planner, and was listed on the REIT section of the Tokyo Stock Exchange, Inc. (hereinafter, "Tokyo Stock Exchange") on May 9 of the same year (security code: 8967). As of January 2017 (the end of the 23rd Period), JLF had a total of 42 properties under management with total acquisition price of 212,603 million yen and total assets of 209,500 million yen.

B. Investment Environment and Management Performance

During the 23rd fiscal period under review, the Japanese economy as a whole followed a moderate recovery trend, as a result of strong consumer spending in response to steady improvements in employment and personal income, a gradual increase in capital expenditure based on corporate earnings that remained at a favorable level, and exports picking up. In the financial market, however, significant price fluctuations were observed in exchange rates, interest rates and stocks in Japan as well as in the United States, reflecting growing uncertainty regarding the policies of the U.S. following the presidential election.

In the logistics properties leasing market, growth in demand for large logistics properties was driven by the demand from third-party logistics (3PL) providers for relocation to combine their distribution centers, the demand from apparel and other retailers to improve their logistics efficiency and the demand from e-commerce players to expand their distribution infrastructure. In the Tokyo metropolitan area, the latest vacancy rate remained firm as a result of robust new demand, although the supply of large distribution centers reached a record level in 2016. In some areas, however, the vacancy period was prolonged while the rent level came under downward pressure because the latest supply was excessive in comparison with new demand.

In the logistics properties acquisition market, the total value and number of transactions of logistics properties remained higher than the year-ago level thanks to the growing interest of investors in the rapidly expanding logistics properties sector. The expected yield of logistics properties also remained on a downward note.

Under these circumstances, JLF promoted the acquisition of property at "appropriate prices" that JLF considered in order to achieve sustainable external growth in line with the medium-term business plan "Stable + Growth 2.0" announced in March 2016. In the fiscal period under review, JLF decided to undertake the additional acquisition of Souka Logistics Center, in which JLF already held co-ownership, by using the sponsor pipeline (acquisition price: 8,080 million yen) (Note 1). As an effort for continuous internal growth, the construction of Kiyosu Logistics Center, which will be the third round of OBR (Own Book Redevelopment, which means the redevelopment of properties held by JLF on its own), made steady progress from April 2016 when construction began (Note 2).

(Note 1) Souka Logistics Center is fully owned by JLF as of February 6, 2017 as a result of the additional acquisition.

(Note 2) With the redevelopment completed on February 24, 2017, Kiyosu Logistics Center has begun operating.

C. Capital Procurement

In the fiscal period under review, JLF reduced debt financing costs and prolonged the average debt financing period for loans that came due in September 2016 (1,000 million yen). JLF also decided to raise funds (a total of 26,000 million yen) from several financial institutions to repay the funds for acquiring Souka Logistics Center (additional acquisition) and Shinkiba Logistics Center II that it is due to acquire in the next fiscal period, and loans that will come due in February and March 2017 (Note 1). Accordingly, JLF will reduce the average debt cost and prolong the average debt financing period while diversifying the repayment dates.

As of the end of the 23rd fiscal period, the total amount of interest-bearing debt stood at 71,700 million yen and the LTV (Loan to Value) (Note 2) was 26.3%, thus JLF continues to conduct stable financial operations. Moreover, JLF has maintained the highest-level credit rating among all J-REITs, and intends to continue its financial policy of securing a sound balance sheet and adequate on-hand liquidity.

(Note 1) The resolution was made in the fiscal period under review, but JLF will implement it in the next fiscal period.

(Note 2) LTV = Interest-bearing debt / appraisal value × 100 (figures are rounded off to one decimal place)

Credit rating of JLF at the end of the 23rd Period

Credit Rating Agency	Rating	
Rating and Investment Information, Inc. (R&I)	Issuer rating	AA (Outlook: Stable)
	Long-term bond rating	#2nd unsecured investment corporation bonds #3rd unsecured investment corporation bonds AA
Japan Credit Rating Agency, Ltd. (JCR)	Issuer rating	AA+ (Outlook: Stable)
Moody's Japan K.K. (Moody's)	Issuer rating	A1 (Outlook: Stable)

D. Performance and Distributions

As a result of the above, JLF posted operating revenue of 7,748 million yen, operating income of 3,981 million yen, ordinary income of 3,591 million yen and net income of 3,591 million yen.

Based on a special taxation measure under Article 67, Item 15 (Act on Special Measures Concerning Taxation; Act No. 26 of 1957; including revisions enforced thereafter) (hereafter, the "Special Taxation Measures Act") that allows the maximum amount of distribution of earnings to be treated as a tax-deductible expense, JLF decided to distribute to unitholders the full amount of net income excluding fractions below one yen of the amount of dividends per investment unit. As a result, JLF's dividend per investment unit was 4,081 yen.

(ii) Outlook for the Next Fiscal Period

A. Recognition of the Environment

The Japanese economy is expected to shift to moderate expansion, given recovering consumer spending associated with steady improvements in employment and personal income, an upturn in corporate earnings and an increase in exports reflecting improving overseas economies. However, uncertainty over the policies of the new government in the United States, the Brexit issue and a series of political events due to elections in Europe, concerns about the contagious economic downturn of emerging countries stemming from the slower economic growth in China, and other risks may have a significant impact on the Japanese economy, and thus must be continuously monitored.

In the logistics properties market in the Tokyo metropolitan area, the vacancy rate is expected to fall further due to strong demand and a temporary decline in the new supply of properties. Meanwhile, in some areas where the supply of a large quantity of properties continues, the prolongation of the vacancy period and a fall in rents are concerns because the supply-demand balance will weaken. In addition, given that large development plans are expected once again in the second half of 2017 driven by the strong development motivation of developers, attention needs to be paid to their impact on the logistics properties leasing market. In the logistics properties market in the Kinki area, a further rise in the vacancy rate is expected in some areas, reflecting continued new supply. JLF believes that knowledge of tenant needs based on the outlook of the supply-demand balance for each area will become increasingly important.

In this environment, JLF will build a framework that will enable it to respond accurately to future changes in the financial and real estate markets in order to achieve "Stable + Growth 2.0," while at the same time aiming for sustainable external growth through the acquisition of property in response to market conditions by promoting the acquisition of property at an "appropriate price" that JLF considers.

B. Future Asset Management Policies and Issues to be Addressed

In such an investment environment, JLF will pursue asset management aimed at achieving stable earnings over the medium to long term based on the following policies.

(a) Operational management of portfolio properties

- Leasing management

  In renewing existing lease contracts, JLF will seek ways to ensure a stable revenue flow, including promoting the option of shifting to a long-term lease contract. When a tenant decides to move out JLF will perform leasing activities based on this policy so that leases are maintained without any discontinuity and revenues are secured by leveraging its sponsor network, intermediary companies well versed in logistics properties and in tenant information for respective regions, as well as the network of the asset management company.

  The properties currently held by JLF have an average leasing period of 6.4 years when calculated on a weighted average basis using annual rent, indicating that JLF will continue to earn stable income.

- Strengthening of tenant relations

  JLF will promote the improvement of the overall satisfaction level of tenants by maintaining close contact with existing tenants. Specifically, JLF responds to tenant's needs for expanding rental space and improving the property conditions of existing logistics facilities, making functional improvements in line with the needs of tenants and the industry and implementing renewals.

・ Appropriate property maintenance and additional investment
JLF conducts repairs and renovations of properties owned by keeping related costs at a certain level. In addition, JLF strives to maintain an optimal level of maintenance management of its properties by selecting appropriate property management companies that can provide efficient management in line with the characteristics of each property, improving the management quality of the asset management company, and standardizing various procedures.
Furthermore, JLF considers additional investments if necessary, taking into consideration tenant requests, the leasing needs of facilities, floor area ratios, and other factors in determining portfolio properties that have locational advantages in the leasing market and those that can gain higher competitiveness through building/facility renewal while identifying properties that no longer offer economic benefits due to the increased maintenance cost burden caused by deterioration over time.

(b) Acquisition of new properties
・ Sourcing of property information
Unlike other asset types, logistics properties have limited transaction volumes in the market. Therefore, JLF believes that collecting a broad range of information and making precise investment decisions based on the information gathered lead to achieve high competitiveness. In order to avoid unnecessary price competition, JLF will work to obtain early access to property information and promote negotiated transactions by leveraging the extensive networks of sponsors and the information sourcing channels of the asset management company.
・ Specifications of properties for acquisition
When acquiring properties, JLF will make investment decisions with a focus on the location and versatility of properties which are essential factors in pursuing stable and long-term management of logistics properties. As a general rule, JLF avoids acquiring, in particular, properties with unique structural and facility features that suit only certain types of tenants in certain industries. Rather, JLF's most important criterion for making investment decisions is versatility of specifications that can satisfy broad logistical demand.
・ Diversification of portfolio
To minimize fluctuations in revenue arising from factors such as a tenant's request to lower rent or a tenant moving out of a property, JLF acquires properties that will help reduce risk of over-concentration of tenants by avoiding excessive dependency on single tenant or industry of tenants and diversifying lease period expirations.

(c) Financial strategy
・ JLF sets its highest priority on the sustainable growth of dividends per unit while making sure to maintain a conservative interest-bearing debt ratio in pursuing financial activities, including raising funds through bank loans and increasing capital through public offerings. When pursuing interest-bearing debt financing, JLF will diversify funding sources and repayment due dates. Furthermore, with regard to tenant leasehold and security deposits, JLF will use such deposits to partially fund property acquisitions to exercise efficient cash management.

C. Significant Subsequent Events
Not applicable to the 23rd Period (from August 1, 2016 to January 31, 2017).

[Reference Information]
<Properties Acquired>
JLF has acquired the following assets after the end of the period up until the date of this report.
[M-19 Souka Logistics Center]

Asset type	Trust beneficiary right of real estate (co-ownership interest: 50%)	
Acquisition price	8,080 million yen	
Date of delivery	February 6, 2017	
Location	6-39, Aoyagi 1-chome, Souka City, Saitama	
Usage	Warehouse (Note 1)	
Site area	28,761.60m^2 (Note 1) (Note 2)	
Total floor area	45,040.28m^2 (Note 1) (Note 2)	
Structure/Story	Steel-reinforced concrete with flat-roofing, 8-story building (Note 1)	
Date of completion	April 18, 2008 (Note 1)	
Type of ownership	Land: Ownership	Building: Ownership

(Note 1) The items are stated based on the real estate register and may not conform to the current status.
(Note 2) The area of the entire property (100%) is stated.

[T-3 Kiyosu Logistics Center (Note 1)]

Asset type	Real estate (building only)
Acquisition price	2,325 million yen
Date of delivery	February 24, 2017
Location	92, Haruhigogashima, Kiyosu, Aichi
Usage	Warehouse, office (Note 2)
Site area	10,457.02m^2 (Note 2)
Total floor area	20,438.10m^2 (Note 2)
Structure/Story	Steel frame with alloy-plated steel roofing sheet, 4-story building (Note 2)
Date of completion	January 19, 2017 (Note 2)
Type of ownership	Building: Ownership

(Note 1) The redevelopment project was completed on February 24, 2017, and the name of the property was changed from Kiyosu Logistics Center (land) to Kiyosu Logistics Center on the same day.

(Note 2) The items are stated based on the real estate register and may not conform to the current status.

<Borrowing of Funds>

JLF borrowed the following funds after the end of the period up until the date of the report.

Lender	Nippon Life Insurance Company	Shinkin Central Bank	The Norinchukin Bank
Amount borrowed	3,000 million yen	1,000 million yen	1,000 million yen
Interest rate	0.15000%	1- month JPY TIBOR by Japanese Bankers Association (Note 1) + 0.10% (Note 2)	
Date of borrowing	February 3, 2017		
Repayment date	February 26, 2021	August 31, 2021	
Borrowing method/security	Unsecured and non-guaranteed		
Repayment method	Lump-sum repayment on due date		
Use of funds	To acquire trust beneficiary right of domestic real estate and to pay expenses related to this acquisition.		

Lender	Mitsui Sumitomo Insurance Co., Ltd.	Resona Bank, Ltd.
Amount borrowed	1,000 million yen	2,000 million yen
Interest rate	0.25875%	1- month JPY TIBOR by Japanese Bankers Association (Note 1) + 0.16% (Note 3)
Date of borrowing	February 3, 2017	
Repayment date	February 29, 2024	February 3, 2027
Borrowing method/security	Unsecured and non-guaranteed	
Repayment method	Lump-sum repayment on due date	
Use of funds	To acquire trust beneficiary right of domestic real estate and to pay expenses related to this acquisition.	

Lender	Mitsubishi UFJ Trust and Banking Corporation	Sumitomo Mitsui Banking Corporation
Amount borrowed	2,000 million yen	1,000 million yen
Interest rate	0.30000%	0.28678%
Date of borrowing	February 27, 2017	February 28, 2017
Repayment date	March 31, 2022	September 30, 2021
Borrowing method/security	Unsecured and non-guaranteed	
Repayment method	Lump-sum repayment on due date	
Use of funds	Funds will be appropriated for the repayment of loans.	

(Note 1) 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...

(Note 2) The interest rate of the borrowing is practically fixed at 0.21935% due to the conclusion of an interest rate swap agreement.

(Note 3) The interest rate of the borrowing is practically fixed at 0.46600% due to the conclusion of an interest rate swap agreement.

JLF decided to borrow funds after the end of the fiscal period and before the date of this Financial Report.

Lender	Sumitomo Mitsui Trust Bank, Limited	Mitsubishi UFJ Trust and Banking Corporation
Amount borrowed	1,000 million yen	1,000 million yen
Interest rate	Base rate (1- month JPY TIBOR by "JBA" (Japanese Bankers Association)) (Note) + 0.20%	
Borrowing date	March 15, 2017	
Maturity date	September 15, 2017	
Borrowing method / Secured or not	Based on the Commitment Line Agreement concluded on July 28, 2016 Unsecured/Non-guaranteed	
Repayment method	Lump-sum payment on the maturity date	
Purpose	To acquire trust beneficiary right of domestic real estate and to pay expenses related to this acquisition	

(Note) 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..

D. Forecasts

Forecasts for the Fiscal Period ending July 2017 (The 24th Period from February 1, 2017 to July 31, 2017) and the Fiscal Period ending January 2018 (The 25th Period from August 1, 2017 to January 31, 2018) are as follows. Please refer to "Assumptions Underlying the Forecasts for the 24th Period (from February 1, 2017 to July 31, 2017) and the 25th Period (from August 1, 2017 to January 31, 2018)" for the assumptions underlying these forecasts.

(% represents change from the previous period)

	Operating Revenue		Operating Income		Ordinary Income		Net Income		Dividends per Unit (excluding distributions in excess of earnings)	Distributions in Excess of Earnings per Unit
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen	Yen
The 24th Period	7,960	2.7	4,082	2.5	3,662	2.0	3,661	1.9	4,160	0
The 25th Period	8,234	3.4	4,185	2.5	3,740	2.1	3,739	2.1	4,250	0

(Note) The figures above were computed under certain assumptions, and the actual net income, dividends, etc. may differ depending on various factors. In addition, the forecasts are not intended to guarantee any amount of dividends per unit.

Assumptions Underlying the Forecasts for the 24th Period (from February 1, 2017 to July 31, 2017) and the 25th Period (from August 1, 2017 to January 31, 2018)

Item	Assumptions
Calculation period	・ Fiscal Period Ending July 31, 2017 : February 1, 2017 to July 31, 2017 ・ Fiscal Period Ending January 31, 2018: August 1, 2017 to January 31, 2018
Properties owned	・ Forecasts assume a total of 43 properties in the portfolio, including 42 existing properties as of March 10, 2017 and Shinkiba Logistics Center II expected to be acquired in March 2017. No other acquisitions and sales of properties is assumed. ・ The acquisition of Shinkiba Logistics Center II applies as "Forward Commitment" defined in the "Comprehensive Guidelines for Supervision of Financial Instruments Business Operators, etc." ・ There may be fluctuation caused by additional acquisitions or sales of properties.
Total number of investment units issued	・ The forecasts assume 880,000 units outstanding as of March 10, 2017.
Interest-bearing debt	・ The interest-bearing debt outstanding as of March 10, 2017 was 79,700 million yen, and JLF will borrow new funds of 15,000 million yen to appropriate them for the acquisition of Shinkiba Logistics Center II stated in "properties owned" above. The interest-bearing debt outstanding as of the end of the fiscal period ending July 2017 and the fiscal period ending January 2018 is expected to be 94,700 million yen. ・ Among the interest-bearing debt outstanding of 79,700 million yen as of March 10, 2017, 2,000 million yen of long-term loans will come due in the fiscal period ending July 2017, and 3,000 million yen of long-term loans will come due in the fiscal period ending January 2018. JLF intends to refinance these interest-bearing debts.
Operating revenue	・ The rent revenue is estimated based on the lease contracts in effect as of March 10, 2017 and taking into account the fluctuation factors such as the market environment and rent levels based on negotiations with lessees.

Item	Assumptions
Operating expenses	・ Generally, in real estate transactions, property tax and city planning tax are prorated based on the period of ownership with the previous holder and settled at the time of acquisition. JLF capitalizes the amount of settlement as part of the acquisition cost. With respect to Souka Logistics Center acquired on February 6, 2017 (additional acquisition of 50% of co-ownership) and Shinkiba Logistics Center II due to be acquired on March 16, 2017, the property tax and city planning tax of approximately 97 million yen will be capitalized. ・ Breakdown of expenses related to the rent business, which comprise the core part of operating expenses, is as follows. Taxes and dues: Fiscal Period ending July 31, 2017: 681 million yen; Fiscal Period Ending January 31, 2018: 681 million yen Outsourcing services: 204 million yen; 207 million yen Repair: 87 million yen; 217 million yen Depreciation: 1,885 million yen; 1,872 million yen Other: 280 million yen; 269 million yen ・ Expenses other than deprecation and loss on write-offs of noncurrent assets are calculated based on past truck records with expense fluctuation factors taken into account. ・ Actual repair expenses for each operating period may differ considerably from forecasts, mainly because unexpected repair expenses may be incurred due to building damage and other unforeseeable factors, the amount of repair expenses generally differs considerably from one fiscal period to another, and repair expense, by nature, are not incurred on a regular basis. ・ Depreciation, including incidental expenses and additional capital expenditure for the future, is calculated using the straight-line method.
Non-Operating Expenses	・ Non-operating expenses including interest expenses and interest expenses on investment corporation bonds, etc. are assumed at 446 million yen for the Fiscal Period Ending January 31, 2018 and 421million yen for the Fiscal Period Ending July 31, 2017.
Dividends per Unit (Excluding distributions in excess of earnings)	・ Dividends per unit are calculated based on the cash distribution policy defined under the Articles of Incorporation of JLF. ・ The amount of dividends per unit may fluctuate, due to various factors such as acquisitions and sales of assets, fluctuations in rent income caused by tenant movements, unforeseeable repairs incurred, interest rate fluctuations and the issuance of new investment units.
Distributions in Excess of Earnings per Unit	・ JLF does not plan at present any distributions in excess of earnings.
Other	・ The forecasts assume that no revisions that impact the above projections are made to laws, regulations, tax rules, accounting standards, listing rules, the rules of The Investment Trust Association, Japan, or others. ・ The forecasts assume that no material unforeseeable changes occur with regard to the general economic trends and real estate market conditions.

(3) Investment risks

Please refer to "Investment Risks" described on the latest Securities Registration Statement (Japanese) submitted on October 28, 2016.

3. Financial Statements

(1) Balance Sheet

(Thousands of yen)

	The 23rd Period (as of January 31, 2017)	The 22nd Period (as of July 31, 2016)
Assets		
Current assets		
Cash and deposits	7,691,692	6,896,711
Cash and deposits in trust	3,865,827	3,810,097
Operating accounts receivable	313,034	309,601
Prepaid expenses	13,692	34,399
Deferred tax assets	8	18
Other	26	88
Total current assets	11,884,282	11,050,916
Non-current assets		
Property, plant and equipment		
Buildings	7,031,881	7,029,587
Accumulated depreciation	(1,591,524)	(1,492,415)
Buildings, net	5,440,357	5,537,171
Structures	178,463	176,122
Accumulated depreciation	(58,372)	(53,589)
Structures, net	120,090	122,532
Tools, furniture and fixtures	770	770
Accumulated depreciation	(614)	(586)
Tools, furniture and fixtures, net	155	183
Land	8,047,890	8,047,890
Construction in progress	1,624,838	800,042
Buildings in trust	109,654,495	109,487,677
Accumulated depreciation	(21,392,094)	(19,869,092)
Buildings in trust, net	88,262,401	89,618,584
Structures in trust	3,270,494	3,267,465
Accumulated depreciation	(1,033,892)	(973,241)
Structures in trust, net	2,236,601	2,294,223
Tools, furniture and fixtures in trust	27,033	26,465
Accumulated depreciation	(16,829)	(15,991)
Tools, furniture and fixtures in trust, net	10,204	10,473
Land in trust	91,593,017	91,593,017
Total property, plant and equipment	197,335,557	198,024,120
Intangible assets		
Other	2,184	2,622
Total intangible assets	2,184	2,622
Investments and other assets		
Long-term prepaid expenses	224,607	251,260
Guarantee deposits	10,010	10,010
Other	2,000	2,000
Total investments and other assets	236,617	263,270
Total non-current assets	197,574,359	198,290,013
Deferred assets		
Investment corporation bond issuance costs	41,455	43,451
Total deferred assets	41,455	43,451
Total assets	209,500,096	209,384,381

(Thousands of yen)

	The 23rd Period (as of January 31, 2017)	The 22nd Period (as of July 31, 2016)
Liabilities		
Current liabilities		
Operating accounts payable	608,252	340,978
Current portion of long-term loans payable	8,000,000	6,000,000
Distribution payable	6,692	6,604
Accrued expenses	707,379	710,397
Income taxes payable	770	844
Accrued consumption taxes	146,161	321,185
Advances received	1,282,048	1,339,742
Total current liabilities	10,751,303	8,719,752
Non-current liabilities		
Investment corporation bond	7,700,000	7,700,000
Long-term loans payable	56,000,000	58,000,000
Tenant leasehold and security deposits	968,170	820,906
Tenant leasehold and security deposits in trust	5,112,637	5,206,801
Long-term deposits received	333,363	331,130
Total non-current liabilities	70,114,171	72,058,838
Total liabilities	80,865,475	80,778,591
Net assets		
Unitholders' equity		
Unitholders' capital		
Unitholders' capital, gross	123,288,165	123,288,165
Deduction from unitholders' capital	(464,424)	(464,424)
Unitholders' capital, net	122,823,741	122,823,741
Surplus		
Voluntary retained earnings		
Reserve for reduction entry of special provisions of replaced property	2,219,363	2,219,363
Total voluntary retained earnings	2,219,363	2,219,363
Unappropriated retained earnings (undisposed loss)	3,591,516	3,562,685
Total surplus	5,810,880	5,782,049
Total unitholders' equity	128,634,621	128,605,790
Total net assets	128,634,621	128,605,790
Total liabilities and net assets	209,500,096	209,384,381

(2) Statement of Income and Retained Earnings

(Thousands of yen)

	The 23rd Period (from August 1, 2016 to January 31, 2017)	The 22nd Period (from February 1, 2016 to July 31, 2016)
Operating revenue		
Lease business revenue	7,367,663	7,403,658
Other lease business revenue	380,930	181,311
Total operating revenue	7,748,593	7,584,970
Operating expenses		
Expenses related to rent business	3,037,875	2,906,989
Asset management fee	614,819	609,921
Asset custody fee	20,258	20,240
Administrative service fees	32,427	33,553
Directors' compensations	5,400	5,400
Other operating expenses	56,016	72,312
Total operating expenses	3,766,796	3,648,416
Operating income	3,981,797	3,936,553
Non-operating income		
Interest income	57	490
Interest on refund	-	1
Insurance income	769	333
Reversal of distribution payable	369	605
Other	0	206
Total non-operating income	1,196	1,636
Non-operating expenses		
Interest expenses	289,553	289,684
Borrowing related expenses	45,509	34,665
Interest expenses on investment corporation bonds	48,575	47,501
Amortization of investment corporation bond issuance costs	1,996	1,960
Other	5,500	1,000
Total non-operating expenses	391,134	374,813
Ordinary income	3,591,858	3,563,376
Profit before income taxes	3,591,858	3,563,376
Income taxes - current	778	983
Income taxes - deferred	9	(11)
Total income taxes	788	972
Profit	3,591,070	3,562,404
Retained earnings brought forward	445	281
Unappropriated retained earnings (undisposed loss)	3,591,516	3,562,685

(3) Statement of Changes in Net Assets

The 23rd Period (from August 1, 2016 to January 31, 2017)

(Thousands of yen)

	Unitholders' equity								
	Unitholders' capital			Surplus				Total unitholders' equity	Total net assets
				Voluntary retained earnings					
	Unitholders' capital, gross	Deduction from unitholders' capital	Unitholders' capital,net	Reserve for reduction entry of special provisions of replaced property	Voluntary retained earnings	Unappropriated retained earnings (undisposed loss)	Total surplus		
Balance at beginning of current period	123,288,165	(464,424)	122,823,741	2,219,363	2,219,363	3,562,685	5,782,049	128,605,790	128,605,790
Changes of items during period									
Dividends of surplus						(3,562,240)	(3,562,240)	(3,562,240)	(3,562,240)
Profit						3,591,070	3,591,070	3,591,070	3,591,070
Total changes of items during period	-	-	-	-	-	28,830	28,830	28,830	28,830
Balance at end of current period	123,288,165	(464,424)	122,823,741	2,219,363	2,219,363	3,591,516	5,810,880	128,634,621	128,634,621

The 22nd Period (from February 1, 2016 to July 31, 2016)

(Thousands of yen)

	Unitholders' equity								
	Unitholders' capital			Surplus				Total unitholders' equity	Total net assets
				Voluntary retained earnings					
	Unitholders' capital, gross	Deduction from unitholders' capital	Unitholders' capital, net	Reserve for reduction entry of special provisions of replaced property	Voluntary retained earnings	Unappropriated retained earnings (undisposed loss)	Total surplus		
Balance at beginning of current period	123,288,165	(464,424)	122,823,741	2,219,363	2,219,363	3,549,321	5,768,685	128,592,426	128,592,426
Changes of items during period									
Dividends of surplus						(3,549,040)	(3,549,040)	(3,549,040)	(3,549,040)
Profit						3,562,404	3,562,404	3,562,404	3,562,404
Total changes of items during period	-	-	-	-	-	13,364	13,364	13,364	13,364
Balance at end of current period	123,288,165	(464,424)	122,823,741	2,219,363	2,219,363	3,562,685	5,782,049	128,605,790	128,605,790

(4) Distribution Information

(Yen)

	The 23rd Period (from August 1, 2016 to January 31, 2017)	The 22nd Period (from February 1, 2016 to July 31, 2016)
I. Unappropriated retained earnings	3,591,516,306	3,562,685,695
II. Distributions	3,591,280,000	3,562,240,000
Distributions per unit	4,081	4,048
III. Retained earnings to be carried forward	236,306	445,695
Method of calculation of distributions	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 these policies, JLF decided to distribute earnings of 3,591,280,000 yen, which is the maximum multiple of total number of investment units issued 880,000 units within the amount of unappropriated retained earnings at the end of period. JLF does not make distributions in excess of earnings as stipulated in Article 39 (2) of the Articles of Incorporation of JLF.	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 these policies, JLF decided to distribute earnings of 3,562,240,000 yen, which is the maximum multiple of total number of investment units issued 880,000 units within the amount of unappropriated retained earnings at the end of period. JLF does not make distributions in excess of earnings as stipulated in Article 39 (2) of the Articles of Incorporation of JLF.

(5) Statement of Cash Flows

(Thousands of yen)

	The 23rd Period (from August 1, 2016 to January 31, 2017)	The 22nd Period (from February 1, 2016 to July 31, 2016)
Cash flows from operating activities		
Profit before income taxes	3,591,858	3,563,376
Depreciation	1,697,728	1,707,493
Amortization of investment corporation bond issuance costs	1,996	1,960
Interest income	(57)	(490)
Interest expenses	338,128	337,186
Loss on retirement of non-current assets	12,277	19,958
Decrease (increase) in operating accounts receivable	(3,433)	15,632
Increase (decrease) in accrued consumption taxes	(175,023)	156,375
Increase (decrease) in operating accounts payable	301,463	(199,981)
Increase (decrease) in accrued expenses	(1,865)	9,432
Increase (decrease) in advances received	(57,694)	(2,324)
Other, net	47,053	5,648
Subtotal	5,752,433	5,614,268
Interest income received	57	490
Interest expenses paid	(339,280)	(341,354)
Income taxes (paid) refund	(852)	1,140
Net cash provided by (used in) operating activities	5,412,357	5,274,545
Cash flows from investing activities		
Purchase of property, plant and equipment	(830,187)	(816,761)
Purchase of property, plant and equipment in trust	(225,008)	(86,030)
Proceeds from tenant leasehold and security deposits	230,848	-
Repayments of tenant leasehold and security deposits	(83,583)	-
Proceeds from tenant leasehold and security deposits in trust	39,583	338
Repayments of tenant leasehold and security deposits in trust	(133,747)	(156,384)
Proceeds from redemption of investment securities	-	1,682
Net cash provided by (used in) investing activities	(1,002,095)	(1,057,155)
Cash flows from financing activities		
Proceeds from long-term loans payable	1,000,000	-
Repayments of long-term loans payable	(1,000,000)	(1,700,000)
Proceeds from issuance of investment corporation bonds	-	1,700,000
Payments for investment corporation bond issuance costs	-	(7,663)
Dividends paid	(3,561,783)	(3,547,750)
Net cash provided by (used in) financing activities	(3,561,783)	(3,555,413)
Net increase (decrease) in cash and cash equivalents	848,477	661,975
Cash and cash equivalents at beginning of period	10,435,782	9,773,806
Cash and cash equivalents at end of period	11,284,260	10,435,782

(6) Notes on Assumption of Going Concern

Not applicable to the 23rd Period.

(7) Summary of Significant Accounting Policies

(i) Depreciation method for non-current assets

A. 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 50 years
Structures	2 to 48 years
Tools, furniture, and fixtures	2 to 15 years

B. Intangible assets

The straight-line method is used.

(ii) 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.

(iii) Accounting for income and expenses

Accounting for property taxes

Property tax, city planning tax, depreciable asset tax, and the like levied on real estate assets and other properties are accounted for as expenses related to rent business at the amounts corresponding to the fiscal period.

The amount of property tax, etc. paid to the seller as part of settlement for acquisition of real estate and real estate in trust is not accounted for as expenses but included in acquisition cost of the respective real estate, etc. No property tax, etc. were included in the acquisition cost of real estate, etc. in the 23rd and 22nd Periods.

(iv) Hedge accounting method

A. Hedge accounting method

The special treatment of interest rate swaps is applied because the interest rate swaps satisfy the requirements for this special treatment.

B. Hedging method and hedging objective

Hedging method: Interest rate swap transactions

Hedged items: Interest on borrowings

C. 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.

D. Method of assessing hedge effectiveness

The assessment of hedge effectiveness is not performed because the interest rate swaps satisfy the requirements for the special treatment.

(v) 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.

(vi) Other significant basis for preparation of financial statements

A. Accounting for trust beneficiary right for real estate, etc. as trust asset

With regard to 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

B. Method of accounting for consumption taxes

Transactions subject to consumption taxes are recorded at amounts exclusive of consumption taxes.

(8) Notes to Financial Statements

[Additional information]

The “Implementation Guidance on Recoverability of Deferred Tax Assets” (ASBJ Guidance No.26, March 28, 2016) is applied from the fiscal period under review.

[Notes to Balance Sheet]

(i) Commitment line contracts

JLF has the commitment line contracts with the banks.

(Thousands of yen)

	The 23rd Period (as of January 31, 2017)	The 22nd Period (as of July 31, 2016)
Total amount specified in the commitment line contracts	24,000,000	13,000,000
Loan balance at end of period	-	-
Outstanding loan commitments at end of period	24,000,000	13,000,000

(ii)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.	
	The 23rd Period (as of January 31, 2017)	The 22nd Period (as of July 31, 2016)
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 (4) Distribution Information	-	-
Reversal as disclosed in (4) Distribution Information	-	-
Balance after provision and reversal in the period	2,219,363 thousand yen	2,219,363 thousand yen

(iii) Minimum amount of net assets prescribed in Article 67, Item 4 of the AITIC

(Thousands of yen)

The 23rd Period (as of January 31, 2017)	The 22nd Period (as of July 31, 2016)
50,000	50,000

[Notes to Statement of Income and Retained Earnings]

Breakdown of income from real estate leasing business

(Thousands of yen)

	The 23rd Period (from August 1, 2016 to January 31, 2017)		The 22nd Period (from February 1, 2016 to July 31, 2016)	
(i) Real estate leasing business revenue				
Rent revenue-real estate				
Rent income	7,148,681		7,179,766	
Land rents received	78,938		86,998	
Facility charges	140,043	7,367,663	136,893	7,403,658
Other lease business revenue				
Parking charges	10,295		10,731	
Utilities charges	159,232		156,005	
Other operating income	211,401	380,930	14,574	181,311
Total real estate leasing business revenue		7,748,593		7,584,970
(ii) Real estate leasing business expenses				
Expenses related to rent business				
Taxes and dues	681,720		681,808	
Outsourcing service expenses	195,414		176,132	
Utilities expenses	157,857		158,862	
Repair expenses	230,890		92,385	
Insurance expenses	23,105		23,094	
Other expenses related to rent business	39,317		47,691	
Depreciation	1,697,290		1,707,056	
Loss on retirement of non-current assets	12,277		19,958	
Total real estate leasing business expenses		3,037,875		2,906,989
(iii) Income from real estate leasing business ((i)－(ii))		4,710,718		4,677,980

[Notes to Statement of Changes in Net Assets]

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

	The 23rd Period (from August 1, 2016 to January 31, 2017)	The 22nd Period (from February 1, 2016 to July 31, 2016)
Total number of investment units authorized	10,000,000 units	10,000,000 units
Total number of investment units issued and outstanding	880,000 units	880,000 units

[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)

	The 23rd Period (from August 1, 2016 to January 31, 2017)	The 22nd Period (from February 1, 2016 to July 31, 2016)
Cash and deposits	7,961,692	6,896,711
Cash and deposits in trust	3,865,827	3,810,097
Long-term deposits received (Note)	(273,260)	(271,027)
Cash and cash equivalents	11,284,260	10,435,782

(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.

[Lease Transactions]

Operating lease transactions (as a lessor)

(Thousands of yen)

	The 23rd Period (from August 1, 2016 to January 31, 2017)	The 22nd Period (from February 1, 2016 to July 31, 2016)
Future lease payments receivable		
Due within one year	12,888,516	13,431,517
Due after one year	58,936,404	61,644,032
Total	71,824,920	75,075,549

[Financial Instruments]

(i) Matters concerning the status of financial instruments

A. 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 loan 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.

B. 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.

Loans payable 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 sheet and other methods.

As some loans are borrowed on variable interest rates, they are exposed to the risk of higher interest payment. JLF works to mitigate the risk of higher interest payment by maintaining a lower interest-bearing debt ratio as well as heightening the ratio of loan with long-term fixed interest rate.

Variable interest rate borrowings are exposed to the risk of interest rate fluctuations. Derivative transactions are used to hedge the risk of fluctuations in the interest rate payable for a portion of the borrowings. See "(v) Hedge accounting method" above under "Summary of Significant Accounting Policies" for details about the hedging method, hedged items, hedging policy, and method of assessing hedge effectiveness, etc. in hedge accounting.

C. 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 calculation of such value, the value may differ if different assumptions are used. In addition, the contract value of derivative transactions, which is presented in the following section entitled "Notes to Derivatives" is not an exact representation of market risk attributable to derivative transactions.

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

Amounts on the Balance Sheet, fair value and their difference as of January 31, 2017 are as follows;

(Thousands of yen)

	Amount on the balance sheet	Fair value	Difference
(1)Cash and deposits	7,691,692	7,691,692	-
(2)Cash and deposits in trust	3,865,827	3,865,827	-
Total assets	11,557,520	11,557,520	-
(1)Current portion of long-term loans payable	8,000,000	8,033,057	33,057
(2)Investment corporation bond	7,700,000	8,207,787	507,787
(3)Long-term loans payable	56,000,000	58,298,345	2,298,345
Total liabilities	71,700,000	74,539,190	2,839,190
Derivative transactions	-	-	-

Amounts on the Balance Sheet, fair value and their difference as of July 31, 2016 are as follows;

(Thousands of yen)

	Amount on the balance sheet	Fair value	Difference
(1)Cash and deposits	6,896,711	6,896,711	-
(2)Cash and deposits in trust	3,810,097	3,810,097	-
Total assets	10,706,809	10,706,809	-
(1)Current portion of long-term loans payable	6,000,000	6,034,220	34,220
(2)Investment corporation bond	7,700,000	8,423,876	723,876
(3)Long-term loans payable	58,000,000	60,171,601	2,171,601
Total liabilities	71,700,000	74,629,698	2,929,698
Derivative transactions	-	-	-

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

Assets

(1)Cash and deposits, (2) Cash and deposits in trust

The fair value of these is presented same as the book value, as they are settled in the short term period and accordingly fair value is almost equal to book value.

Liabilities

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

The fair value is calculated by discounting principal and interest at a rate to be applied when same amounts of loans are newly borrowed. (Regarding the long-term loans that are hedged by the interest rate swaps, the fair value is calculated by discounting principal and interest at a rate to be applied when same amounts of loans are newly borrowed. Because the interest rate swaps for special treatment are treated together with the long-term borrowings to be hedged, the principal includes the market value of the swaps.)

(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 "Notes to Derivatives" below.

(Note 2) Financial instruments for which fair value is difficult to determine

Not applicable to the 23rd and 22nd Periods.

(Note 3) Scheduled redemption amount of financial claims after the closing date

The 23rd Period (as of January 31, 2017)

(Thousands of yen)

	Within 1 year	1~2 years	2~3 years	3~4 years	4~5 years	After 5 years
Cash and deposits	7,691,692	-	-	-	-	-
Cash and deposits in trust	3,865,827	-	-	-	-	-
Total	11,557,520	-	-	-	-	-

The 22nd Period (as of July 31, 2016)

(Thousands of yen)

	Within 1 year	1~2 years	2~3 years	3~4 years	4~5 years	After 5 years
Cash and deposits	6,896,711	-	-	-	-	-
Cash and deposits in trust	3,810,097	-	-	-	-	-
Total	10,706,809	-	-	-	-	-

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

The 23rd Period (as of January 31, 2017)

(Thousands of yen)

	Within 1 year	1~2 years	2~3 years	3~4 years	4~5 years	After 5 years
Long-term loans payable	8,000,000	2,500,000	10,500,000	7,000,000	-	36,000,000
Investment corporation bond	-	-	-	-	-	7,700,000
Total	8,000,000	2,500,000	10,500,000	7,000,000	-	43,700,000

The 22nd Period (as of July 31, 2016)

(Thousands of yen)

	Within 1 year	1~2 years	2~3 years	3~4 years	4~5 years	After 5 years
Long-term loans payable	6,000,000	5,500,000	6,500,000	4,000,000	7,000,000	35,000,000
Investment corporation bond	-	-	-	-	-	7,700,000
Total	6,000,000	5,500,000	6,500,000	4,000,000	7,000,000	42,700,000

[Notes to Investment Securities]

Not applicable to the 23rd and 22nd Periods.

[Notes to Derivatives]

(i) Transactions not applicable to hedge accounting

Not applicable to the 23rd and 22nd Periods.

(ii) Transactions applicable to hedge accounting

The 23rd Period (from August 1, 2016 to January 31, 2017)

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		
Special treatment of interest rate swaps	Interest rate swap transactions Receive variable, pay fixed	Long-term borrowings	7,500,000	7,500,000	*	—

* 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.

The 22nd Period (from February 1, 2016 to July 31, 2016)

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		
Special treatment of interest rate swaps	Interest rate swap transactions Receive variable, pay fixed	Long-term borrowings	7,500,000	7,500,000	*	—

* 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.

[Notes to Retirement Benefits]

Not applicable to the 23rd and 22nd Periods.

[Tax Effect Accounting]

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

(Thousands of yen)

	The 23rd Period (as of January 31, 2017)	The 22nd Period (as of July 31, 2016)
Deferred tax assets		
Enterprise tax not deductible	8	18
Total deferred tax assets	8	18
Deferred tax assets, net	8	18

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

	The 23rd Period (as of January 31, 2017)	The 22nd Period (as of July 31, 2016)
Effective statutory tax rate	31.74%	32.31%
Adjustments		
Deductible cash distributions	(31.73%)	(32.30%)
Other	0.01%	0.02%
Effective tax rate after applying tax effect accounting	0.02%	0.03%

[Notes to Equity in Earnings of Affiliates]

Not applicable to the 23rd and 22nd Periods, for JLF does not have affiliates.

[Transactions with Related Parties]

(i) Parent company and principal corporate unitholders

Not applicable to the 23rd and 22nd Periods.

(ii) Subsidiaries and affiliates

Not applicable to the 23rd and 22nd Periods.

(iii) Sister companies

Not applicable to the 23rd and 22nd Periods.

(iv) Directors and principal individual unitholders

The 23rd Period (from August 1, 2016 to January 31, 2017)

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	Keita Tanahashi	-	-	Executive Director of Japan Logistics Fund, Inc. and President of Mitsui & Co., Logistics Partners Ltd.	-	Payment of asset management fee to Mitsui & Co., Logistics Partners Ltd. (Note 1)	614,819 (Note 2)	Accrued expenses	436,011 (Note 2)

(Note 1) This is a transaction executed by Keita Tanahashi 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 fiscal period does.

The 22nd Period (from February 1, 2016 to July 31, 2016)

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	Keita Tanahashi	-	-	Executive Director of Japan Logistics Fund, Inc. and President of Mitsui & Co., Logistics Partners Ltd.	-	Payment of asset management fee to Mitsui & Co., Logistics Partners Ltd. (Note 1)	609,921 (Note 2) (Note 3)	Accrued expenses	435,597 (Note 2)

(Note 1) This is a transaction executed by Keita Tanahashi 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 fiscal period does.

(Note 3) Takayuki Kawashima resigned as the executive director of JLF on June 22, 2016. In his place, Keita Tanahashi was appointed as the new executive director on the same day. The amount includes the transactions when Mr. Kawashima was the executive director.

[Notes to Asset Write-off Obligations]

Not applicable to the 23rd and 22nd Periods.

[Notes to Lease Properties]

JLF holds logistics properties (including land) 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)

		The 23rd Period (from August 1, 2016 to January 31, 2017)	The 22nd Period (from February 1, 2016 to July 31, 2016)
Amount on the balance sheet			
	Balance at the beginning of the period	197,224,078	198,743,039
	Changes during the period	(1,513,359)	(1,518,960)
	Balance at the end of the period	195,710,719	197,224,078
Fair value at the end of the period		272,880,000	268,150,000

(Note 1) The amount on the balance sheet is acquisition cost less accumulated depreciation.

(Note 2) The fair value at the end of the fiscal period is the appraisal value provided by an outside real estate appraiser. The amount on the Balance sheet of Kiyosu Logistics Center (land) does not include construction in progress (800,042 thousand yen for the 22nd Period, 1,624,838 thousand yen for the 23rd Period), as its land appraisal value is included as term-end market value because it is under development.

The income concerning lease properties, etc. for the 23rd and 22nd Periods is indicated under "Notes to Statement of Income and Retained Earnings" above.

[Segment Information]

(i) Segment information

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

(ii) Related information

The 23rd Period (from August 1, 2016 to January 31, 2017)

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.

The 22nd Period (from February 1, 2016 to July 31, 2016)

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.

[Per Unit Information]

	The 23rd Period (from August 1, 2016 to January 31, 2017)	The 22nd Period (from February 1, 2016 to July 31, 2016)
Net assets per unit	146,175yen	146,142yen
Profit per unit	4,080yen	4,048yen

(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)

	The 23rd Period (from August 1, 2016 to January 31, 2017)	The 22nd Period (from February 1, 2016 to July 31, 2016)
Profit	3,591,070	3,562,404
Amount not attributable to common unitholders	-	-
Profit pertaining to common investment units	3,591,070	3,562,404
Average number of investment units during period	880,000 units	880,000 units

[Notes to Significant Subsequent Events]

Not applicable to the 23rd Period (from August 1, 2016 to January 31, 2017).

(9) Changes in the total number of investment units issued and outstanding

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)

(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 loans.

(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 loans.

(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.

(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 loans.

(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 loans.

(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.

4. Changes in Directors

(1) Changes in Directors of JLF

Changes in Directors of JLF had been otherwise disclosed under the rule of timely disclosure.

Directors of JLF as of January 31, 2017 are as follows.

Title	Name		
Executive Director	Keita Tanahashi		
Supervisory Director	Takachiyo Suto	Toshima Araki	Tetsuya Azuma

(Note) Executive Director and Supervisory Directors do not own investment units of JLF under their own or other names.

(2) Changes in Directors of the asset management company

Changes in Directors of the asset management company had been otherwise disclosed under the rule of timely disclosure.

Directors of the asset management company as of January 31, 2017, are as follows.

Title	Name			
President	Keita Tanahashi			
Director	Koki Shoji	Yukio Hishida		
	Toshifumi Nagahama	Hideyuki Fukuta	Takehiko Iwahara	Taro Kaminaga
Corporate Auditor	Jiro Morishita			

(Note) Directors and Corporate Auditors do not own investment units of JLF under their own or other names.

5. Reference Information

(1) Asset composition of JLF

Type of assets	Use of assets	Region (Note 2)	The 23rd Period (as of January 31, 2017)		The 22nd Period (as of July 31, 2016)	
			Total amount owned (Millions of yen) (Note 3)	Percentage to total assets (%) (Note 4)	Total amount owned (Millions of yen) (Note 3)	Percentage to total assets (%) (Note 4)
Real estate	Logistics facility	Tokyo Metropolitan Area	7,243	3.5	7,303	3.5
		Kinki/Chubu/Kyushu Areas	6,364	3.0	6,404	3.1
		Other Areas	-	0.0	-	0.0
	Subtotal		13,608	6.5	13,707	6.5
Real estate in trust	Logistics facility	Tokyo Metropolitan Area	146,095	69.7	147,237	70.3
		Kinki/Chubu/Kyushu Areas	26,842	12.8	27,063	12.9
		Other Areas	9,164	4.4	9,215	4.4
	Subtotal		182,102	86.9	183,516	87.6
Deposits and other assets (Note 5)			13,789	6.6	12,160	5.8
Total assets			209,500	100.0	209,384	100.0

(Note 1) Descriptions under "5. Reference Information" are effective as of January 31, 2017, as a general rule, unless otherwise indicated.

(Note 2) For region, please refer to "Area classification" below.

(Note 3) 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 4) Figures are rounded off to the first decimal place.

(Note 5) Deposits and other assets include; deposit in trust assets of 3,865 million yen for the 23rd Period and of 3,810 million yen for the 22nd Period, Construction in progress of 1,624 million yen for the 23rd Period and of 800 million yen for the 22nd period.

<Area classification>

Area classification		Major areas
Tokyo Metropolitan Area	Bay areas	Shinagawa-ku (Ooi, etc.), Koto-ku (Shin-kiba, Shiomi, Tatsumi, etc.), Oota-ku (Haneda area, etc.), Yokohama-shi, Kawasaki-shi, Urayasu-shi, Funabashi-shi
	Inland areas	Around national route No. 16, Tama district of Tokyo, Southern Saitama, Eastern Kanagawa, and Northwestern Chiba
Kinki Area		Bay areas along the Osaka Bay and adjacent to consumption areas in and around Osaka-shi, between Osaka and Kobe, between Kyoto and Osaka, as well as along the Kinki Expressway
Chubu Area		Nagoya Port area, Komaki-shi, Kasugai-shi, Toyota-shi
Kyushu Area		Fukuoka-shi
Other Areas		Areas where locational advantage can be attained, e.g. close to consumption areas

	The 23rd Period (as of January 31, 2017)		The 22nd Period (as of July 31, 2016)	
	Amount (Millions of yen) (Note 1)	Percentage to total assets (%) (Note 2)	Amount (Millions of yen) (Note 1)	Percentage to total assets (%) (Note 2)
Total liabilities	80,865	38.6	80,778	38.6
Total net assets	128,634	61.4	128,605	61.4
Total assets	209,500	100.0	209,384	100.0

(Note 1) Figures below one million yen are omitted.

(Note 2) Figures are rounded off to the first decimal place.

(2) Investment Securities

(i) Major investment securities

A. Stocks

Not applicable

B. Securities other than stocks

Not applicable

(ii) List of portfolio properties

JLF owns the following real estate, etc.

A. The outline of portfolio properties held as of January 31, 2017 is as follows: Acquisition price, etc.

Property Number	Name of the Logistics Center	Type of Ownership	Acquisition price (Millions of yen) (Note 2)	Book value (Millions of yen) (Note 2)	Appraisal value at end of period (Millions of yen) (Note 3)	% of the portfolio (Note 4)
M-1	Funabashi	Trust beneficiary right of real estate	8,675	7,156	7,120	4.1
M-2	Urayasu	Trust beneficiary right of real estate	2,902	2,794	5,070	1.4
M-3	Hiratsuka	Trust beneficiary right of real estate	1,466	1,325	1,890	0.7
M-4	Shinkiba	Trust beneficiary right of real estate	2,454	2,238	3,700	1.2
M-5	Urayasu Chidori	Trust beneficiary right of real estate	6,000	5,217	8,720	2.8
M-6	Funabashi Nishiura	Trust beneficiary right of real estate	5,700	4,420	7,970	2.7
M-8	Kawasaki	Trust beneficiary right of real estate	10,905	9,771	12,000	5.1
M-9	Narashino	Trust beneficiary right of real estate	1,690	1,497	2,320	0.8
M-11	Yachiyo	Trust beneficiary right of real estate	7,892 (Note 5)	7,842	11,500	3.7
M-12	Yokohama Fukuura	Trust beneficiary right of real estate	9,800	8,328	11,400	4.6
M-13	Yachiyo II	Trust beneficiary right of real estate	5,300	4,269	7,360	2.5
M-14	Urayasu Chidori II	Real estate	1,640	1,488	1,830	0.8
M-15	Ichikawa	Real estate	4,550	4,280	5,510	2.1
M-16	Shinonome (Note 6)	Trust beneficiary right of real estate	11,800	11,372	14,900	5.6
M-17	Narashino II (Note 6)	Trust beneficiary right of real estate	7,875	6,803	9,850	3.7
M-18	Ichikawa II (Note 6)	Trust beneficiary right of real estate	17,415	16,046	23,100	8.2
M-19	Souka (Note 6)	Trust beneficiary right of real estate	6,360	5,829	8,100	3.0
M-20	Tatshumi	Trust beneficiary right of real estate	9,000	8,640	11,800	4.2
M-21	Kashiwa	Trust beneficiary right of real estate	3,725	3,479	4,450	1.8
M-22	Musashimurayama	Trust beneficiary right of real estate	8,650	8,239	10,300	4.1
M-23	Kashiwa II (land)	Trust beneficiary right of real estate	2,500	2,526	2,540	1.2
M-24	Shin-Koyasu (Note 6)	Trust beneficiary right of real estate	9,696	9,375	11,600	4.6

Property Number	Name of the Logistics Center	Type of Ownership	Acquisition price (Millions of yen) (Note 2)	Book value (Millions of yen) (Note 2)	Appraisal value at end of period (Millions of yen) (Note 3)	% of the portfolio (Note 4)
M-25	Misato	Trust beneficiary right of real estate	3,873	3,742	4,620	1.8
M-26	Sagamihara	Trust beneficiary right of real estate	8,032	7,862	9,770	3.8
M-27	Chiba Kita	Real estate	1,459	1,475	1,900	0.7
M-28	Chiba Kita II	Trust beneficiary right of real estate	4,608	4,540	5,190	2.2
M-29	Urayasu Chidori III	Trust beneficiary right of real estate	1,053	1,056	1,410	0.5
M-30	Zama	Trust beneficiary right of real estate	1,728	1,718	1,980	0.8
subtotal for the Tokyo Metropolitan Area			166,749	153,339	207,900	78.4
T-1	Daito	Trust beneficiary right of real estate	9,762 (Note 7)	9,011	18,800	4.6
T-2	Osaka Fukuzaki	Trust beneficiary right of real estate	4,096	3,450	6,310	1.9
T-3	Kiyosu (land) (Note 8)	Real estate	685	731	2,230	0.3
T-4	Kadoma	Real estate	989	1,065	1,470	0.5
T-5	Komaki	Real estate	2,100	1,928	2,020	1.0
T-6	Komaki II	Real estate	1,800	1,760	1,530	0.8
T-7	Fukuoka Hakozaki Futo	Trust beneficiary right of real estate	2,797	2,732	3,540	1.3
T-8	Tajimi	Trust beneficiary right of real estate	9,310 (Note 9)	8,995	11,800	4.4
T-9	Fukuoka Kashihama	Trust beneficiary right of real estate	2,750	2,652	3,360	1.3
T-10	Kasugai (land)	Real estate	830	877	1,120	0.4
Subtotal for Kinki/Chubu/Kyushu Areas			35,119	33,207	52,180	16.5
O-1	Maebashi	Trust beneficiary right of real estate	1,230	1,004	1,410	0.6
O-2	Hanyu	Trust beneficiary right of real estate	1,705	1,434	1,960	0.8
O-3	Saitama Kisai	Trust beneficiary right of real estate	4,010	3,414	4,720	1.9
O-4	Kazo	Trust beneficiary right of real estate	3,790	3,310	4,710	1.8
Subtotal for other Areas			10,735	9,164	12,800	5.0
Portfolio total			212,603	195,710	272,880	100.0

Property Number	Name of the Logistics Center (Assets for which a post-dated acquisition contract has been signed.)	Type of Ownership	Acquisition price (Millions of yen) (Note 2)	Book value (Millions of yen) (Note 2)	Appraisal value at end of period (Millions of yen)	% of the portfolio (Note 4)
M-31	Shinkiba II (Note 10)	Trust beneficiary right of real estate	15,270	-	17,500 (Note 11)	-
T-10	Kasugai (building) (Note 12)	Real estate	2,749 (Note 13)	-	3,250 (Note 14)	-

(Note 1) Listed properties are primarily used as logistics facilities.

(Note 2) Acquisition price and book value are indicated with figures below one million yen omitted.

(Note 3) Appraisal value at end of period indicates appraisal value calculated based on the balance sheet date defined by Tanizawa Sōgō Appraisal Co., Ltd., Daiwa Real Estate Appraisal Co., Ltd. and Japan Real Estate Institute as the date of value estimate in accordance with the asset evaluation methods and standards specified under the Articles of Incorporation of JLF as well as the rules set forth by the Investment Trusts Association, Japan.

(Note 4) % of the portfolio represents the ratio of the acquisition price of each piece of real estate, etc. to the total acquisition price of real estate, etc. owned by JLF, and is indicated by rounding off to the first decimal place.

(Note 5) The figure is calculated by deducting 603 million yen of write-off cost of the former building from the acquisition price stated in the initial sales contract of 2,266 million yen, and adding 6,230 million yen, which is the construction price pertaining to the redevelopment of the Building.

(Note 6) Figures for co-ownership are indicated.
Shinonome Logistics Center : 47%
Narashino Logistics Center II : 90%
Ichikawa Logistics Center II : 90%
Souka Logistics Center : 50%
Shin-Koyasu Logistics Center : 51%

(Note 7) The figure is calculated by deducting 291 million yen of write-off cost of the building from the acquisition price stated in the initial sales contract of 7,617 million yen, and adding 2,437 million yen, which is the construction price of the redeveloped Warehouse III.

(Note 8) The redevelopment project was completed on February 24, 2017, and the name of the property was changed from Kiyosu Logistics Center (land) to Kiyosu Logistics Center on the same day. The same shall apply hereafter.

(Note 9) The acquisition price states the sum of on October 8, 2013 and November 4, 2014.

(Note 10) An acquisition contract was signed on July 29, 2016, and the property is scheduled to be delivered on March 16, 2017.

(Note 11) JLF acquired the appraisal issued by Japan Real Estate Institute for the price as of January 31, 2017, and the figure indicates the value in the appraisal for the same date.

(Note 12) While an acquisition contract was signed on May 31, 2016, this building is a development-type property that is still under construction. The scheduled date of acquisition is, in principle, the day after one year from the date of the registration of ownership of the building.

(Note 13) The figure represents to the sales price stated in the initial acquisition contact. JLF is allowed to deduct a specified amount from the acquisition price under certain conditions. The acquisition price is subject to change.

(Note 14) To calculate the above appraisal value of Kasugai Logistics Center (land), JLF obtained the appraisal of land issued by Daiwa Real Estate Appraisal Co., Ltd., for the price as of January 31, 2017. The figure represents the amount remaining after deducting the appraisal value of Kasugai Logistics Center (land) from the combined appraisal value of the land and building as a whole, assuming the validity of the profit from the use of the property calculated in the appraisal process performed by Daiwa Real Estate Appraisal Co., Ltd.

B. The outline of portfolio properties held as of January 31, 2017: The status of leasing of real estate properties, etc.

Property Number	Name of the Logistics Center	Total leasable area (m^2) (Note 1)	Leased area (m^2) (Note 2)	Total number of tenants	Occupancy rate (%)	PML value (%) (Note 3)
M-1	Funabashi	29,556.79	29,556.79	1	100.0	13.0
M-2	Urayasu	9,543.72	6,680.70	2	70.0	18.3
M-3	Hiratsuka	11,225.72	11,225.72	1	100.0	21.1 (Note 4)
M-4	Shinkiba	10,616.80	10,616.80	1	100.0	17.6
M-5	Urayasu Chidori	31,790.42	31,790.42	1	100.0	13.8
M-6	Funabashi Nishiura	35,134.44	35,134.44	2	100.0	7.1
M-8	Kawasaki	41,630.54	41,630.54	1	100.0	14.6
M-9	Narashino	2,442.87	2,442.87	1	100.0	11.3
M-11	Yachiyo	56,882.98	56,882.98	2	100.0	1.7
M-12	Yokohama Fukuura	35,882.64	35,882.64	3	100.0	16.3
M-13	Yachiyo II	32,389.70	32,389.70	1	100.0	7.6
M-14	Urayasu Chidori II	6,192.80	6,192.80	1	100.0	13.1
M-15	Ichikawa	18,686.12	18,686.12	1	100.0	11.8
M-16	Shinonome (Note 5)	16,175.31	16,175.31	1	100.0	14.4
M-17	Narashino II (Note 5)	43,208.86	43,208.86	3	100.0	11.1
M-18	Ichikawa II (Note 5)	66,497.99	66,497.99	2	100.0	4.2
M-19	Souka (Note 5)	21,320.42	21,320.42	3	100.0	12.7
M-20	Tatshumi	29,394.56	29,394.56	1	100.0	14.6
M-21	Kashiwa	20,546.46	20,546.46	1	100.0	9.7
M-22	Musashimurayama	40,884.25	40,884.25	1	100.0	11.9
M-23	Kashiwa II (land)	54,418.30	54,418.30	1	100.0	-
M-24	Shin-Koyasu (Note 5)	29,674.47	29,674.47	2	100.0	11.4
M-25	Misato	19,407.18	19,407.18	1	100.0	10.9
M-26	Sagamihara	44,010.20	44,010.20	1	100.0	12.3
M-27	Chiba Kita	14,828.38	14,828.38	1	100.0	8.4
M-28	Chiba Kita II	25,080.00	25,080.00	1	100.0	6.8
M-29	Urayasu Chidori III	5,314.80	5,314.80	1	100.0	10.9
M-30	Zama	9,358.53	9,358.53	1	100.0	11.8
subtotal for the Tokyo Metropolitan Area		762,095.25	759,232.23	39	99.6	-

Property Number	Name of the Logistics Center	Total leasable area (m^2) (Note 1)	Leased area (m^2) (Note 2)	Total number of tenants	Occupancy rate (%)	PML value (%) (Note 3)
T-1	Daito	92,730.14	92,730.14	1	100.0	13.8
T-2	Osaka Fukuzaki	23,726.80	23,726.80	1	100.0	14.1
T-3	Kiyosu (land) (Note 6)	-	-	-	0.0	-
T-4	Kadoma	7,416.18	7,416.18	1	100.0	13.3
T-5	Komaki	9,486.45	9,486.45	1	100.0	8.7
T-6	Komaki II	10,708.41	10,708.41	1	100.0	8.3
T-7	Fukuoka Hakozaki Futo	24,463.69	24,463.69	1	100.0	1.0
T-8	Tajimi	75,605.23	75,605.23	1	100.0	10.8
T-9	Fukuoka Kashihama	21,201.15	21,201.15	3	100.0	1.0
T-10	Kasugai (land) (Note 7)	15,767.90	-	0	0.0	-
Subtotal for Kinki/Chubu/Kyushu Areas		281,105.95	265,338.05	10	94.4	-
O-1	Maebashi	3,455.53	3,455.53	1	100.0	9.0
O-2	Hanyu	3,518.58	3,518.58	1	100.0	11.6
O-3	Saitama Kisai	24,574.40	24,574.40	1	100.0	10.5
O-4	Kazo	25,130.62	25,130.62	1	100.0	9.5
Subtotal for other Areas		56,679.13	56,679.13	4	100.0	-
Portfolio total		1,099,880.33	1,081,249.41	53	98.3	8.6

(Note 1) The total leasable area is the registered floor area less any area of space not considered for rent. With regard to items for which a more accurate leasable area can be confirmed based on the building floor plan attached to the lease contract, the area recognized to be leasable is indicated as per such floor plan. For the property with land, the lease land area stated in the lease agreement and use agreement is presented. The same applies for each description under "5. Reference Information".

(Note 2) The leased area represents the total area as part of the total leasable area of the area of the building (or land) indicated in the lease contract of each properties. It is possible in each lease contract that the portion not included in the leasable area is part of the area for rent concerning the building provided in the lease contract. The same applies for each description under "5. Reference Information."

(Note 3) As for the PML (Probable Maximum Loss) figures, Shimizu Corporation has prepared an earthquake risk research report with regard to portfolio properties owned by JLF. Such report, however, does not guarantee the contents provided and simply reflects the opinion of the research institution. PML is the projected loss ratio in an earthquake. While no consistent, clear definition of PML is available, it is the ratio of projected loss amount against building replacement cost for which the loss value and the probability rate against large and small earthquakes that could possibly occur in a period of 475 years were computed and statistically applied. The calculations are performed based on onsite research on each respective property, assessment of building status, checking consistency with the floor plan, ground conditions at each site, regional factors, and structural conditions. Loss herein refers to physical damage only, and does not take into consideration secondary damage to people's lives and other facilities in the vicinity. Damage factors include structural damage and internal and external physical damage, and do not consider fire on site caused by an earthquake or fire spreading from another facility.

(Note 4) Earthquake insurance is secured as the PML value exceeds 20%.

(Note 5) Figures for co-ownership are indicated.

Shinonome Logistics Center : 47%
Narashino Logistics Center II : 90%
Ichikawa Logistics Center II : 90%
Souka Logistics Center : 50%
Shin-Koyasu Logistics Center : 51%

(Note 6) Although JLF launched the redevelopment project to construct a new building because the lease agreement with the tenant of the land had expired on November 30, 2015, the redevelopment project was completed on February 24, 2017.

(Note 7) On May 31, 2016, JLF concluded an acquisition contract of the building to be constructed on the land. JLF also concluded a loan for use of the land with Yano General Construction Co., Ltd.

(iii) Diversification of portfolio

Diversification of portfolio properties owned by JLF is described below.

A. Ratio by region

Region	Total leasable area (m^2)	Ratio (%) (Note)	Acquisition price (Millions of yen)	Ratio (%) (Note)
Tokyo Metropolitan Area	762,095.25	69.3	166,749	78.4
Kinki/Chubu/Kyushu Areas	281,105.95	25.6	35,119	16.5
Other Areas	56,679.13	5.2	10,735	5.0
Total	1,099,880.33	100.0	212,603	100.0

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

B. Ratio by total rentable area (Note 1)

Total rentable area (m^2)	Number of properties	Ratio (%) (Note 2)	Acquisition price (Millions of yen)	Ratio (%) (Note 2)
Over 30,000 m^2	16	38.1	136,998	64.4
Over 10,000 m^2 but 30,000 m^2 or less	16	38.1	59,883	28.2
10,000 m^2 or less	10	23.8	15,722	7.4
Total	42	100.0	212,603	100.0

(Note 1) Properties are classified based on total rentable area (100% of total leasable area with respect to co-owned properties) and their portfolio proportions are indicated.

(Note 2) Figures are rounded off to the first decimal place.

C. Ratio by leasehold period

Leasehold period (Residual period)	Leased area (m^2)	Ratio (%) (Note 1)	Annual rent (Millions of Yen) (Note 2)	Ratio (%) (Note 1)
Over 10 years	201,164.79	18.6	2,157	15.0
Over 5 years but within 10 years	463,196.90	42.8	6,819	47.5
Over 3 years but within 5 years	72,321.79	6.7	657	4.6
Within 3 years	344,565.93	31.9	4,713	32.8
Total	1,081,249.41	100.0	14,347	100.0

(Note 1) Figures are rounded off to the first decimal place.

(Note 2) Annual rent represents either annual rent in the lease contract or monthly rent in the lease contract times 12. If the property has multiple tenants, the number is the sum of the all contracts.

(iv) Performance of portfolio properties

The following provides a summary of performance for the 23rd Period of real estate, etc. owned by JLF.

The "performance data" for each piece of real estate, etc. provide the following.

- The amounts indicated under "Performance data" are not intended to provide or guarantee future values.
- Amounts are presented with figures below one million yen omitted, and are posted on an accrual basis in principle.
- "Real estate leasing business revenue" includes rent, common area maintenance fees, and income from parking charges, utilities expenses, and other.
- "Taxes and public dues" includes property tax and city planning tax. As a general rule, the obligation to pay property tax and city planning tax comes into effect on January 1 of each year. Such tax payments, however, are not posted as real estate leasing business expenses, as JLF, when settling property and city planning taxes incurred at the time of property acquisition, includes the amount settled as part of the acquisition cost.
- "Repair expenses" may vary when JLF holds properties for a long period of time as such expenses differ from period to period, and, by nature, do not arise on a regular basis.
- "Insurance expenses" posted represents the portion of casualty insurance corresponding to the respective period.
- "Other expenses" includes trust fees.

(Millions of yen)

Property No.	M-1	M-2	M-3	M-4	M-5
Name of real estate, etc.	Funabashi Logistics Center	Urayasu Logistics Center	Hiratsuka Logistics Center	Shinkiba Logistics Center	Urayasu Chidori Logistics Center
Number of days under management	184	184	184	184	184
(i) Total real estate leasing business revenue	Not disclosed (Note)	Not disclosed (Note)	Not disclosed (Note)	Not disclosed (Note)	Not disclosed (Note)
Rent revenue - real estate					
Other lease business revenue					
(ii) Total real estate leasing business expenses					
Taxes and dues					
Outsourcing service expenses					
Utilities expenses					
Repair expenses					
Insurance expenses					
Other expenses related to rent business					
Depreciation and amortization	94	6	10	14	47
Loss on write-off of noncurrent assets	3	-	-	-	-
(iii) Income from real estate leasing business (= (i) - (ii))	108	17	40	59	153
(iv) NOI from leasing business (= (iii) + depreciation and amortization + loss on write-off of noncurrent assets)	206	23	50	73	200
(v) Capital expenditure	13	-	-	-	22
(vi) NCF (= (iv) - (v))	193	23	50	73	177

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

(Millions of yen)

Property No.	M-6	M-8	M-9	M-11	M-12
Name of real estate, etc.	Funabashi Nishiura Logistics Center	Kawasaki Logistics Center	Narashino Logistics Center	Yachiyo Logistics Center	Yokohama Fukuura Logistics Center
Number of days under management	184	184	184	184	184
(i) Total real estate leasing business revenue	316	Not disclosed (Note)	60	Not disclosed (Note)	Not disclosed (Note)
Rent revenue - real estate	228		60		
Other lease business revenue	88		0		
(ii) Total real estate leasing business expenses	179		17		
Taxes and dues	25		3		
Outsourcing service expenses	4		0		
Utilities expenses	9		-		
Repair expenses	77		1		
Insurance expenses	0		0		
Other expenses related to rent business	0		0		
Depreciation and amortization	61	74	10	79	77
Loss on write-off of noncurrent assets	0	1	0	-	-
(iii) Income from real estate leasing business (= (i) - (ii))	136	216	43	192	210
(iv) NOI from leasing business (= (iii) + depreciation and amortization + loss on write-off of noncurrent assets)	199	292	53	272	288
(v) Capital expenditure	1	5	0	6	-
(vi) NCF (= (iv) - (v))	197	286	53	265	288

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

(Millions of yen)

Property No.	M-13	M-14	M-15	M-16	M-17
Name of real estate, etc.	Yachiyo Logistics Center II	Urayasu Chidori Logistics Center II	Ichikawa Logistics Center	Shinonome Logistics Center (Note 1)	Narashino Logistics Center II (Note 1)
Number of days under management	184	184	184	184	184
(i) Total real estate leasing business revenue	193	Not disclosed (Note 2)	Not disclosed (Note 2)	354	Not disclosed (Note 2)
Rent revenue - real estate	193			354	
Other lease business revenue	-			0	
(ii) Total real estate leasing business expenses	85			75	
Taxes and dues	14			26	
Outsourcing service expenses	0			0	
Utilities expenses	0			-	
Repair expenses	5			0	
Insurance expenses	0			0	
Other expenses related to rent business	2			0	
Depreciation and amortization	62	16	27	46	79
Loss on write-off of noncurrent assets	-	-	-	-	4
(iii) Income from real estate leasing business (= (i) - (ii))	108	27	94	279	186
(iv) NOI from leasing business (= (iii) + depreciation and amortization + loss on write-off of noncurrent assets)	170	43	121	325	270
(v) Capital expenditure	6	-	0	0	10
(vi) NCF (= (iv) - (v))	164	43	120	325	259

(Note 1) Figures for joint ownership are indicated. Shinonome Logistics Center : 47% , Narashino Logistics Center II : 90%
(Note 2) Not disclosed as the tenant did not agree to disclosure.

(Millions of yen)

Property No.	M-18	M-19	M-20	M-21	M-22
Name of real estate, etc.	Ichikawa Logistics Center II (Note 1)	Souka Logistics Center (Note 1)	Tatsumi Logistics Center	Kashiwa Logistics Center	Musashi murayama Logistics Center
Number of days under management	184	184	184	184	184
(i) Total real estate leasing business revenue	Not disclosed (Note 2)	Not disclosed (Note 2)	Not disclosed (Note 2)	Not disclosed (Note 2)	Not disclosed (Note 2)
Rent revenue - real estate					
Other lease business revenue					
(ii) Total real estate leasing business expenses					
Taxes and dues					
Outsourcing service expenses					
Utilities expenses					
Repair expenses					
Insurance expenses					
Other expenses related to rent business					
Depreciation and amortization	120	49	51	37	60
Loss on write-off of noncurrent assets	-	0	-	-	-
(iii) Income from real estate leasing business (= (i) - (ii))	375	139	202	77	190
(iv) NOI from leasing business (= (iii) + depreciation and amortization + loss on write-off of noncurrent assets)	496	188	253	115	250
(v) Capital expenditure	1	1	-	4	-
(vi) NCF (= (iv) - (v))	494	187	253	111	250

(Note 1) Figures for joint ownership are indicated. Ichikawa Logistics Center II : 90% , Souka Logistics Center : 50%

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

(Millions of yen)

Property No.	M-23	M-24	M-25	M-26	M-27
Name of real estate, etc.	Kashiwa Logistics Center II (land)	Shin-Koyasu Logistics Center (Note 1)	Misato Logistics Center	Sagamihara Logistics Center	Chiba Kita Logistics Center
Number of days under management	184	184	184	184	184
(i) Total real estate leasing business revenue	Not disclosed (Note 2)	Not disclosed (Note 2)	Not disclosed (Note 2)	Not disclosed (Note 2)	Not disclosed (Note 2)
Rent revenue - real estate					
Other lease business revenue					
(ii) Total real estate leasing business expenses					
Taxes and dues					
Outsourcing service expenses					
Utilities expenses					
Repair expenses					
Insurance expenses					
Other expenses related to rent business					
Depreciation and amortization	-	64	31	73	18
Loss on write-off of noncurrent assets	-	-	-	-	-
(iii) Income from real estate leasing business (= (i) - (ii))	74	195	80	147	35
(iv) NOI from leasing business (= (iii) + depreciation and amortization + loss on write-off of noncurrent assets)	74	260	111	221	53
(v) Capital expenditure	-	-	-	-	1
(vi) NCF (= (iv) - (v))	74	260	111	221	51

(Note 1) Figures for joint ownership are indicated. Shin-Koyasu Logistics Center: 51%

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

(Millions of yen)

Property No.	M-28	M-29	M-30	T-1	T-2
Name of real estate, etc.	Chiba Kita Logistics Center II	Urayasu Chidori Logistics Center III	Zama Logistics Center	Daito Logistics Center	Osaka Fukuzaki Logistics Center
Number of days under management	184	184	184	184	184
(i) Total real estate leasing business revenue	Not disclosed (Note)	Not disclosed (Note)	Not disclosed (Note)	Not disclosed (Note)	Not disclosed (Note)
Rent revenue - real estate					
Other lease business revenue					
(ii) Total real estate leasing business expenses					
Taxes and dues					
Outsourcing service expenses					
Utilities expenses					
Repair expenses					
Insurance expenses					
Other expenses related to rent business					
Depreciation and amortization	39	5	12	88	29
Loss on write-off of noncurrent assets	-	0	0	0	-
(iii) Income from real estate leasing business (= (i) - (ii))	91	28	39	402	114
(iv) NOI from leasing business (= (iii) + depreciation and amortization + loss on write-off of noncurrent assets)	131	34	52	491	144
(v) Capital expenditure	-	4	0	30	30
(vi) NCF (= (iv) - (v))	131	29	51	460	113

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

(Millions of yen)

Property No.	T-3	T-4	T-5	T-6	T-7
Name of real estate, etc.	Kiyosu Logistics Center (land)	Kadoma Logistics Center	Komaki Logistics Center	Komaki Logistics Center II	Fukuoka Hakozaki Futo Logistics Center
Number of days under management	184	184	184	184	184
(i) Total real estate leasing business revenue	-	Not disclosed (Note)	Not disclosed (Note)	Not disclosed (Note)	Not disclosed (Note)
Rent revenue - real estate	-				
Other lease business revenue	-				
(ii) Total real estate leasing business expenses	3				
Taxes and dues	3				
Outsourcing service expenses	-				
Utilities expenses	-				
Repair expenses	-				
Insurance expenses	-				
Other expenses related to rent business	0				
Depreciation and amortization	-	10	15	17	25
Loss on write-off of noncurrent assets	-	-	0	-	-
(iii) Income from real estate leasing business (= (i) - (ii))	(3)	34	36	32	64
(iv) NOI from leasing business (= (iii) + depreciation and amortization + loss on write-off of noncurrent assets)	(3)	44	51	49	89
(v) Capital expenditure	-	-	2	-	0
(vi) NCF (= (iv) - (v))	(3)	44	48	49	89

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

(Millions of yen)

Property No.	T-8	T-9	T-10	O-1	O-2
Name of real estate, etc.	Tajimi Logistics Center	Fukuoka Kashiihama Logistics Center	Kasugai Logistics Center (land)	Maebashi Logistics Center	Hanyu Logistics Center
Number of days under management	184	184	184	184	184
(i) Total real estate leasing business revenue	Not disclosed (Note)	Not disclosed (Note)	Not disclosed (Note)	43	59
Rent revenue - real estate				43	59
Other lease business revenue				-	-
(ii) Total real estate leasing business expenses				15	18
Taxes and dues				3	3
Outsourcing service expenses				0	0
Utilities expenses				-	-
Repair expenses				1	1
Insurance expenses				0	0
Other expenses related to rent business				0	0
Depreciation and amortization	110	28	-	10	12
Loss on write-off of noncurrent assets	-	0	-	-	-
(iii) Income from real estate leasing business (= (i) - (ii))	205	58	(2)	28	41
(iv) NOI from leasing business (= (iii) + depreciation and amortization + loss on write-off of noncurrent assets)	315	88	(2)	38	53
(v) Capital expenditure	-	0	-	-	-
(vi) NCF (= (iv) - (v))	315	87	(2)	38	53

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

(Millions of yen)

Property No.	O-3	O-4
Name of real estate, etc.	Saitama Kisai Logistics Center	Kazo Logistics Center
Number of days under management	184	184
(i) Total real estate leasing business revenue	Not disclosed (Note)	Not disclosed (Note)
Rent revenue - real estate		
Other lease business revenue		
(ii) Total real estate leasing business expenses		
Taxes and dues		
Outsourcing service expenses		
Utilities expenses		
Repair expenses		
Insurance expenses		
Other expenses related to rent business		
Depreciation and amortization	33	42
Loss on write-off of noncurrent assets	0	-
(iii) Income from real estate leasing business (= (i) - (ii))	85	61
(iv) NOI from leasing business (= (iii) + depreciation and amortization + loss on write-off of noncurrent assets)	119	103
(v) Capital expenditure	2	44
(vi) NCF (= (iv) - (v))	116	59

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

(3) Capital expenditure for assets under management

(i) 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 1)		
			Total amount	Payment for the period	Total amount paid
Shinkiba Logistics Center II (Koto, Tokyo) (Note 2)	Compartment formation	April 2017	300	-	-
Funabashi Nishiura Logistics Center (Funabashi, Chiba)	Exterior wall renewal	May 2017	46	-	-
Funabashi Nishiura Logistics Center (Funabashi, Chiba)	Elevator replacement	April 2017	14	-	-
Other real estate, etc.	-	-	100		
Total			461		

(Note 1) Figures are rounded down to the nearest million yen.

(Note 2) An acquisition contract was signed on July 29, 2016, and the property is scheduled to be delivered on March 16, 2017.

(ii) 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. Capital expenditure for the 23rd Period totals 195 million yen. In addition, repair expenses of 230 million yen are classified under operating expenses for the fiscal period.

Name of real estate, etc. (Location)	Purpose	Period	Amount of expenditure (Millions of yen) (Note)
Kazo Logistics Center (Kazo, Saitama)	Exterior wall renewal	January 2017	44
Osaka Fukuzaki Logistics Center (Osaka, Osaka)	Exterior wall renewal	January 2017	30
Urayasu Chidori Logistics Center (Urayasu, Chiba)	Exterior wall renewal	January 2017	22
Other real estate, etc.	-	-	97
Total			195

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

(iii) Reserve for long-term repair plan (reserve for repairs)

Not applicable

(4) Overview of tenants and major real estate and other properties

10 major tenants

The following tenants use the 10 largest areas of real estate owned and leased by JLF as of January 31, 2017.

Name of tenant	Name of real estate, etc.	Leased area (m^2)	Lease ratio (%) (Note 1)
Nippon Express Co., Ltd.	Tajimi Logistics Center	97,572.07	9.0
	Yokohama Fukuura Logistics Center		
SETTSU WAREHOUSE Co., Ltd.	Daito Logistics Center	92,730.14	8.6
Hitachi Transport System, Ltd.	Yachiyo Logistics Center	82,991,60	7.7
	Kazo Logistics Center		
	Chiba Kita Logistics Center		
Nakano Shokai co.,ltd.	Tatsumi Logistics Center	81,206.43	7.5
	Fukuoka Hakozaki Futo Logistics Center		
	Narashino Logistics Center II (Note 2)		
	Shinkiba Logistics Center		
Tri-net Logistics Co., Ltd.	Urayasu Chidori Logistics Center	65,021.32	6.0
	Funabashi Nisihiura Logistics Center		
	Fukuoka Kashiihama Logistics Center		
Sumitomo Mitsui Finance & Leasing Co., Ltd.	Kashiwa Logistics Center II (land)	54,418.30	5.0
TOMY Company, Ltd.	Ichikawa Logistics Center II (Note 2)	51,401.57	4.8
Ricoh Logistics Systems Co., Ltd.	Osaka Fukuzaki Logistics Center	47,062.37	4.4
	Shin-Koyasu Logistics Center (Note 2)		
DHL Supply Chain Ltd. (Japan)	Sagamihara Logistics Center	44,010.20	4.1
Sagawa Global Logistics Co., Ltd.	Kawasaki Logistics Center	41,630.54	3.9

Total for all tenants	1,081,249.41	100.0

(Note 1) Figures are rounded off to the first decimal place.

(Note 2) Figures for co-ownership are indicated.

Narashino Logistics Center II: 90%

Ichikawa Logistics Center II: 90%

Shin-Koyasu Logistics Center : 51%