REIT Financial Report for the Fiscal Period ended July 31, 2017 (The 24th Period)

September 11, 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: October 27, 2017
Scheduled date for commencing dividend payments: October 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 July 2017 (The 24th Period from February 1, 2017 to July 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 24th Period	7,995	3.2	4,069	2.2	3,678	2.4	3,678	2.4
The 23rd Period	7,748	2.2	3,981	1.1	3,591	0.8	3,591	0.8

	Net Income per Unit	Net Income to Net Assets	Ordinary Income to Total Assets	Ordinary Income to Operating Revenue
	Yen	%	%	%
The 24th Period	4,180	2.9	1.7	46.0
The 23rd Period	4,080	2.8	1.7	46.4

(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 24th Period	4,180	3,678	0	0	100.0	2.9
The 23rd Period	4,081	3,591	0	0	100.0	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 24th Period	232,405	128,706	55.4	146,257
The 23rd Period	209,500	128,634	61.4	146,175

(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 24th Period	4,659	-24,966	19,394	10,372
The 23rd Period	5,412	-1,002	-3,561	11,284

2. Forecasts for the Fiscal Period ending January 2018 (The 25th Period from August 1, 2017 to January 31, 2018) and the Fiscal Period ending July 2018 (The 26th Period from February 1, 2018 to July 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 25th Period	8,801	10.1	4,538	11.5	4,024	9.4	4,023	9.4	4,350	0
The 26th Period	8,758	-0.5	4,417	-2.7	3,951	-1.8	3,950	-1.8	4,270	0

(Reference) Forecast for net income per unit The 25th Period: 4,350 yen The 26th Period: 4,270 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 24th Period: 880,000 units The 23rd Period: 880,000 units

(ii) Number of treasury investment units issued and outstanding at end of period
The 24th Period: 0 unit The 23rd 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 28.

* Explanation on the financial audit

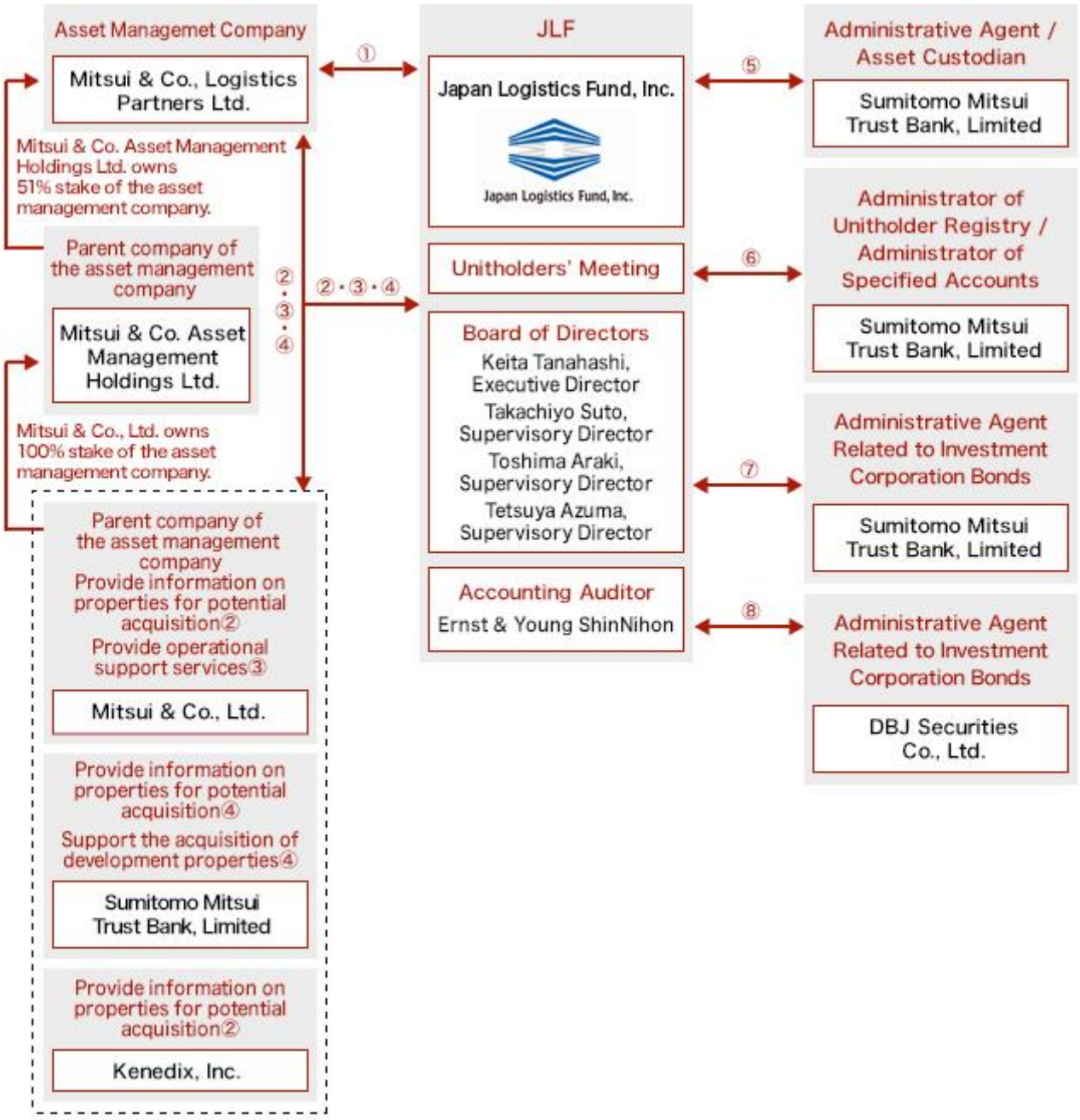
Financial audit procedures in accordance with the Financial Instruments and Exchange Act have not yet finished as of September 11, 2017.

* 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 10.

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 April 27, 2017).

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 April 27, 2017).

(2) Asset Management Status

(i) Summary of Results for the Fiscal Period ended July 2017 (The 24th 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 July 2017 (the end of the 24th Period), JLF had a total of 43 properties under management with total acquisition price of 238,279 million yen and total assets of 232,405 million yen.

B. Investment Environment and Management Performance

During the 24th fiscal period under review, the Japanese economy as a whole grew modestly due to stronger consumer spending in response to steady improvements in employment and personal income, a gradual increase in capital expenditure amid an improvement in corporate earnings and business confidence across a wider range of industries, and a rise in exports on the back of generally moderate economic growth overseas.

In the logistics properties leasing market, demand for large logistics properties was generally firm, primarily due to demand from apparel and other retailers for logistics centers to accommodate e-commerce sales and a resumption of network expansion by large e-commerce houses, and the vacancy rate in the Tokyo metropolitan area trended down. Because of labor shortages, it became more and more important for logistics centers to be in locations where it is easy to hire workers. Although this factor appeared to push up the rent level in some areas, weak demand in areas where it is deemed difficult to hire workers for logistics centers put downward pressure on rents, and overall rents remained flat.

In the logistics properties acquisition market, the total value and number of transactions of logistics properties was lower than the year-ago level. Nonetheless, with real estate investment trusts (J-REITs) increasingly making their presence felt as buyers and new players from overseas also pursuing investment in logistics properties, the expected yield of logistics properties remained in a downward trend.

Under these circumstances, JLF sought to acquire properties at what it considers to be "appropriate prices." In the fiscal period under review, JLF additionally acquired the remaining co-ownership interest (acquisition price: 8,080 million yen) in Souka Logistics Center, in which JLF already owned a 50% co-ownership interest, thus gaining full ownership. Also, as an independent initiative, JLF acquired Shinkiba Logistics Center II (acquisition price: 15,270 million yen) by using the sponsor pipeline. Moreover, as the third round of OBR (Own Book Redevelopment, which means the redevelopment of properties held by JLF on its own), JLF completed the Kiyosu Logistics Center redevelopment project in February 2017. In May, the new building of the Kasugai Logistics Center, which JLF had undertaken as a joint investment project with the construction company as the fourth round of OBR, was completed (Note). Accordingly, total property acquisitions in the fiscal period under review amounted to 25,675 million yen.

(Note) Due to the acquisition of the new building on August 1, 2017, with completion of the redevelopment project, the name of the property changed from Kasugai Logistics Center (Land) to Kasugai Logistics Center effective the same date.

C. Capital Procurement

In the fiscal period under review, JLF diversified repayment dates, reduced average debt financing costs and prolonged the debt financing periods for loans by borrowing from several financial institutions to raise 26,000 million yen out of the total 28,000 million yen required to fund the acquisitions (totaling 23,000 million yen) of the Souka Logistics Center (additional acquisition) and the Shinkiba Logistics Center II and to repay loans (totaling 5,000 million yen) that came due in February and March 2017. JLF also raised 2,000 million yen out of the above 28,000 million yen by issuing Fifth Series Investment Corporation Bonds to diversify fundraising methods. With some of its existing commitment line agreements reaching their expiration dates, JLF decided to increase the limit by 2,500 million yen to enable it to respond flexibly to property acquisitions and stably maintain cash reserves. As a result, the total limit of its commitment line agreements is now 15,500 million yen (Note 1).

As of the end of the 24th fiscal period, the total amount of interest-bearing debt stood at 94,700 million yen and the LTV (Loan to Value) (Note 2) was 30.9%, 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) JLF passed a resolution in the fiscal period under review but will execute the new commitment line agreements 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 24th 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 #5th 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 7,995 million yen, operating income of 4,069 million yen, ordinary income of 3,678 million yen and net income of 3,678 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 4,180 yen.

(ii) Outlook for the Next Fiscal Period

A. Recognition of the Environment

The Japanese economy is expected to continue to show moderate expansion, given increasing consumer spending associated with continuous improvements in employment and personal income, growth in corporate earnings and an increase in exports reflecting improving overseas economies. However, the management of economic policy in the United States, geopolitical risks in the East Asia region and other overseas developments may have a significant impact on the Japanese economy, and thus must be continuously monitored.

In the logistics facilities market in the Tokyo metropolitan area, the supply-demand balance is likely to remain relatively strong, with new supply of logistics facilities expected to reach a historically high level in 2018 and with third-party logistics (3PL) providers and e-commerce houses pursuing business expansion. However, attention needs to be paid to the rent level trend in areas where the supply-demand balance is temporarily disrupted and areas where it is less easy to hire workers.

In this environment, JLF believes that detailed verification of the stability of cash flows of individual properties is the most important factor for continuing to acquire properties at what it considers to be "appropriate prices." Based on this approach, JLF decided to acquire Yokohama Machida Logistics Center (acquisition price: 25,452 million yen) and the Takatsuki Logistics Center (acquisition price: 1,559 million yen) in August 2017 and to acquire Yachiyo Logistics Center III (Note) in September 2017, to continuously pursue "stability" and "growth" in dividends per unit. JLF also resolved to issue new equities through a public offering for the first time in two years to fund the acquisition of these properties. By leveraging more than 12 years' asset management experience, JLF will continue to pursue "growth" and "stability" in dividends per unit by acquiring properties at "appropriate prices," paying special attention to cash flow stability.

(Note) If construction permission of the property (hereafter, the "construction permission") based on the Building Standards Act (Act No. 201 of 1950; including revisions enforced thereafter) (hereafter, the "Construction Standards Law") is not obtained with regard to the property, no purchase agreement is concluded irrespective of the abovementioned decision. Accordingly, in such a case, the property will not be purchased. If purchase agreement is concluded, such purchase agreement constitutes a forward commitment, etc. as stipulated in the Comprehensive Guidelines for Supervision of Financial Instruments Business Operators, etc. set forth by the Financial Services Agency.

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
Significant subsequent events that took place at JLF after the end of the fiscal period ended July 31, 2017 are described below:
Issuance of new investment units:
JLF resolved to issue new investment units at a meeting of the Board of Directors held on September 11, 2017. Details are as follows. An issue price per unit, among other matters, will be decided at meetings of the Board of Directors that will be held in the days to come.

< Issuance of new investment units through public offering >

Number of new investment units to be issued	: 42,750 units
Base date for calculation of distribution	: August 1, 2017

< Issuance of new investment units by a third-party allotment (Note) >

Maximum number of new investment units to be issued	: 2,250 units
Base date for calculation of distribution	: August 1, 2017
Allottee	: SMBC Nikko Securities Inc.

(Note) The units to be issued by third-party allotment may not be subscribed in whole or in part, and as a result, the subscription right will be forfeited and the final number of units with respect to the third-party allotment may be reduced to the same extent, or the issue itself may be suspended.

< Use of Proceeds >
The net proceeds from the public offering shall be used for the repayment of a part of loans borrowed to acquire Yokohama Machida

Logistics Center and Takatsuki Logistics Center, the trust beneficiary right of real estate and the real estate specified in a press release "Notice Concerning Acquisition and lease initiation of New Assets (2 Properties)" dated on August 24, 2017. The proceeds shall also be used to compensate for the declined cash position of JLF due to acquisition of the building of Kasugai Logistics Center on August 1, 2017. Residual proceeds, if any, will be used for financing future acquisition of Specified Assets defined in the Act on Investment Trusts and Investment Corporations Article 2 (1) (Act No. 198 of 1951; including revisions enforced thereafter) (hereafter referred to as the "Act on Investment Trusts and Investment Corporations"), and partial repayment of the loans. The net proceeds from the issuance of new units by third-party allotment will be used for the acquisition of assets, partial repayment of the loans or partial redemption of the investment corporation bond. Until that time has come, the proceeds will be deposited to the bank account.

[Reference Information]

< Acquisition of new properties >

JLF acquired the following property after the end of the fiscal period and before the date of this Financial Report.

[T-10 Kasugai Logistics Center (Building) (Note 1)]

Asset type	Real estate (building only)
Acquisition price	2,670 million yen
Date of delivery	August 1,2017
Location	5-1-3 Takamoridai, Kasugai, Aichi
Usage	Warehouse, office (Note 2)
Site area	15,767.90㎡ (Note 2)
Total floor area	22,281.24㎡ (Note 2)
Structure/Story	Steel frame with alloy-plated steel roofing sheet, 4 stories (Note 2)
Date of completion	April 17,2017 (Note 2)
Type of ownership	Building: Ownership

(Note 1) JLF had been jointly developing the land it purchased on April 23, 2015 pursuant to the business agreement concluded with Yano Construction Co., Ltd. regarding the redevelopment business. With the completion of the redevelopment project, JlF acquired the new building constructed by Yano Construction Co., Ltd. on August 1, 2017, and changed the name of the property from Kasugai Logistics Center (Land) to Kasugai Logistics Center on the same day.

(Note 2) The outline shown here is according to the real estate registry, and may differ from the present state.

[M-32 Yokohama Machida Logistics Center]

Asset type	Trust beneficiary right of real estate	
Acquisition price	25,452 million yen	
Date of delivery	September 1, 2017	
Location	7-30-1 Tsuruma, Machida-shi, Tokyo	
Usage	Warehouse (Note)	
Site area	34,644.19㎡ (Note)	
Total floor area	66,292.24㎡ (Note)	
Structure/Story	Steel-frame/steel-reinforced concrete 4-story building with galvanized steel sheet roof (Note)	
Date of completion	May 19, 2011 (Note)	
Type of ownership	Land: Ownership	Building: Ownership

(Note) The outline shown here is according to the real estate registry, and may differ from the present state.

<Properties to be acquired>

JLF has decided to acquire the following assets after the end of the period up until the date of this report.

[T-11 Takatsuki Logistics Center]

Asset type	Real estate
Acquisition price	1,559 million yen
Date of delivery	October 2, 2017
Location	3-21-1 Zushi, Takatsuki-shi, Osaka
Usage	(i) Warehouse, office (Note 1) (ii) Store (Note 1)
Site area	5,192.75㎡ (Note 2)
Total floor area	(i) 7,006.8㎡ (Note 1) (ii)163.32㎡ (Note 1)
Structure/Story	(i) Reinforced concrete structure, steel frame 3-story building with alloy-plated steel sheet roof (Note 1) (ii) Steel structure flat building with galvanized steel sheet roof (Note 1)

Date of completion	(i) February 16, 2010 (Note 1) (ii) July 30, 2007 (Note 1)	
Type of ownership	Land: Ownership	Building: Ownership

(Note 1) The outline shown here is according to the real estate registry, and may differ from the present state.
(Note 2) The outline shown here is according to the actually measured area

[M-33 Yachiyo Logistics Center III] (Note 1)

Asset type	Real estate	
Acquisition price (planned)	3,286 million yen (Note 2)	
Date of delivery (planned)	Not yet decided (Note 3)	
Location	2040-1 Aza-Otsuka, Kamikoya, Yachiyo-shi, Chiba	
Usage	Warehouse (planned) (Note 4)	
Site area	9,432㎡ (Note 5)	
Total floor area	18,947.81㎡ (planned) (Note 4)	
Structure/Story	Steel structure 4 stories (planned) (Note 4)	
Date of completion	August 2018 (planned) (Note 6)	
Type of ownership	Land: Ownership	Building: Ownership

(Note 1) If the construction permission is not obtained, no purchase agreement will be concluded irrespective of the abovementioned decision. Accordingly, in such a case, the property will not be purchased. The same applies hereinafter. If a purchase agreement is concluded, the said purchase agreement constitutes a forward commitment, etc. as stipulated in the Comprehensive Guidelines for Supervision of Financial Instruments Business Operators, etc. set forth by the Financial Services Agency.
(Note 2) If a lease contract in a form and with content with which JLF is satisfied (hereinafter referred to as the "eligible lease contract") is not concluded for all of this property until the date of delivery of this property, and if the effective eligible lease contract is not concluded and maintained on the date of delivery, JLF is allowed to deduct 124 million yen from the acquisition price. Accordingly, the acquisition price could change in the future.
(Note 3) This building is a development-type property that is still under construction. The date of its delivery will, in principle, be the day after one year from the date of the registration of the preservation of ownership of the building. If otherwise agreed between JLF and Matsuo Shoji Co., Ltd., the delivery date will be the day they have agreed on.
(Note 4) The outline shown here is based on the application pertaining to the construction permission, and may be subject to change going forward.
(Note 5) The outline shown here is according to the real estate registry, and may differ from the present state.
(Note 6) The date is an estimated completion date based on the plan available as of the date of the report. The said completion date may be subject to change going forward.

<Loans >

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

Lender	Sumitomo Mitsui Trust Bank, Limited	Mitsubishi UFJ Trust and Banking Corporation	Sumitomo Mitsui Banking Corporation
Amount borrowed	2,500 million yen	1,700 million yen	800 million yen
Interest rate	1- month JPY TIBOR by Japanese Bankers Association (Note 1) + 0.200%		1- month JPY TIBOR by Japanese Bankers Association (Note 1) +0.175%
Date of borrowing	August 31, 2017		
Repayment date	February 28, 2018		
Borrowing method/security	Loans based on commitment line agreements dated on August 1, 2017. Unsecured and non-guaranteed		Loan based on a commitment line agreement dated on August 1, 2016. Unsecured and non-guaranteed
Repayment method	Lump-sum repayment on due date		
Use of funds	To acquire real estate and trust beneficiary right of domestic real estate and to pay expenses related to this acquisition		

Lender	Sumitomo Mitsui Banking Corporation	Nippon Life Insurance Company	Tokio Marine & Nichido Fire Insurance Co., Ltd.
Amount borrowed	6,000 million yen	2,000 million yen	2,000 million yen
Interest rate	0.22375%	0.25000%	0.24380%
Date of borrowing	August 31, 2017		
Repayment date	February 26, 2021	August 31, 2021	August 31, 2022
Borrowing method/security	Unsecured and non-guaranteed		
Repayment method	Lump-sum repayment on due date		
Use of funds	To acquire real estate and trust beneficiary right of domestic real estate and to pay expenses related to this acquisition, and Funds will be appropriated for the repayment of loans. In addition, proceeds will be used to repay existing loans	To acquire real estate and trust beneficiary right of domestic real estate and to pay expenses related to this acquisition	

Lender	Mitsubishi UFJ Trust and Banking Corporation	Resona Bank, Ltd.	Sumitomo Mitsui Trust Bank, Limited
Amount borrowed	2,000 million yen	2,000 million yen	3,000 million yen
Interest rate	0.30000%	1- month JPY TIBOR by Japanese Bankers Association (Note 1) +0.29% (Note 2)	
Date of borrowing	August 31, 2017		
Repayment date	February 28, 2023	August 31, 2027	
Borrowing method/security	Unsecured and non-guaranteed		
Repayment method	Lump-sum repayment on due date		
Use of funds	To acquire real estate and trust beneficiary right of domestic real estate and to pay expenses related to this acquisition, and Funds will be appropriated for the repayment of loans. In addition, proceeds will be used to repay existing loans		To acquire real estate and trust beneficiary right of domestic real estate and to pay expenses related to this acquisition

Lender	Development Bank of Japan	Development Bank of Japan
Amount borrowed	4,500 million yen	4,500 million yen
Interest rate	0.49313%	0.54375%
Date of borrowing	August 31, 2017	
Repayment date	August 31, 2028	August 31, 2029
Borrowing method/security	Unsecured and non-guaranteed	
Repayment method	Lump-sum repayment on due date	
Use of funds	To acquire real estate and trust beneficiary right of domestic real estate and to pay expenses related to this acquisition	

(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 0.52205% due to the conclusion of an interest rate swap agreement.

<Holding of a general meeting of unitholders>

At a meeting of the Board of Directors held on September 11, 2017, JLF decided to propose the appointment of one Executive Director (candidate: Keita Tanahashi, who is a current Executive Director) and two alternative Executive Directors (candidates: Koki Shoji, who is a Director of the asset management company and concurrently holds the positions of manager of the financial planning division and manager of the general affairs division, and Yasushi Ogaku, who holds the positions of manager of the investment management division and manager of the facility management division in the asset management company) as well as three Supervisory Directors (candidates: Takachiyo Suto, Toshima Araki and Tetsuya Azuma, who are currently Supervisory Directors), as an agenda item to be discussed at the ninth general meeting of investors that will be held on October 26, 2017.

D. Forecasts

Forecasts for the Fiscal Period ending January 2018 (The 25th Period from August 1, 2017 to January 31, 2018) and the Fiscal Period ending July 2018 (The 26th Period from February 1, 2018 to July 31, 2018) are as follows. Please refer to "Assumptions Underlying the Forecasts for the 25th Period (from August 1, 2017 to January 31, 2018) and the 26th Period (from February 1, 2018 to July 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 25th Period	8,801	10.1	4,538	11.5	4,024	9.4	4,023	9.4	4,350	0
The 26th Period	8,758	-0.5	4,417	-2.7	3,951	-1.8	3,950	-1.8	4,270	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 25th Period (from August 1, 2017 to January 31, 2018) and the 26th Period (from February 1, 2018 to July 31, 2018)

Item	Assumptions
Calculation period	・ Fiscal Period Ending January 31, 2018: August 1, 2017 to January 31, 2018 ・ Fiscal Period Ending July 31, 2018: February 1, 2018 to July 31, 2018
Properties owned	・ Forecasts assume a total of 45 properties in the portfolio, including 44 existing properties as of September 11, 2017 and Takatsuki Logistics Center expected to acquire on October 2, 2017. No other acquisitions and sales of properties is assumed. ・ The acquisition contract of Yachiyo Logistics Center III, if executed, corresponds to the forward commitment, etc. stipulated in the "Comprehensive Guidelines for Supervision of Financial Instruments Business Operators, etc." set by the Financial Services Agency. This building is a development-type property that is still under construction. The date of its delivery is not yet decided, but will, in principle, be the day after one year from the date of the registration of the preservation of ownership of the building. For further details, please see the release "Notice Concerning Acquisition of a New Asset (Yachiyo Logistics Center III)" dated September 11, 2017. ・ There may be fluctuation caused by additional acquisitions or sales of properties.
Total number of investment units issued	・ The forecasts assume 925,000 units outstanding, consisting of 880,000 units outstanding as of September 11, 2017 and new issuances of 42,750 units by way of public offering and 2,250 by third-party allotment, which are to be resolved at the Board of Directors meeting on September 11, 2017. ・ For the new issuance by third-party allotment, forecasts assume the issuance of the maximum allowable number of 2,250 units.
Interest-bearing debt	・ Among the interest-bearing debt of 122,700 million yen outstanding as of September 11, 2017, 5,000 million yen of short-term loans and 2,500 million yen of long-term loans come due on the fiscal period ending July 2018. JLF assumes to repay the short-term loans by appropriating a part of the proceeds from the new issuance of investment units (public offering), and the long-term loans by refinancing or cash in hand. ・ The interest-bearing debt outstanding as of the end of fiscal period ending January 2018 and July 2018 will be 117,700 million yen.
Operating revenue	・ The rent revenue is estimated based on the lease contracts in effect as of September 11, 2017 and taking into account the fluctuation factors such as the market environment and rent levels based on negotiations with lessees.
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 Yokohama Machida Logistics Center acquired on September 1, 2017 and Takatsuki Logistics Center due to be acquired on October 2, 2017, the property tax and city planning tax of approximately 38 million yen will be capitalized. ・ Breakdown of expenses related to the rent business, which comprise the core part of operating expenses, is as follows.

Item	Assumptions
	Fiscal Period ending January 31, 2018 / Fiscal Period Ending July 31, 2018 Taxes and dues: 679 million yen / 821 million yen Outsourcing services: 232 million yen / 237 million yen Repair: 149 million yen / 75 million yen Depreciation: 1,999 million yen / 2,018 million yen Other: 343 million yen / 309 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 475 million yen for the Fiscal Period Ending January 31, 2018 and 467million yen for the Fiscal Period Ending July 31, 2018. ・ Forecasts include 40 million yen in costs in the fiscal period ending January 31, 2018 for the issuance of new investment units resolved at the Board of Directors meeting on September 11, 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

For details of risks related to repayment of the loans, please refer to "Investment Risks" described on a Securities Registration Statement (Japanese) submitted on September 11, 2017.

3. Financial Statements

(1) Balance Sheet

(Thousands of yen)

	The 24th Period (as of July 31, 2017)	The 23rd Period (as of January 31, 2017)
Assets		
Current assets		
Cash and deposits	6,485,871	7,691,692
Cash and deposits in trust	4,077,853	3,865,827
Operating accounts receivable	361,403	313,034
Prepaid expenses	35,448	13,692
Deferred tax assets	8	8
Consumption taxes receivable	846,627	-
Other	19,479	26
Total current assets	11,826,692	11,884,282
Non-current assets		
Property, plant and equipment		
Buildings	9,329,922	7,031,881
Accumulated depreciation	-1,713,308	-1,591,524
Buildings, net	7,616,613	5,440,357
Structures	258,219	178,463
Accumulated depreciation	-65,226	-58,372
Structures, net	192,993	120,090
Tools, furniture and fixtures	770	770
Accumulated depreciation	-634	-614
Tools, furniture and fixtures, net	135	155
Land	8,047,890	8,047,890
Construction in progress	-	1,624,838
Buildings in trust	119,896,310	109,654,495
Accumulated depreciation	-23,052,310	-21,392,094
Buildings in trust, net	96,843,999	88,262,401
Structures in trust	3,454,431	3,270,494
Accumulated depreciation	-1,096,343	-1,033,892
Structures in trust, net	2,358,088	2,236,601
Tools, furniture and fixtures in trust	27,983	27,033
Accumulated depreciation	-17,531	-16,829
Tools, furniture and fixtures in trust, net	10,451	10,204
Land in trust	105,222,288	91,593,017
Total property, plant and equipment	220,292,460	197,335,557
Intangible assets		
Other	1,753	2,184
Total intangible assets	1,753	2,184
Investments and other assets		
Long-term prepaid expenses	218,261	224,607
Guarantee deposits	10,020	10,010
Other	2,000	2,000
Total investments and other assets	230,281	236,617
Total non-current assets	220,524,495	197,574,359
Deferred assets		
Investment corporation bond issuance costs	54,669	41,455
Total deferred assets	54,669	41,455
Total assets	232,405,858	209,500,096

(Thousands of yen)

	The 24th Period (as of July 31, 2017)	The 23rd Period (as of January 31, 2017)
Liabilities		
Current liabilities		
Operating accounts payable	308,163	608,252
Current portion of long-term loans payable	5,500,000	8,000,000
Distribution payable	7,425	6,692
Accrued expenses	762,525	707,379
Income taxes payable	781	770
Accrued consumption taxes	-	146,161
Advances received	1,435,836	1,282,048
Deposits received	64,379	-
Total current liabilities	8,079,111	10,751,303
Non-current liabilities		
Investment corporation bond	9,700,000	7,700,000
Long-term loans payable	79,500,000	56,000,000
Tenant leasehold and security deposits	1,028,710	968,170
Tenant leasehold and security deposits in trust	5,124,729	5,112,637
Long-term deposits received	251,783	333,363
Derivatives liabilities	14,865	-
Total non-current liabilities	95,620,089	70,114,171
Total liabilities	103,699,200	80,865,475
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)	3,678,418	3,591,516
Total surplus	5,897,782	5,810,880
Total unitholders' equity	128,721,523	128,634,621
Valuation and translation adjustments		
Deferred gains or losses on hedges	-14,865	-
Total valuation and translation adjustments	-14,865	-
Total net assets	128,706,658	128,634,621
Total liabilities and net assets	232,405,858	209,500,096

(2) Statement of Income and Retained Earnings

(Thousands of yen)

	The 24th Period (from February 1, 2017 to July 31, 2017)	The 23rd Period (from August 1, 2016 to January 31, 2017)
Operating revenue		
Lease business revenue	7,782,207	7,367,663
Other lease business revenue	212,920	380,930
Total operating revenue	7,995,128	7,748,593
Operating expenses		
Expenses related to rent business	3,162,253	3,037,875
Asset management fee	642,174	614,819
Asset custody fee	21,883	20,258
Administrative service fees	33,816	32,427
Directors' compensations	5,400	5,400
Other operating expenses	59,694	56,016
Total operating expenses	3,925,221	3,766,796
Operating profit	4,069,906	3,981,797
Non-operating income		
Interest income	22	57
Insurance income	3,668	769
Reversal of distribution payable	627	369
Other	327	0
Total non-operating income	4,645	1,196
Non-operating expenses		
Interest expenses	305,562	289,553
Borrowing related expenses	36,425	45,509
Interest expenses on investment corporation bonds	50,197	48,575
Amortization of investment corporation bond issuance costs	2,400	1,996
Other	1,000	5,500
Total non-operating expenses	395,585	391,134
Ordinary profit	3,678,966	3,591,858
Profit before income taxes	3,678,966	3,591,858
Income taxes - current	784	778
Income taxes - deferred	-0	9
Total income taxes	784	788
Profit	3,678,182	3,591,070
Retained earnings brought forward	236	445
Unappropriated retained earnings (undisposed loss)	3,678,418	3,591,516

(3) Statement of Changes in Net Assets

The 24th Period (from February 1, 2017 to July 31, 2017)

(Thousands of yen)

	Unitholders' equity							
	Unitholders' capital			Surplus				
				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	Total unitholders' equity
Balance at beginning 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
Changes of items during period								
Dividends of surplus						-3,591,280	-3,591,280	-3,591,280
Profit						3,678,182	3,678,182	3,678,182
Net changes of items other than owners' equity								
Total changes of items during period	-	-	-	-	-	86,902	86,902	86,902
Balance at end of current period	123,288,165	-464,424	122,823,741	2,219,363	2,219,363	3,678,418	5,897,782	128,721,523

	Valuation and translation adjustments		Total net assets
	Deferred gains or losses on hedges	Total valuation and translation adjustments	
Balance at beginning of current period	—	—	128,634,621
Changes of items during period			
Dividends of surplus			-3,591,280
Profit			3,678,182
Net changes of items other than owners' equity	-14,865	-14,865	-14,865
Total changes of items during period	-14,865	-14,865	72,036
Balance at end of current period	-14,865	-14,865	128,706,658

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

(Thousands of yen)

	Unitholders' equity								Total net assets
	Unitholders' capital			Surplus				Total unitholders' equity	
				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

(4) Distribution Information

(Yen)

	The 24th Period (from February 1, 2017 to July 31, 2017)	The 23rd Period (from August 1, 2016 to January 31, 2017)
I. Unappropriated retained earnings	3,678,418,373	3,591,516,306
II. Distributions	3,678,400,000	3,591,280,000
Distributions per unit	4,180	4,081
III. Retained earnings to be carried forward	18,373	236,306
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 3,678,400,000 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 3,591,280,000 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.

(5) Statement of Cash Flows

(Thousands of yen)

	The 24th Period (from February 1, 2017 to July 31, 2017)	The 23rd Period (from August 1, 2016 to January 31, 2017)
Cash flows from operating activities		
Profit before income taxes	3,678,966	3,591,858
Depreciation	1,856,103	1,697,728
Amortization of investment corporation bond issuance costs	2,400	1,996
Interest income	-22	-57
Interest expenses	355,759	338,128
Loss on retirement of non-current assets	2,500	12,277
Decrease (increase) in operating accounts receivable	-48,368	-3,433
Decrease (increase) in consumption taxes refund receivable	-846,627	—
Increase (decrease) in accrued consumption taxes	-146,161	-175,023
Increase (decrease) in operating accounts payable	-261,788	301,463
Increase (decrease) in accrued expenses	39,485	-1,865
Increase (decrease) in advances received	153,788	-57,694
Other, net	214,169	47,053
Subtotal	5,000,206	5,752,433
Interest income received	22	57
Interest expenses paid	-340,099	-339,280
Income taxes (paid) refund	-773	-852
Net cash provided by (used in) operating activities	4,659,355	5,412,357
Cash flows from investing activities		
Purchase of property, plant and equipment	-934,763	-830,187
Purchase of property, plant and equipment in trust	-24,103,894	-225,008
Proceeds from tenant leasehold and security deposits	121,079	230,848
Repayments of tenant leasehold and security deposits	-60,539	-83,583
Proceeds from tenant leasehold and security deposits in trust	280,884	39,583
Repayments of tenant leasehold and security deposits in trust	-268,791	-133,747
Payments for guarantee deposits	-10	—
Net cash provided by (used in) investing activities	-24,966,035	-1,002,095
Cash flows from financing activities		
Increase in short-term loans payable	2,000,000	—
Decrease in short-term loans payable	-2,000,000	—
Proceeds from long-term loans payable	26,000,000	1,000,000
Repayments of long-term loans payable	-5,000,000	-1,000,000
Proceeds from issuance of investment corporation bonds	2,000,000	—
Payments for investment corporation bond issuance costs	-15,614	—
Dividends paid	-3,589,919	-3,561,783
Net cash provided by (used in) financing activities	19,394,465	-3,561,783
Net increase (decrease) in cash and cash equivalents	-912,215	848,477
Cash and cash equivalents at beginning of period	11,284,260	10,435,782
Cash and cash equivalents at end of period	10,372,044	11,284,260

(6) Notes on Assumption of Going Concern

Not applicable to the 24th 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. In the 24th Period, the property tax, etc. included in the acquisition cost of real estate was 96,945 thousand yen. No property tax, etc. were included in the acquisition cost of real estate, etc. in 23rd Period.

(iv) Hedge accounting method

A. Hedge accounting method

Deferred hedge accounting is applied.

However, specially designated accounting is applied to transactions that meet the requirements for specially designated accounting for interest swaps.

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

Hedge effectiveness is assessed by making a comparison between the cumulative total of cash flow fluctuations attributable to hedged items and the cumulative total of cash flow fluctuations attributable to the means of hedging, and examining the ratio of these totals of fluctuations. However, the assessment of effectiveness is not conducted for transactions that meet the requirements for specially designated accounting for interest swaps.

(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

[Notes to Balance Sheet]

(i) Commitment line contracts

JLF has the commitment line contracts with the banks.

(Thousands of yen)

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

(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 24th Period (as of July 31, 2017)	The 23rd Period (as of January 31, 2017)
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 24th Period (as of July 31, 2017)	The 23rd Period (as of January 31, 2017)
50,000	50,000

[Notes to Statement of Income and Retained Earnings]

Breakdown of income from real estate leasing business

(Thousands of yen)

	The 24th Period (from February 1, 2017 to July 31, 2017)		The 23rd Period (from August 1, 2016 to January 31, 2017)	
(i) Real estate leasing business revenue				
Rent revenue-real estate				
Rent income	7,541,486		7,148,681	
Land rents received	78,938		78,938	
Facility charges	161,783	7,782,207	140,043	7,367,663
Other lease business revenue				
Parking charges	15,018		10,295	
Utilities charges	184,275		159,232	
Other operating income	13,626	212,920	211,401	380,930
Total real estate leasing business revenue		7,995,128		7,748,593
(ii) Real estate leasing business expenses				
Expenses related to rent business				
Taxes and dues	679,913		681,720	
Outsourcing service expenses	203,474		195,414	
Utilities expenses	193,250		157,857	
Repair expenses	145,090		230,890	
Insurance expenses	23,721		23,105	
Other expenses related to rent business	58,628		39,317	
Depreciation	1,855,672		1,697,290	
Loss on retirement of non-current assets	2,500		12,277	
Total real estate leasing business expenses		3,162,253		3,037,875
(iii) Income from real estate leasing business ((i)−(ii))		4,832,875		4,710,718

[Notes to Statement of Changes in Net Assets]

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

	The 24th Period (from February 1, 2017 to July 31, 2017)	The 23rd Period (from August 1, 2016 to January 31, 2017)
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 24th Period (from February 1, 2017 to July 31, 2017)	The 23rd Period (from August 1, 2016 to January 31, 2017)
Cash and deposits	6,845,871	7,961,692
Cash and deposits in trust	4,077,853	3,865,827
Long-term deposits received (Note)	-191,680	-273,260
Cash and cash equivalents	10,372,044	11,284,260

(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 24th Period (from February 1, 2017 to July 31, 2017)	The 23rd Period (from August 1, 2016 to January 31, 2017)
Future lease payments receivable		
Due within one year	13,607,688	12,888,516
Due after one year	59,509,172	58,936,404
Total	73,116,860	71,824,920

[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 “(iv) 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 July 31, 2017 are as follows;

(Thousands of yen)

	Amount on the balance sheet	Fair value	Difference
(1)Cash and deposits	6,485,871	6,485,871	-
(2)Cash and deposits in trust	4,077,853	4,077,853	-
Total assets	10,563,725	10,563,725	-
(1)Current portion of long-term loans payable	5,500,000	5,524,530	24,530
(2)Investment corporation bond	9,700,000	10,188,228	488,228
(3)Long-term loans payable	79,500,000	81,639,434	2,139,434
Total liabilities	94,700,000	97,352,193	2,652,193
Derivative transactions *	-14,865	-14,865	-

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

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	-	-	-

(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 of some long-term loans with floating rate is almost equal to their book value because applicable interest rates of such loans are revised on a periodical basis. As such, the fair value of these loans is presented based on the relevant book value.

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

(2) Investment corporation bond

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

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

Derivative transactions

See "Notes to Derivatives" below.

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

Not applicable to the 24th and 23rd Periods.

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

The 24th Period (as of July 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	6,485,871	-	-	-	-	-
Cash and deposits in trust	4,077,853	-	-	-	-	-
Total	10,563,725	-	-	-	-	-

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	-	-	-	-	-

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

The 24th Period (as of July 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	5,500,000	6,500,000	7,000,000	10,000,000	14,000,000	42,000,000
Investment corporation bond	-	-	-	-	-	9,700,000
Total	5,500,000	6,500,000	7,000,000	10,000,000	14,000,000	51,700,000

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

[Notes to Investment Securities]

Not applicable to the 24th and 23rd Periods.

[Notes to Derivatives]

(i) Transactions not applicable to hedge accounting

Not applicable to the 24th and 23rd Periods.

(ii) Transactions applicable to hedge accounting

The 24th Period (from February 1, 2017 to July 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		
Deferred hedge accounting	Interest rate swap transactions Receive variable, pay fixed	Long-term borrowings	4,000,000	4,000,000	-14,865	Based on prices and other conditions presented by financial institutions
Special treatment for hedge accounting of	Interest rate swap transactions	Long-term borrowings	7,500,000	7,500,000	*	—

interest rate swaps	Receive variable, pay fixed					

* 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 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 for hedge accounting 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 24th and 23rd Periods.

[Tax Effect Accounting]
(i) Breakdown of major causes of deferred tax assets and deferred tax liabilities

(Thousands of yen)

	The 24th Period (as of July 31, 2017)	The 23rd Period (as of January 31, 2017)
Deferred tax assets, current		
Enterprise tax not deductible	8	8
Total deferred tax assets, current	8	8
Deferred tax assets, net, current	8	8
Deferred tax assets, noncurrent		
Deferred losses on hedges	4,696	-
Valuation allowance	-4,696	-
Total deferred tax assets, noncurrent	-	-
Deferred tax assets, net, noncurrent	-	-

(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 24th Period (as of July 31, 2017)	The 23rd Period (as of January 31, 2017)
Effective statutory tax rate	31.74%	31.74%
Adjustments		
Deductible cash distributions	-31.74%	-31.73%
Other	0.02%	0.01%
Effective tax rate after applying tax effect accounting	0.02%	0.02%

[Notes to Equity in Earnings of Affiliates]
Not applicable to the 24th and 23rd Periods, for JLF does not have affiliates.

[Transactions with Related Parties]

(i) Parent company and principal corporate unitholders

Not applicable to the 24th and 23rd Periods.

(ii) Subsidiaries and affiliates

Not applicable to the 24th and 23rd Periods.

(iii) Sister companies

Not applicable to the 24th and 23rd Periods.

(iv) Directors and principal individual unitholders

The 24th Period (from February 1, 2017 to July 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)	821,904 (Note 2) (Note 3)	Accrued expenses	472,867 (Note 3)

(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) Asset management fee includes acquisition fee of 163,450 thousand yen, and OBR fee of 16,279 thousand yen, which were included in the book value of the acquired properties.

(Note 3) Of the above amounts, the transaction amount does not include consumption taxes while the balance at the end of fiscal period does.

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.

[Notes to Asset Write-off Obligations]

Not applicable to the 24th and 23rd 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 24th Period (from February 1, 2017 to July 31, 2017)	The 23rd Period (from August 1, 2016 to January 31, 2017)
Amount on the balance sheet			
	Balance at the beginning of the period	195,710,719	197,224,078
	Changes during the period	24,581,741	-1,513,359
	Balance at the end of the period	220,292,460	195,710,719
Fair value at the end of the period		306,590,000	272,880,000

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

(Note 2) The increase of the lease properties in the 24th Period is mainly by the additional acquisition of Souka Logistics Center (8,169,498 thousand yen) and Shinkiba Logistics Center II (15,453,058 thousand yen), and the completion of Kiyosu OBR (2,374,100 thousand yen).

(Note 3) The fair value at the end of the fiscal period is the appraisal value provided by an outside real estate appraiser. In the previous period, the appraisal value of Kiyosu Logistics Center was presented as a value of land, for the property was under development. Accordingly, the amount posted on the balance sheet does not include construction in progress (1,624,838 thousand yen in the previous fiscal period).

The income concerning lease properties, etc. for the 24th and 23rd 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 24th Period (from February 1, 2017 to July 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 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.

[Per Unit Information]

	The 24th Period (from February 1, 2017 to July 31, 2017)	The 23rd Period (from August 1, 2016 to January 31, 2017)
Net assets per unit	146,257yen	146,175yen
Profit per unit	4,179yen	4,080yen

(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 24th Period (from February 1, 2017 to July 31, 2017)	The 23rd Period (from August 1, 2016 to January 31, 2017)
Profit	3,678,182	3,591,070
Amount not attributable to common unitholders	-	-
Profit pertaining to common investment units	3,678,182	3,591,070
Average number of investment units during period	880,000 units	880,000 units

[Notes to Significant Subsequent Events]

Significant subsequent events that took place at JLF after the end of the fiscal period ended July 31, 2017 are described below:

Issuance of new investment units:

JLF resolved to issue new investment units at a meeting of the Board of Directors held on September 11, 2017. Details are as follows. An issue price per unit, among other matters, will be decided at meetings of the Board of Directors that will be held in the days to come.

< Issuance of new investment units through public offering >

Number of new investment units to be issued : 42,750 units

Base date for calculation of distribution : August 1, 2017

< Issuance of new investment units by a third-party allotment (Note) >

Maximum number of new investment units to be issued : 2,250 units

Base date for calculation of distribution : August 1, 2017

Allottee : SMBC Nikko Securities Inc.

(Note) The units to be issued by third-party allotment may not be subscribed in whole or in part, and as a result, the subscription right will be forfeited and the final number of units with respect to the third-party allotment may be reduced to the same extent, or the issue itself may be suspended.

< Use of Proceeds >

The net proceeds from the public offering shall be used for the repayment of a part of loans borrowed to acquire Yokohama Machida Logistics Center and Takatsuki Logistics Center, the trust beneficiary right of real estate and the real estate specified in a press release "Notice Concerning Acquisition and lease initiation of New Assets (2 Properties)" dated on August 24, 2017. The proceeds shall also be used to compensate for the declined cash position of JLF due to acquisition of the building of Kasugai Logistics Center on August 1, 2017. Residual proceeds, if any, will be used for financing future acquisition of Specified Assets defined in the Act on Investment Trusts and Investment Corporations Article 2 (1) (Act No. 198 of 1951; including revisions enforced thereafter) (hereafter referred to as the "Act on Investment Trusts and Investment Corporations"), and partial repayment of the loans. The net proceeds from the issuance of new units by third-party allotment will be used for the acquisition of assets, partial repayment of the loans or partial redemption of the investment corporation bond. Until that time has come, the proceeds will be deposited to the bank account.

(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 July 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 July 31, 2017, are as follows.

Title	Name			
President	Keita Tanahashi			
Director	Koki Shoji			
	Toshifumi Nagahama	Kiyoshi Okubo	Takehiko Iwahara	Taro Kaminaga
Corporate Auditor	Ichiro Tsutsumi			

(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 24th Period (as of July 31, 2017)		The 23rd Period (as of January 31, 2017)	
			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	7,185	3.1	7,243	3.5
		Kinki/Chubu/Kyushu Areas	8,672	3.7	6,364	3.0
		Other Areas	-	0.0	-	0.0
	Subtotal		15,857	6.8	13,608	6.5
Real estate in trust	Logistics facility	Tokyo Metropolitan Area	168,772	72.6	146,095	69.7
		Kinki/Chubu/Kyushu Areas	26,594	11.4	26,842	12.8
		Other Areas	9,067	3.9	9,164	4.4
	Subtotal		204,434	88.0	182,102	86.9
Deposits and other assets (Note 5)			12,113	5.2	13,789	6.6
Total assets			232,405	100.0	209,500	100.0

(Note 1) Descriptions under "5. Reference Information" are effective as of July 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 4,077 million yen for the 24th Period and of 3,865 million yen for the 23rd Period, Construction in progress of 1,624 million yen for the 23rd 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 24th Period (as of July 31, 2017)		The 23rd Period (as of January 31, 2017)	
	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	103,699	44.6	80,865	38.6
Total net assets	128,706	55.4	128,634	61.4
Total assets	232,405	100.0	209,500	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.

M. The outline of portfolio properties held as of July 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	7,066	7,280	3.6
M-2	Urayasu	Trust beneficiary right of real estate	2,902	2,788	5,220	1.2
M-3	Hiratsuka	Trust beneficiary right of real estate	1,466	1,315	1,930	0.6
M-4	Shinkiba	Trust beneficiary right of real estate	2,454	2,231	3,780	1.0
M-5	Urayasu Chidori	Trust beneficiary right of real estate	6,000	5,169	8,930	2.5
M-6	Funabashi Nishiura	Trust beneficiary right of real estate	5,700	4,418	8,000	2.4
M-8	Kawasaki	Trust beneficiary right of real estate	10,905	9,698	12,200	4.6
M-9	Narashino	Trust beneficiary right of real estate	1,690	1,486	2,360	0.7
M-11	Yachiyo	Trust beneficiary right of real estate	7,892 (Note 5)	7,763	11,800	3.3
M-12	Yokohama Fukuura	Trust beneficiary right of real estate	9,800	8,253	11,600	4.1
M-13	Yachiyo II	Trust beneficiary right of real estate	5,300	4,213	7,520	2.2
M-14	Urayasu Chidori II	Real estate	1,640	1,475	1,860	0.7
M-15	Ichikawa	Real estate	4,550	4,252	5,640	1.9
M-16	Shinonome (Note 6)	Trust beneficiary right of real estate	11,800	11,325	14,600	5.0
M-17	Narashino II (Note 6)	Trust beneficiary right of real estate	7,875	6,724	9,850	3.3
M-18	Ichikawa II (Note 6)	Trust beneficiary right of real estate	17,415	15,926	23,500	7.3
M-19	Souka (Note 7)	Trust beneficiary right of real estate	14,440 (Note 8)	13,887	16,900	6.1
M-20	Tatshumi	Trust beneficiary right of real estate	9,000	8,588	11,900	3.8
M-21	Kashiwa	Trust beneficiary right of real estate	3,725	3,442	4,530	1.6
M-22	Musashimurayama	Trust beneficiary right of real estate	8,650	8,191	10,500	3.6
M-23	Kashiwa II (land)	Trust beneficiary right of real estate	2,500	2,526	2,540	1.0
M-24	Shin-Koyasu (Note 6)	Trust beneficiary right of real estate	9,696	9,310	11,800	4.1

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	3,711	4,720	1.6
M-26	Sagamihara	Trust beneficiary right of real estate	8,032	7,789	9,980	3.4
M-27	Chiba Kita	Real estate	1,459	1,457	1,950	0.6
M-28	Chiba Kita II	Trust beneficiary right of real estate	4,608	4,500	5,210	1.9
M-29	Urayasu Chidori III	Trust beneficiary right of real estate	1,053	1,052	1,440	0.4
M-30	Zama	Trust beneficiary right of real estate	1,728	1,705	2,020	0.7
M-31	Shinkiba II	Trust beneficiary right of real estate	15,270	15,684	17,700	6.4
Subtotal for the Tokyo Metropolitan Area			190,099	175,957	237,260	79.8
T-1	Daito	Trust beneficiary right of real estate	9,762 (Note 9)	8,943	19,200	4.1
T-2	Osaka Fukuzaki	Trust beneficiary right of real estate	4,096	3,429	6,460	1.7
T-3	Kiyosu (Note 10)	Real estate	3,010 (Note 11)	3,077	5,310	1.3
T-4	Kadoma	Real estate	989	1,055	1,500	0.4
T-5	Komaki	Real estate	2,100	1,916	2,070	0.9
T-6	Komaki II	Real estate	1,800	1,743	1,570	0.8
T-7	Fukuoka Hakozaki Futo	Trust beneficiary right of real estate	2,797	2,707	3,620	1.2
T-8	Tajimi	Trust beneficiary right of real estate	9,310 (Note 12)	8,885	12,000	3.9
T-9	Fukuoka Kashihama	Trust beneficiary right of real estate	2,750	2,629	3,400	1.2
T-10	Kasugai (land) (Note 13)	Real estate	830	877	1,200	0.3
Subtotal for Kinki/Chubu/Kyushu Areas			37,445	35,266	56,330	15.7
O-1	Maebashi	Trust beneficiary right of real estate	1,230	994	1,410	0.5
O-2	Hanyu	Trust beneficiary right of real estate	1,705	1,422	1,960	0.7
O-3	Saitama Kisai	Trust beneficiary right of real estate	4,010	3,383	4,800	1.7
O-4	Kazo	Trust beneficiary right of real estate	3,790	3,267	4,830	1.6
Subtotal for other Areas			10,735	9,067	13,000	4.5
Portfolio total			238,279	220,292	306,590	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)
T-10	Kasugai (building) (Note 14)	Real estate	2,749 (Note 15)	-	3,260 (Note 16)	-

(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 the costs associated with write-offs and demolition of the former building in July 2013 (603 million yen), and adding the amount stated in the construction contract relating to the building after redevelopment (including the construction contract for additional works) (6,230 million yen) to the sale price stated in the initial sales contract (2,266 million yen).

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

(Note 7) The additional 50% interest of co-ownership was acquired on February 6, 2017.

(Note 8) The figure is the sum of the acquisition prices on March 27, 2012 and February 6, 2017.

(Note 9) The figure is calculated by deducting the costs associated with write-offs and demolition of the former building in July 2009 (291 million yen), and adding the amount stated in the construction contract relating to the Warehouse III (2,437 million yen) to the sale price stated in the initial sales contract (7,617 million yen).

(Note 10) JLF had been developing the land purchased on December 25, 2006 to construct a new building. With the completion of the redevelopment project, JLF acquired the building on February 24, 2017 and changed the name of the property from Kiyosu Logistics Center (Land) to Kiyosu Logistics Center on the same day. The same applies hereinafter.

(Note 11) The figure is calculated by adding the construction price relating to the redevelopment of the building (2,325 million yen) to the sale price stated in the initial sales contract (685 million yen).

(Note 12) The acquisition price states the sum of on October 8, 2013 and November 4, 2014.

(Note 13) Yano Construction Co., Ltd. and JLF had been jointly developing the land JLF purchased on April 23, 2015 pursuant to the business agreement regarding the redevelopment project. Upon completion of the redevelopment project, JLF acquired the new building constructed by Yano Construction co., Ltd. on August 1, 2017 and changed the name of the property from Kasugai Logistics Center (Land) to Kasugai Logistics Center on the same day. The same applies hereinafter.

(Note 14) JLF concluded a purchase agreement on May 31, 2016 and acquired the property on August 1, 2017 with the completion of the redevelopment project.

(Note 15) The figure represents the sales price stated in the initial acquisition contact. JLF is deemed to have the right to reduce this sales price under certain conditions, and acquired the property for the acquisition price of 2,670 million yen on August 1, 2017.

(Note 16) 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 July 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 July 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	6,350.16	3	66.5	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	7,058.28	1	20.1	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 6)	42,640.84	42,640.84	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
M-31	Shinkiba II	38,512.20	28,066.59	2	72.9	11.3

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)
Subtotal for the Tokyo Metropolitan Area		821,927.87	780,212.54	41	94.9	-
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	19,761.25	19,761.25	1	100.0	10.0
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		300,867.20	285,099.30	11	94.8	-
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		1,179,474.20	1,121,990.97	56	95.1	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%

Shin-Koyasu Logistics Center : 51%

(Note 6) The additional 50% interest of co-ownership was acquired on February 6, 2017.

(Note 7) In conjunction with the land that it purchased on April 23, 2015, JLF concluded agreements on May 31, 2016 with Yano Construction Co., Ltd., a company constructing a new building on the land, for the purchase of the relevant building and the free use of the land pursuant to the business agreement that had been concluded with Yano Construction Co., Ltd. regarding the redevelopment business. Upon completion of the redevelopment project, JLF acquired the new building on August 1, 2017 and cancelled the agreements by mutual consent on the same day. Meanwhile, JLF concluded a new lease agreement with SETTSU WAREHOUSE Co., Ltd. and started leasing.

(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	821,927.87	69.7	190,099	79.8
Kinki/Chubu/Kyushu Areas	300,867.20	25.5	37,445	15.7
Other Areas	56,679.13	4.8	10,735	4.5
Total	1,179,474.20	100.0	238,279	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	17	39.5	160,348	67.3
Over 10,000 m^2 but 30,000 m^2 or less	17	39.5	62,894	26.4
10,000 m^2 or less	9	20.9	15,037	6.3
Total	43	100.0	238,279	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	215,580.18	19.2	2,396	15.5
Over 5 years but within 10 years	411,113.12	36.6	6,103	39.4
Over 3 years but within 5 years	110,055.61	9.8	1,747	11.3
Within 3 years	385,242.06	34.3	5,248	33.9
Total	1,121,990.97	100.0	15,495	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 24th 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	181	181	181	181	181
(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	93	6	10	14	47
Loss on write-off of noncurrent assets	0	-	-	0	-
(iii) Income from real estate leasing business (= (i) - (ii))	122	41	42	64	153
(iv) NOI from leasing business (= (iii) + depreciation and amortization + loss on write-off of noncurrent assets)	215	47	52	79	201
(v) Capital expenditure	4	-	0	7	-
(vi) NCF (= (iv) - (v))	211	47	51	71	201

(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	181	181	181	181	181
(i) Total real estate leasing business revenue	Not disclosed (Note)	Not disclosed (Note)	60	Not disclosed (Note)	Not disclosed (Note)
Rent revenue - real estate			60		
Other lease business revenue			-		
(ii) Total real estate leasing business expenses			16		
Taxes and dues			3		
Outsourcing service expenses			0		
Utilities expenses			-		
Repair expenses			0		
Insurance expenses			0		
Other expenses related to rent business			0		
Depreciation and amortization	62	74	10	80	77
Loss on write-off of noncurrent assets	-	0	-	-	-
(iii) Income from real estate leasing business (= (i) - (ii))	-80	217	44	193	195
(iv) NOI from leasing business (= (iii) + depreciation and amortization + loss on write-off of noncurrent assets)	-18	292	54	273	273
(v) Capital expenditure	59	2	-	1	2
(vi) NCF (= (iv) - (v))	-78	290	54	271	270

(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	181	181	181	181	181
(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	78			76	
Taxes and dues	14			26	
Outsourcing service expenses	0			0	
Utilities expenses	0			-	
Repair expenses	-			0	
Insurance expenses	0			0	
Other expenses related to rent business	0			0	
Depreciation and amortization	62	12	27	46	79
Loss on write-off of noncurrent assets	-	-	-	-	-
(iii) Income from real estate leasing business (= (i) - (ii))	115	30	94	278	138
(iv) NOI from leasing business (= (iii) + depreciation and amortization + loss on write-off of noncurrent assets)	177	43	122	325	218
(v) Capital expenditure	5	-	-	-	0
(vi) NCF (= (iv) - (v))	171	43	122	325	217

(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 2)	Tatsumi Logistics Center	Kashiwa Logistics Center	Musashi murayama Logistics Center
Number of days under management	181	181	181	181	181
(i) Total real estate leasing business revenue	Not disclosed (Note 3)	Not disclosed (Note 3)	Not disclosed (Note 3)	Not disclosed (Note 3)	Not disclosed (Note 3)
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	114	51	37	60
Loss on write-off of noncurrent assets	-	0	-	-	-
(iii) Income from real estate leasing business (= (i) - (ii))	387	265	202	30	190
(iv) NOI from leasing business (= (iii) + depreciation and amortization + loss on write-off of noncurrent assets)	507	379	253	67	251
(v) Capital expenditure	-	3	-	-	12
(vi) NCF (= (iv) - (v))	507	376	253	67	238

(Note 1) Figures for joint ownership are indicated. Ichikawa Logistics Center II : 90%
(Note 2) The additional 50% interest of co-ownership was acquired on February 6, 2017.
(Note 3) 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	181	181	181	181	181
(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	-	0	-	-	0
(iii) Income from real estate leasing business (= (i) - (ii))	74	196	80	148	35
(iv) NOI from leasing business (= (iii) + depreciation and amortization + loss on write-off of noncurrent assets)	74	261	112	222	53
(v) Capital expenditure	-	0	-	-	0
(vi) NCF (= (iv) - (v))	74	261	112	222	53

(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	M-31	T-1
Name of real estate, etc.	Chiba Kita Logistics Center II	Urayasu Chidori Logistics Center III	Zama Logistics Center	Shinkiba Logistics Center II	Daito Logistics Center
Number of days under management	181	181	181	138	181
(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	69	88
Loss on write-off of noncurrent assets	-	0	-	-	0
(iii) Income from real estate leasing business (= (i) - (ii))	91	29	38	171	409
(iv) NOI from leasing business (= (iii) + depreciation and amortization + loss on write-off of noncurrent assets)	131	35	51	241	498
(v) Capital expenditure	-	1	-	300	20
(vi) NCF (= (iv) - (v))	131	34	51	-59	477

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

(Millions of yen)

Property No.	T-2	T-3	T-4	T-5	T-6
Name of real estate, etc.	Osaka Fukuzaki Logistics Center	Kiyosu Logistics Center	Kadoma Logistics Center	Komaki Logistics Center	Komaki Logistics Center II
Number of days under management	181	181	181	181	181
(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	30	27	10	15	17
Loss on write-off of noncurrent assets	0	-	-	-	-
(iii) Income from real estate leasing business (= (i) - (ii))	116	65	32	32	32
(iv) NOI from leasing business (= (iii) + depreciation and amortization + loss on write-off of noncurrent assets)	146	93	43	47	49
(v) Capital expenditure	8	-	-	3	-
(vi) NCF (= (iv) - (v))	137	93	43	44	49

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

(Millions of yen)

Property No.	T-7	T-8	T-9	T-10	O-1
Name of real estate, etc.	Fukuoka Hakozaki Futo Logistics Center	Tajimi Logistics Center	Fukuoka Kashiihama Logistics Center	Kasugai Logistics Center (land)	Maebashi Logistics Center
Number of days under management	181	181	181	181	181
(i) Total real estate leasing business revenue	Not disclosed (Note)	Not disclosed (Note)	Not disclosed (Note)	Not disclosed (Note)	43
Rent revenue - real estate					43
Other lease business revenue					-
(ii) Total real estate leasing business expenses					15
Taxes and dues					3
Outsourcing service expenses					0
Utilities expenses					-
Repair expenses					0
Insurance expenses					0
Other expenses related to rent business					0
Depreciation and amortization	25	110	28	-	10
Loss on write-off of noncurrent assets	-	-	1	-	-
(iii) Income from real estate leasing business (= (i) - (ii))	63	205	49	-2	28
(iv) NOI from leasing business (= (iii) + depreciation and amortization + loss on write-off of noncurrent assets)	88	315	79	-2	38
(v) Capital expenditure	-	-	6	-	-
(vi) NCF (= (iv) - (v))	88	315	72	-2	38

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

(Millions of yen)

Property No.	O-2	O-3	O-4
Name of real estate, etc.	Hanyu Logistics Center	Saitama Kisai Logistics Center	Kazo Logistics Center
Number of days under management	181	181	181
(i) Total real estate leasing business revenue	59	Not disclosed (Note)	Not disclosed (Note)
Rent revenue - real estate	59		
Other lease business revenue	-		
(ii) Total real estate leasing business expenses	17		
Taxes and dues	3		
Outsourcing service expenses	0		
Utilities expenses	-		
Repair expenses	-		
Insurance expenses	0		
Other expenses related to rent business	0		
Depreciation and amortization	12	32	42
Loss on write-off of noncurrent assets	-	-	-
(iii) Income from real estate leasing business (= (i) - (ii))	42	88	71
(iv) NOI from leasing business (= (iii) + depreciation and amortization + loss on write-off of noncurrent assets)	54	120	114
(v) Capital expenditure	0	0	-
(vi) NCF (= (iv) - (v))	53	119	114

(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)		
			Total amount	Payment for the period	Total amount paid
Kashiwa Logistics Center (Kashiwa, Chiba)	Exterior wall renewal	November 2017	83	-	-
Funabashi Logistics Center (Funabashi, Chiba)	Exterior wall renewal	January 2018	64	-	-
Funabashi Nishiura Logistics Center (Funabashi, Chiba)	Exterior wall renewal	January 2018	42	-	-
Other real estate, etc.	-	-	168		
Total			358		

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

(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 24th Period totals 443 million yen. In addition, repair expenses of 145 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)
Shinkiba Logistics Center II (Koto, Tokyo)	Compartment formation	April 2017	300
Funabashi Nishiura Logistics Center (Funabashi, Chiba)	Exterior wall renewal	July 2017	44
Funabashi Nishiura Logistics Center (Funabashi, Chiba)	Elevator replacement	April 2017	14
Other real estate, etc.	-	-	83
Total			443

(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 July 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	8.7
	Yokohama Fukuura Logistics Center		
SETTSU WAREHOUSE Co., Ltd.	Daito Logistics Center	92,730.14	8.3
Nakano Shokai co.,ltd.	Tatsumi Logistics Center	91,051.05	8.1
	Fukuoka Hakozaki Futo Logistics Center		
	Narashino Logistics Center II (Note 2)		
	Shinkiba Logistics Center		
	Shinkiba Logistics Center II		
Hitachi Transport System, Ltd.	Yachiyo Logistics Center	82,991.60	7.4
	Kazo Logistics Center		
	Chiba Kita Logistics Center		
Ricoh Logistics Systems Co., Ltd.	Osaka Fukuzaki Logistics Center	57,756.92	5.1
	Shin-Koyasu Logistics Center (Note 2)		
	Souka Logistics Center		
Sumitomo Mitsui Finance & Leasing Co., Ltd.	Kashiwa Logistics Center II (land)	54,418.30	4.9
TOMY Company, Ltd.	Ichikawa Logistics Center II (Note 2)	51,401.57	4.6
DHL Supply Chain Ltd. (Japan)	Sagamihara Logistics Center	44,010.20	3.9
Sagawa Global Logistics Co., Ltd.	Kawasaki Logistics Center	41,630.54	3.7
VANTEC CORPORATION	Musashi murayama Logistics Center	40,884.25	3.6

Total for all tenants	1,121,990.97	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%