05

Appendix



Summary of LaSalle LOGIPORT REIT

Features of LaSalle LOGIPORT REIT

1 Focused investments of Prime Logistics in Tokyo and Osaka

- The portfolio is primarily comprised of large scale logistics facilities in the Tokyo area
- In order to ensure a portfolio with superior mid- to long-term competitiveness, there is a focus and attention given to location and building specifications which are the source of a given properties' characteristics

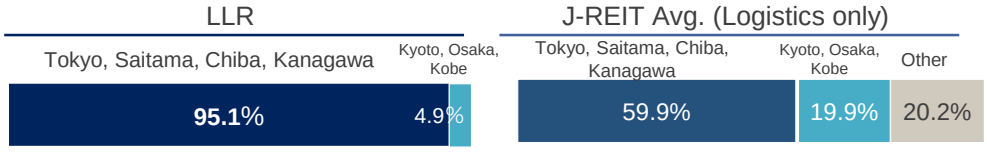
2 Leveraging off of the LaSalle Group's asset management capabilities

- Capitalize upon the LaSalle Group's capabilities as a leading global investment manager with deep roots in core real estate investing
- Utilize LaSalle Japan's wealth of operational experience within the logistics space

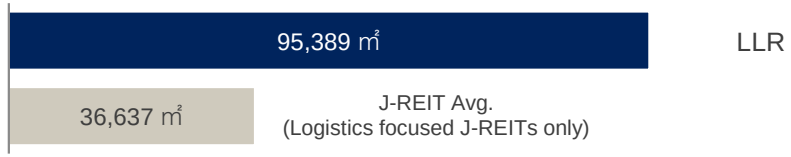
Portfolio Summary (1)

AUM	¥189.1 bn	Tokyo & Osaka Areas	100 %
NOI Yield(2)	4.9 %	Occupancy	98.8 %

Investment Area Ratios (3)

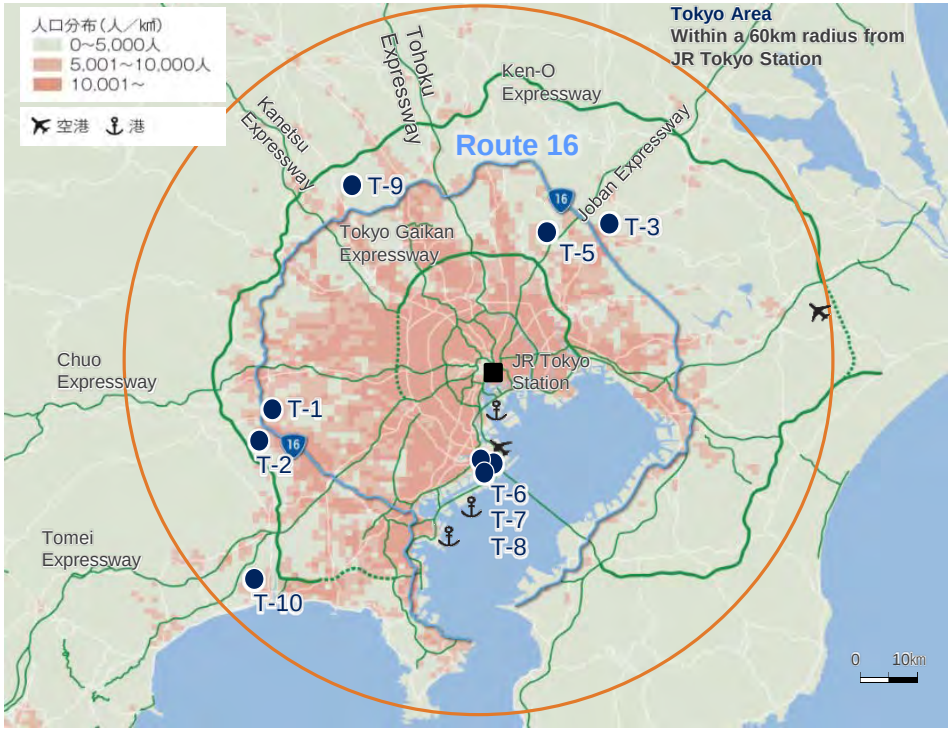


Avg. GFA (3)

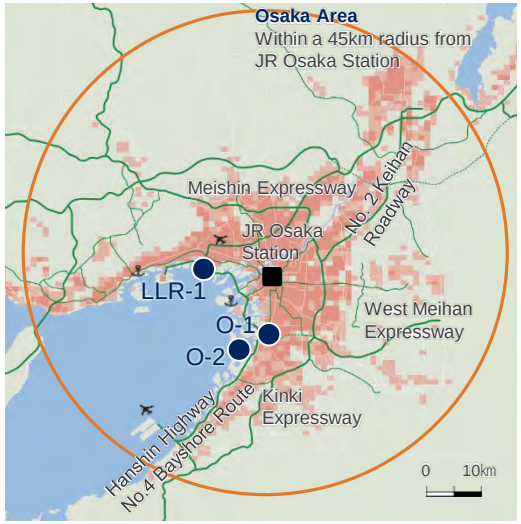


(1) Figures as 2/28/2019, with 11 properties, excluding LP Nagareyama A, and including Sakai Chikko Shinmachi.
(2) "NOI Yield" is calculated by dividing the appraisal NOI by the acquisition price.
(3) "Investment Area Ratios" and "Average GFA" are calculated based on the total floor area, on a GFA basis, for all logistics properties that have been acquired by LLR and other logistics focused J-REITs as of February 2019. Leased land assets are excluded.

Location of properties



No.	Property Name
T-1	LP Hashimoto
T-2	LP Sagamihara
T-3	LP Kita Kashiwa
T-5	LP Nagareyama B
T-6	LP Higashi Ogishima A
T-7	LP Higashi Ogishima B
T-8	LP Higashi Ogishima C
T-9	LP Kawagoe
T-10	LP Hiratsuka Shinmachi
O-1	LP Sakai Minamijimacho
O-2	LP Sakai Chikko Shinmachi
LLR-1	LP Amagasaki (Pref. Shares)

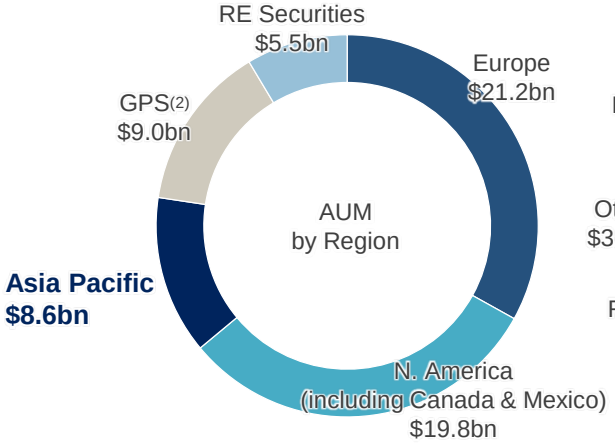


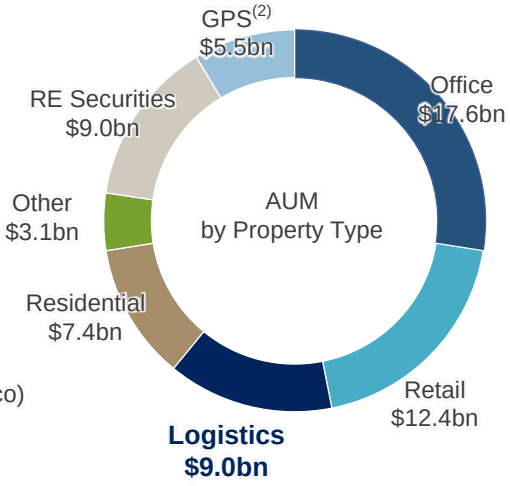
LaSalle Group is a leading company in real estate core investments

LaSalle INVESTMENT MANAGEMENT

World leading real estate investment management firm

AUM	Global Network	Trusted by Investors
$64.3bn	17 countries／24 offices Over 750 employees	400+ institutions Investors from over 30 countries including SWFs, pension systems, insurance companies, and corporates





(1) Figures above are as of 12/31/2018
(2) Global Partners Solutions：Fund of funds business

JLL

Global comprehensive real estate services firm
(Parent company of LaSalle Investment Management)

Scale of Operations	Global Network	Market Capitalization
Revenues (2018) Approx. $6.5bn	80 countries 90,000 employees	Approx. $5.8bn (listed on the NYSE)

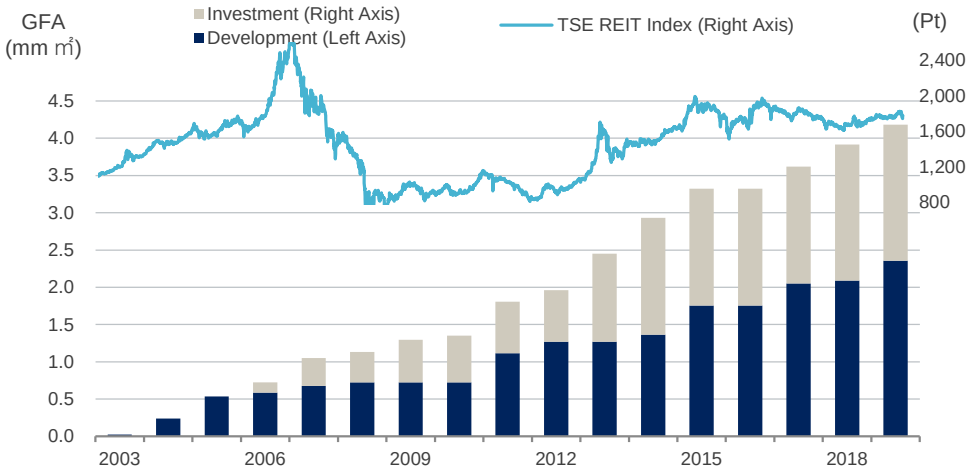
(Note) Figures above are as of 12/31/2018

■ Development, Investment, and Leasing Track Record

Robust Experience (1)

Cumulative Development (2)	2.35mm m²
Cumulative Acquisitions	1.82mm m²
Leasing Experience	3.27mm m²
Large scale development market share in Tokyo (3)	Approx. 15 %

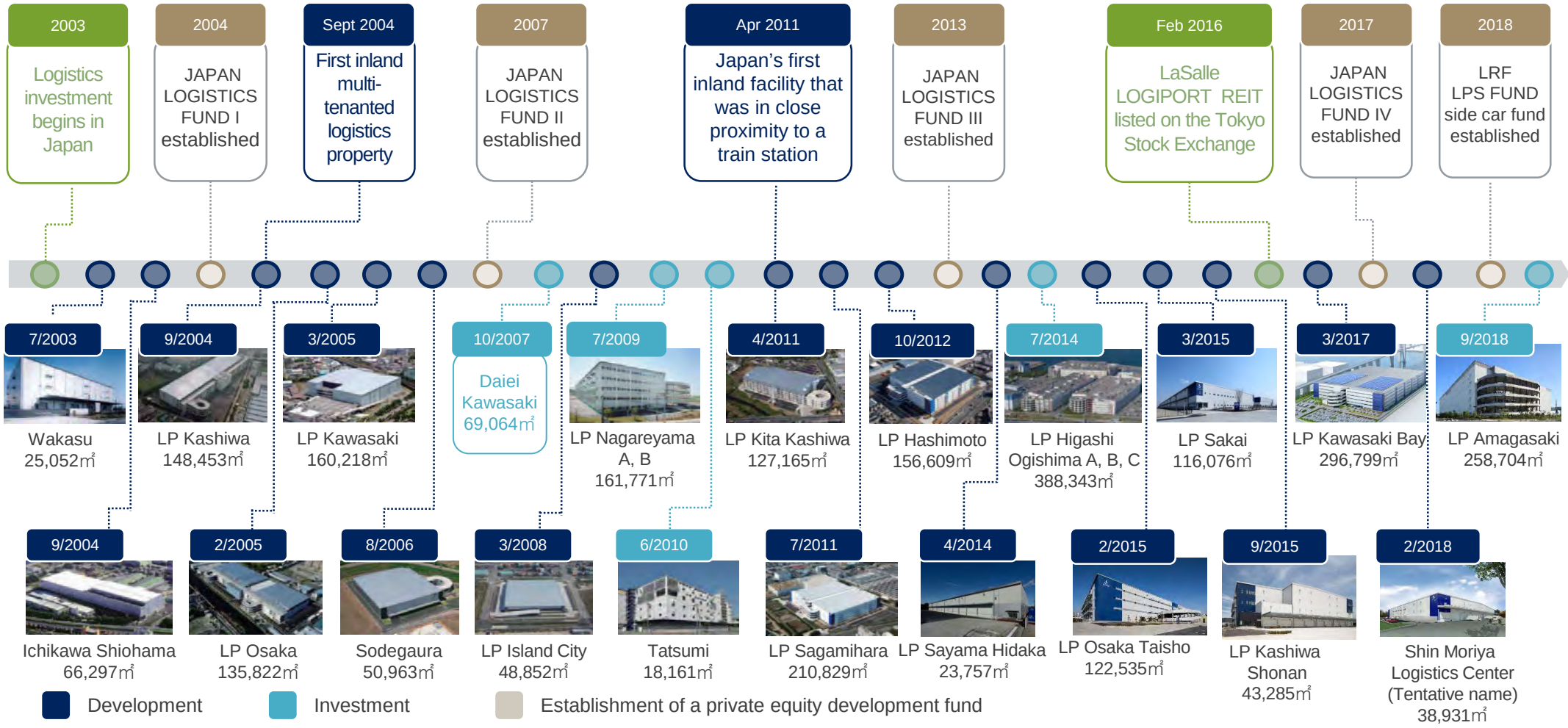
Development, Investment (Aggregated basis) (2)



(1) As of 12/31/2018
(2) Includes development pipeline
(3) Source: CBRE. Sample set is private company developers, where GFA exceeds 10,000 ㎡ (As of 12/31/2018)

LaSalle Group's track record for developing logistics facilities in Japan

- Fund management functionalities + Developer capabilities + Investor function = development & investment on an ongoing basis for large scale logistics facilities, regardless of the economic environment



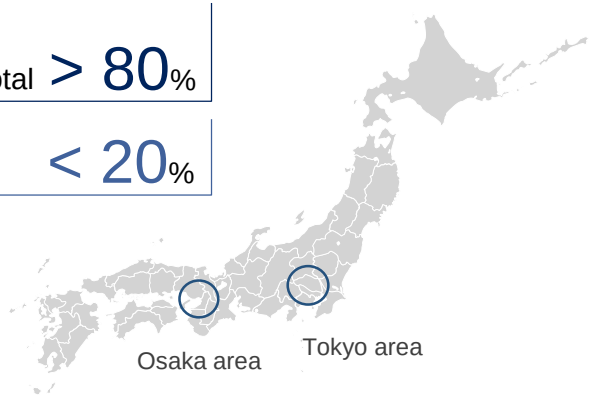
(Note)
The timeline above reflects the timing to when a purchase and sale contract was consummated for the acquisition of land and building
The figures below the phots in the above chart indicates the gross floor area of each respective properties
As of the date of this document, LLR has not decided to acquire any of the properties in the above timeline, and there is no guarantee that LLR can acquire in the future.
The floor areas of the buildings are based on the building certificates and drawings, etc. and may not be identical with the floor areas in the property registry.
The building names are what the LaSalle Group uses to identify each property, and may not be identical with the current names.

Investment policy that focuses on locations and specifications as a source for maintaining property competitiveness

■ Tokyo and Osaka are target markets

Prospective portfolio composition

Tokyo and Osaka (1)	Total > 80%
Regional Cities	< 20%



(1) “Osaka Area” is defined as the area that’s within a 45km radius from JR Osaka station.

■ Characteristics of “Prime Logistics”

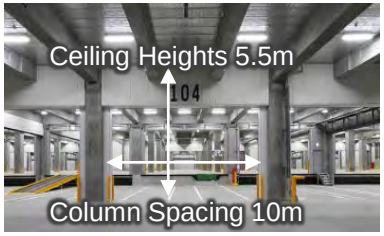
Suitable Sites	① Excellent access to high consumption areas (dense population areas) ② Close proximity to highway interchange nodes ③ Located in industrial use zoned areas that allow for 24 hour operations ④ Easy public transportation access in order to attract employees
Large Scale	① In general, GFA is greater than 16,500 ㎡
High Specs	① Effective ceiling heights are greater than 5.5m, floor loads can handle in excess of 1.5 t/㎡, and column spacing is typically 10m x 10m ② Large ramp ways for direct truck access to the upper floors or freight elevators with sufficient loading capacity ③ Designed with flexible bay partitioning ④ Ample office space ⑤ High safety features with seismic isolation or resistance performance



Features of “Prime Logistics”



Large Scale Ramp Ways
Enables truck access to the upper floors, or there are vertical conveyors with sufficient loading capacity.



High End Specifications
Effective ceiling heights, floor loading, and column spacing to enhance storage efficiency and work productivity.



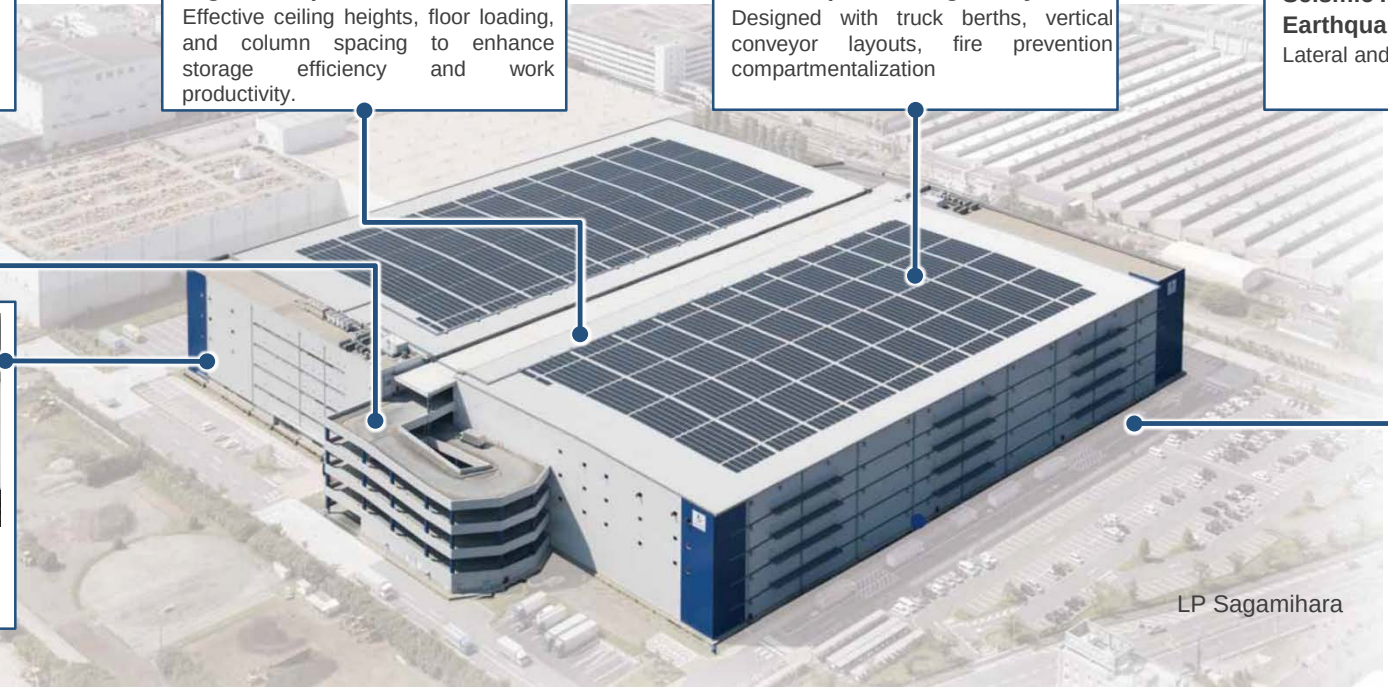
Flexible partitioning of bays
Designed with truck berths, vertical conveyor layouts, fire prevention compartmentalization



Seismic Isolation / Earthquake Resistance
Lateral and vertical motion dampeners



Office space
Ample office space



Environmental, Energy Efficiency, Security Measures, Enhanced Amenities

Environmental, Energy Efficiency



Solar panels for renewable energy utilization



Exterior walls, sandwich panel system for thermal insulation and airtightness.



Automatic lighting sensors for corridors and bathrooms



Obtained S and A rankings, based on CASBEE evaluation for new and existing built.

Security Measures



24-7, 365 days, fire prevention center

Ample Amenities



Cafeteria space for employees during breaks



Convenience stores on-sight for employee satisfaction



Operation of a commuter bus from the nearest station

ESG Initiatives

LaSalle Group Commitment

At the LaSalle Group, in addition to being a industry leader in promoting sustainability through various organizations, LaSalle has established an in-house Global Sustainability Committee, which is conscious of the challenges involved with environmental (**E**), societal (**S**), and governance (**G**) (collectively "**ESG**") best practices and are incorporating these measures on a company wide basis.

Participation in various organizations

- Signed onto the U.N. Principals for Responsible Investing (July 2009)

  The PRI is an action principle that incorporates various environmental, social, and governance challenges into the investment process. The PRI was proposed by then secretary general Kofi Annan in 2006.

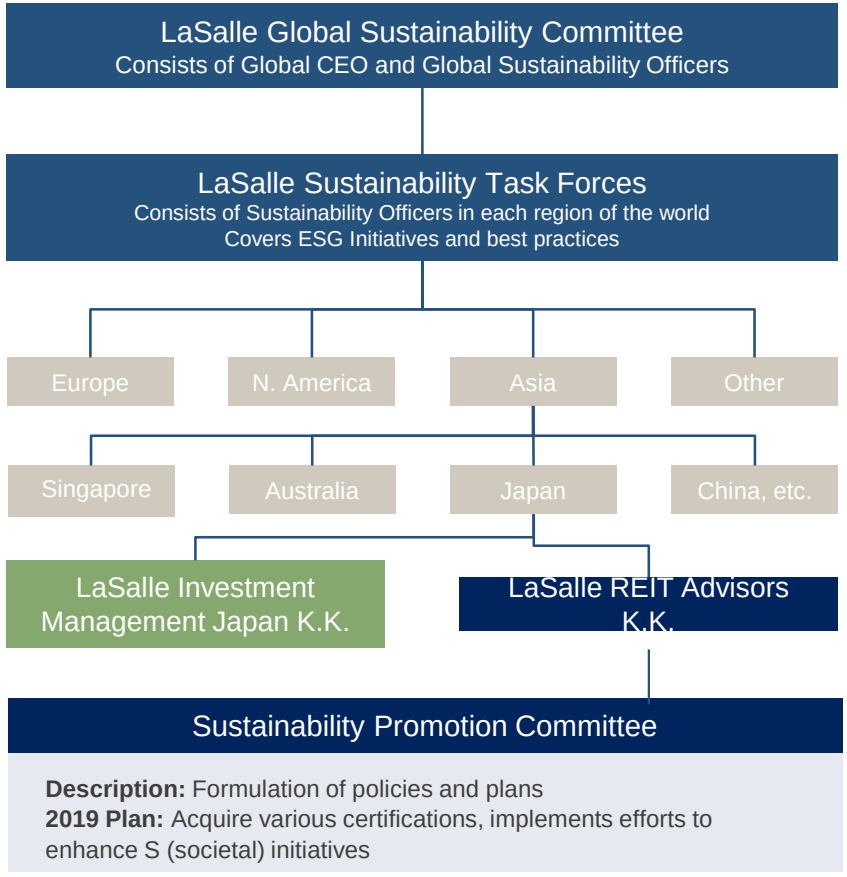
- Founding member of ULI Greenprint

  The Urban Land Institute ("ULI") is a U.S. non-profit organization that is involved in real estate. Through the ULI Greenprint Center for Building Performance, we are working to reduce energy consumption footprint related to development and operation of real estate properties.

- Board member of GRESB

  The Global Real Estate Sustainability Benchmark ("GRESB") is an group organized by major pension funds and asset management companies around the world, promoting the evaluation and measurement of ESG performance of real estate globally.

LaSalle ESG Organizational Chart



ESG Initiatives

LLR Specific Achievements and Initiatives

Sustainability Certifications

By installing solar panels and garnering efficiencies in energy use, LLR seeks to improve upon its property level operations that considers its environmental footprint.

- GRESB Real Estate Assessment

LLR participated in the 2018 GRESB real estate assessment, which is conducted across real estate companies and funds, and was awarded Green Star status for its outstanding performance in ESG matters.

- Development Bank of Japan ("DBJ") Green Building certification


LP Hashimoto


LP Sagamihara

The DBJ Green Building Certification System is a Japan-based corporation that aims to promote the spread of real estate in consideration of social demands from various stakeholders surrounding real estate such as crime prevention and disaster prevention, in addition to building environment performance. This is a scoring model developed by the policy set forth by the bank, and is used to score and select superior real estate that meets the demands of the prevailing times.

- Comprehensive Assessment System for Built Environment Efficiency ("CASBEE") Architectural Evaluation

The CASBEE building evaluation certification is a method which evaluates and ranks the environmental performance of buildings, and it combines energy consumption along with resource savings, recycling performance, as well as environmental load reduction.

- Building-Housing Energy-efficiency Labeling System ("BELS")


ロジポート平塚新町


ロジポート堺南島町

BELS is a third party certification system that displays the energy saving performance of buildings. From April 2016, real estate companies were required to strive toward energy conservation practices per the Act on Building Energy Consumption Enhancement Improvement Act (Building Energy Conservation Law).

A Net Zero Energy Building ("ZEB") is a building which produces energy through solar power generation, and by offsetting energy consumption via energy production, its aim is to significantly reduce net energy consumption all the way to the point where it would be a net zero energy consuming building.

- SMBC Environmental Consideration Rating

The "SMBC Environmental Evaluation Consideration Loan" is to evaluate the environmental considerations that companies have done based on a rating system developed by the Sumitomo Mitsui Banking Corporation and Nippon Research Institute Co., Ltd.

- J-REITs' ESG evaluation conducted by MUFG and supported by JCR

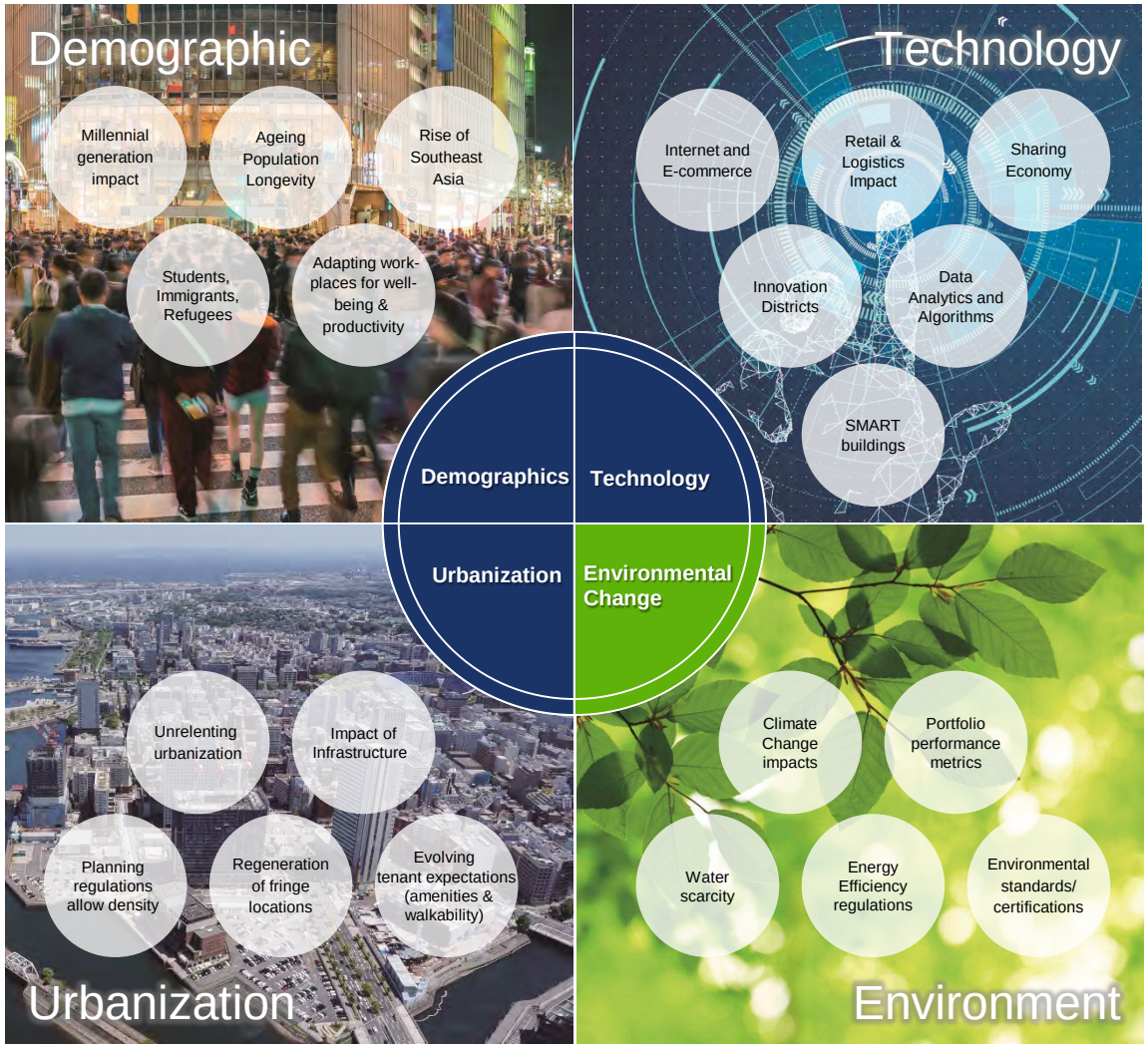
This ESG evaluation is supported by Japan Credit Rating ("JCR") and managed by Mitsubishi-UFJ Research and Consulting, whereby these firms score and evaluate a given entity's ESG initiatives.

ESG Initiatives

DTU (Demographics, Technology, Urbanization) + E (Environmental)

Six years ago, the LaSalle Group decided to undertake focused research on the long term "secular" drivers of real estate. As a result, LaSalle developed the DTU (demographics, technology, urbanization) research program to better understand how fundamental drivers of demand interact. LaSalle's hypothesis is that these secular drivers have the power to shape real estate markets in ways that supersede and outlast the shorter-term property cycles.

- In 2016, LaSalle added a fourth secular trend for real estate investors to focus on in the next decade and beyond. LaSalle has identified a broad array of environmental factors ("E-factors") that can contribute to improvements in the risk-adjusted returns of real estate investments.
- E-factors include: energy conservation, carbon footprint reduction, climate change, water and waste recycling, and green building ratings to certify sustainable building design.
- E-factors should be an important consideration in the investment analysis of portfolios and assets. Any real estate financial analysis should take into account the rising demand for the sustainability and resilience features of a building. The rising demand occurs through both regulatory and market forces.
- LaSalle has also been tracking the growing awareness by governments and regulatory bodies to the E-factors. National and local governments both realize that real estate is a major user of energy and water, and that activities inside buildings are major generators of recyclable waste. Therefore, construction and management of the built environment can play a major role in reducing carbon emissions, improving water and energy conservation, and stopping unsustainable waste disposal practices.
- The broader market effects – rising tenant preferences for sustainable, healthy, and flexible spaces for work, social interaction, shopping, leisure, storage/distribution, and residential living spaces – also vary greatly between and within countries.
- By adding "E" to the "DTU" framework, LaSalle is committing to continue to conduct and review rigorous research in order to determine how its clients can benefit from sustainability initiatives.



Governance Structure Emphasizing Unitholders' Interest and Transparency

■ Management fees that align with unitholders' interests

Management Fee Components of Asset Manager

Recurring Management Fees

(1) AM Fee I:
Prior FP Total Assets × 0.22% (upper limit rate)

(2) AM Fee II:
(Prior FP Ordinary Income + Depreciation Expense + Deferred Assets Amortization – Transfer of Gains or Losses on Specified Assets – Valuation Gains or Losses) × 5.8% (upper limit rate)

(3) (AM Fee I + AM Fee II) × Adjusted EPU × 0.026 (upper limit rate)

Acquisition / Disposition Fee

(4) Transaction Price when acquiring or disposing of real estate × 1.0% (upper limit rate)

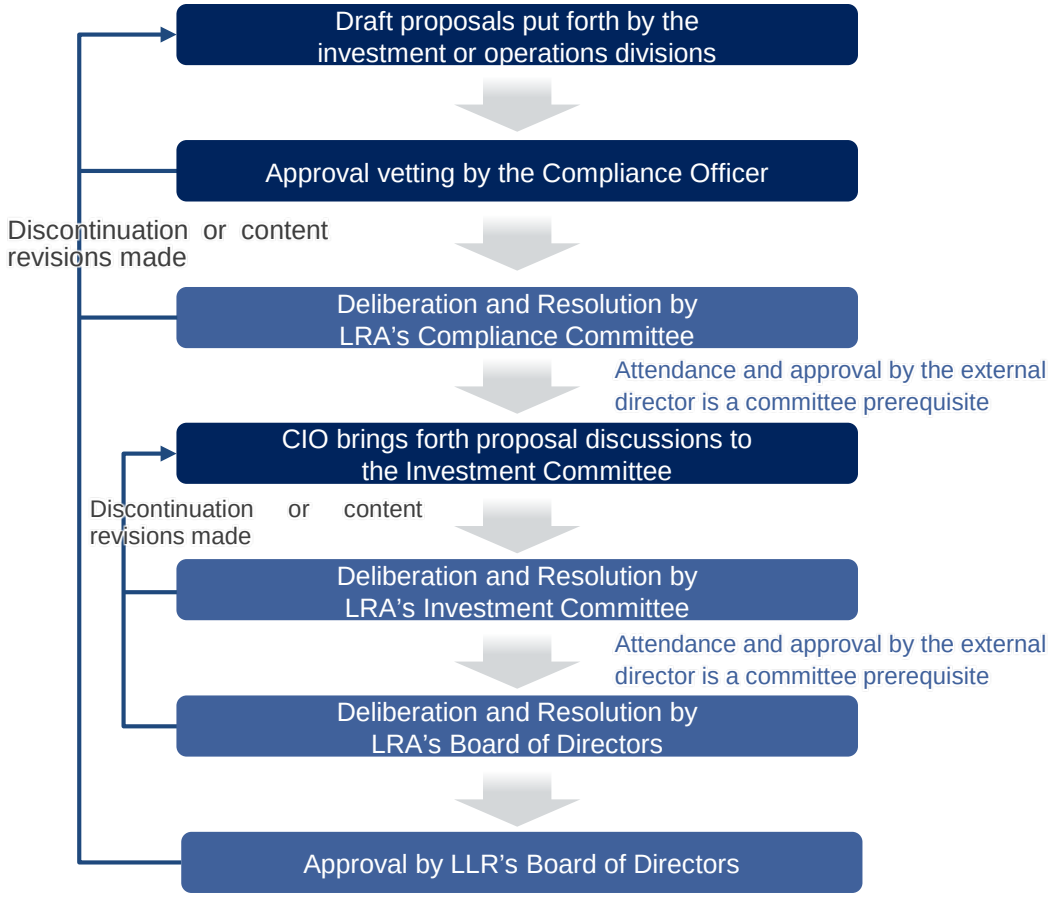
Merger Fee

(5) Appraisal value of real estate assets owned by counterparties of consolidation type merger or absorption type merger × 1.0% (upper limit rate)

■ Align unitholder interests with LaSalle Group interests

4% of total outstanding units	Same boat investment into LLR made by LaSalle Group and JLL
Investment Unit Ownership Association	Promote the alignment of economic interests between LLR unitholders and LaSalle Group Directors and Employees

■ Decision making flow chart of LRA as it relates to related party transactions

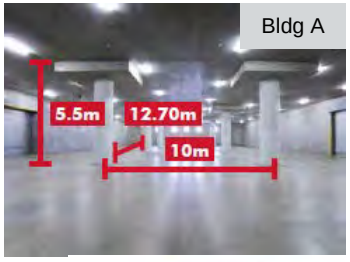


With respect to resolutions involving related party transactions, approval from the external officer at both the Compliance Committee and Investment Committee level must be obtained. Furthermore, approval from the external Supervisory Directors at LLR's Board of Directors level must be obtained.

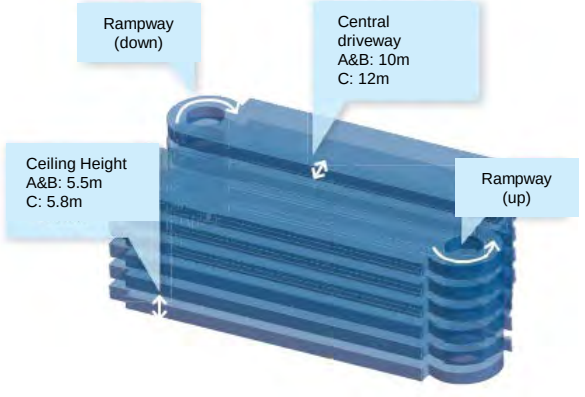
Property Close Up: Features of LP Higashi Ogishima 1/3

■ LP Higashi Ogishima A, B, C are located in suitable sites for large scale, highly functional “Prime Logistics”









Suitable Sites

① Access to high consumption areas
Good access to major consumption concentrations – Tokyo CBD, Yokohama, Kawasaki

② Proximity to main arterial roads (interchanges)
Adjacent to the Shutoko Expressway entry/exit, with easy access to logistics hubs such as Haneda Airport, Tokyo Port, and Yokohama Port

③ Zoned for 24 hour operations and industrial use
Factories and logistics facilities comprise this large aggregated area for industrial use, enabling 24 hour operations

④ Pedestrian access to/from public transportation
Adjacent to bus station (1 min) which connects to Kawasaki and Yokohama stations, frequent bus service (weekdays in excess of 120 roundtrips)

Large Scale

① GFA in excess of 30,000 tsubo, NRA per floor is in excess of 5,000 tsubo

High Functionality

① Ceiling heights from 5.5m to 5.8m, floor load is 1.66 t/㎡, column spacing is greater than 10m

② Equipped with double ramp-ways, allowing for direct truck access onto each floor

③ Enabled with flexible partitioning, from a minimum of 200 tsubo

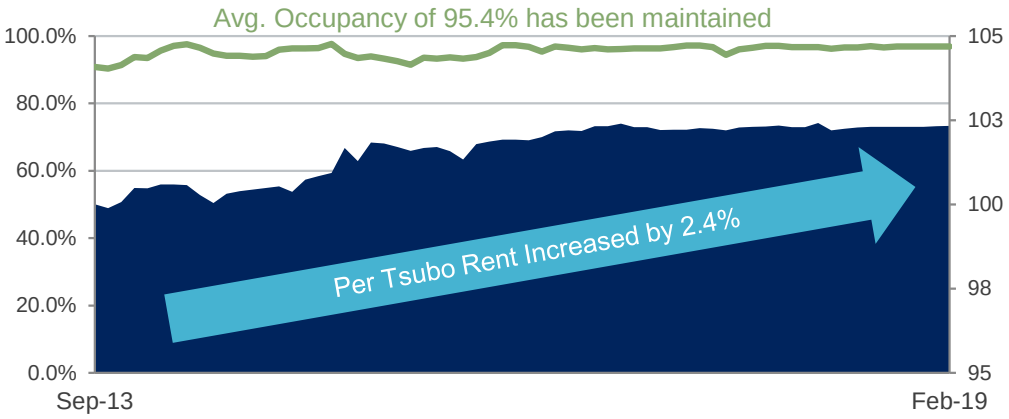
④ Ensured with adequate office space with air conditioning

⑤ Built out of reinforced concrete for high seismic resistance

Property Close Up: Features of LP Higashi Ogishima 2/3

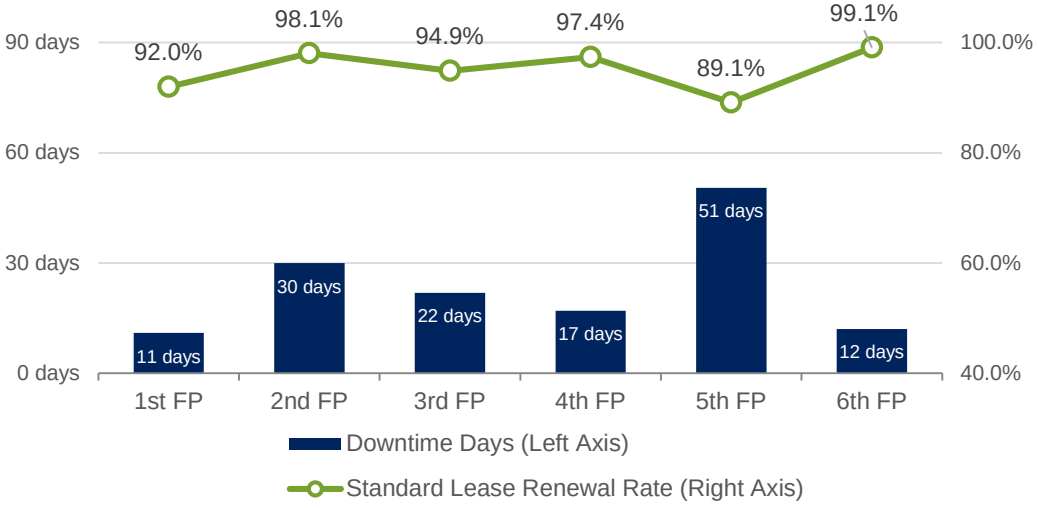
■ Built upon a track record of stable operations, per tsubo rents have steadily increased

Occupancy ・Rent Per Tsubo Differential



(Note) Occupancy based on leased area

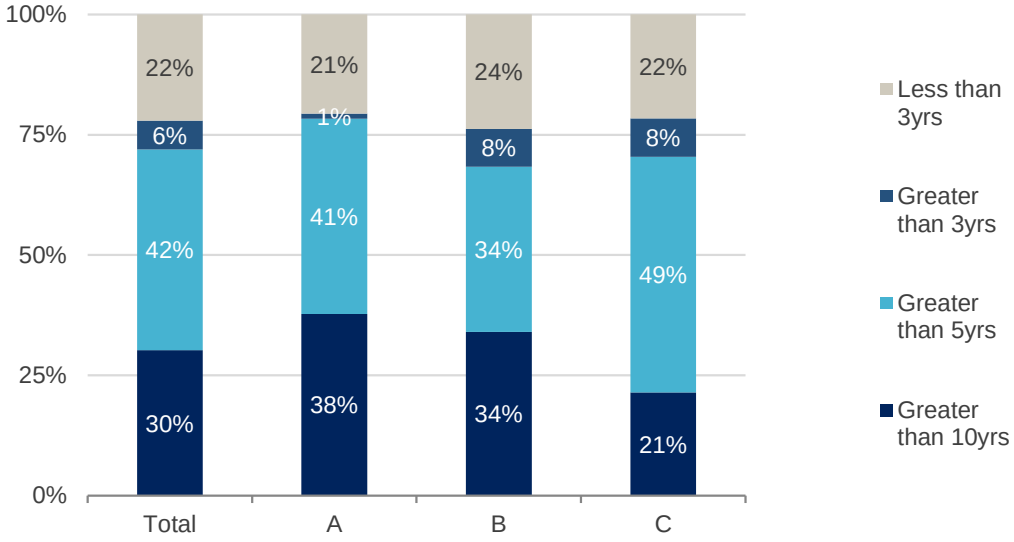
Automatic renewal rates out of standard leases and associated downtime for tenants who vacate



Avg. Period of Occupancy for Existing Tenants

- Due to the number of leases that are under standard lease terms is significant, the average WALE is 2.0 years
- Among the existing tenants, their avg. occupancy has lasted 8.3 years (counting from the first lease start date through the 5th FP)

■ Breakdown to the length of occupancy



(Note) Based on leased area

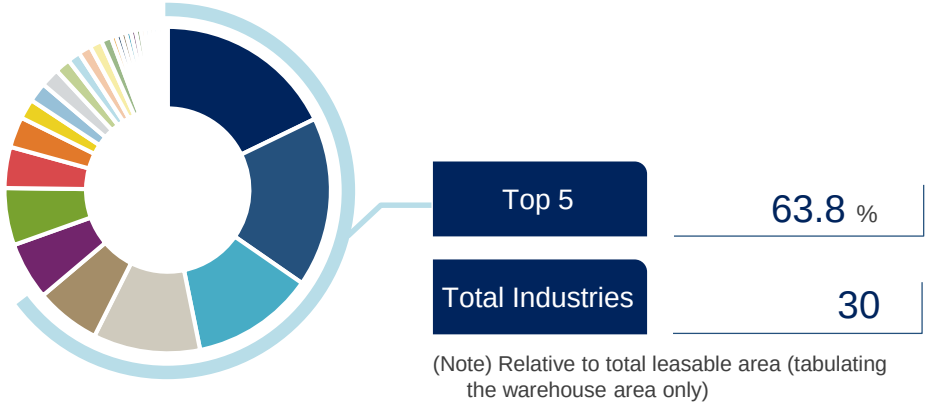
Property Close Up: Features of LP Higashi Ogishima 3/3

■ Due to dispersion of tenants/end tenants, below market rents exist, occupancy is stabilized

Composition of tenants and end tenants

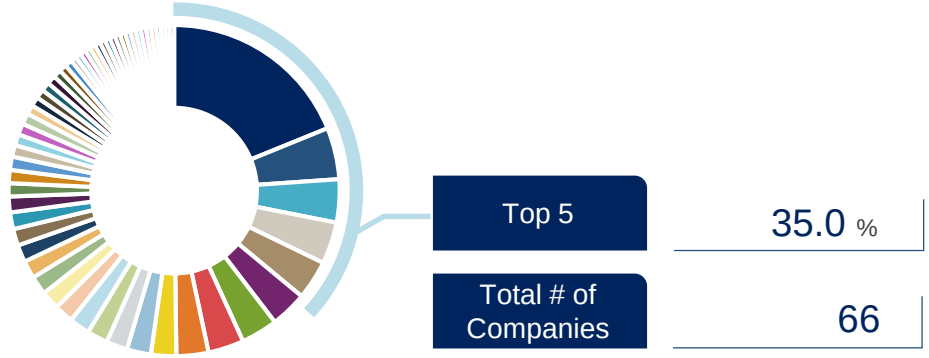
- Due to flexible layouts of space, tenants range from small to large users
- As large scale tenants handle goods from multiple end tenant users, actual tenant dispersion is even greater

■ Tenant Dispersion by Industry



(Note) Relative to total leasable area (tabulating the warehouse area only)

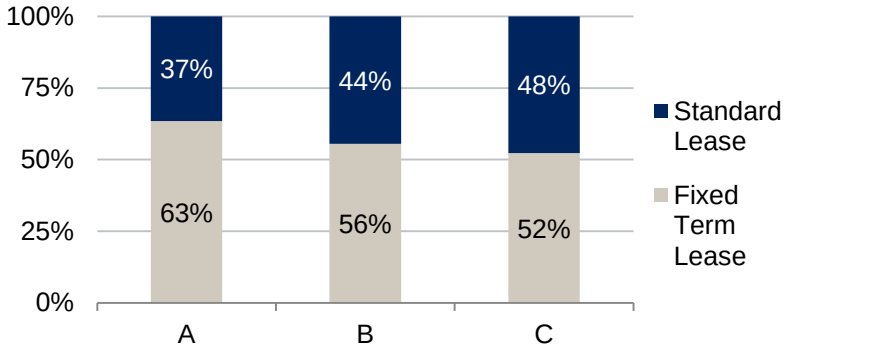
■ Tenant Dispersion based on actual end tenant users



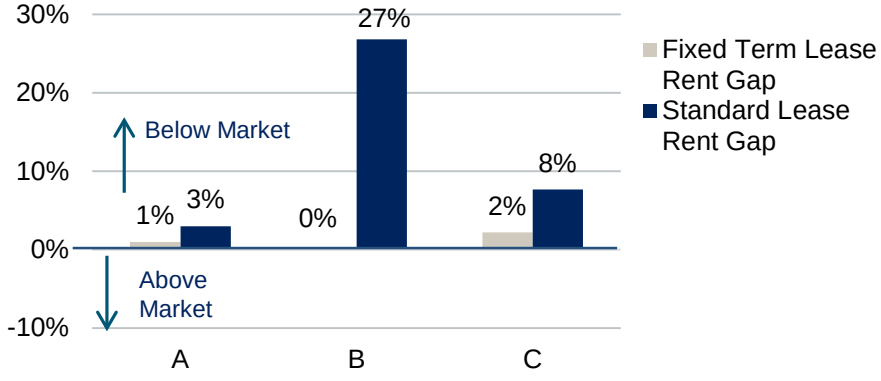
Current rent levels

- In-place rents are below market by 1%～26.8%
- As the rental gap is relatively large for those tenants under standard lease terms, the motivation for them to move is low, thus, while their contracted lease terms are short, their actual period of occupancy has been long.

■ Fixed Term Lease・Standard Lease Breakdown

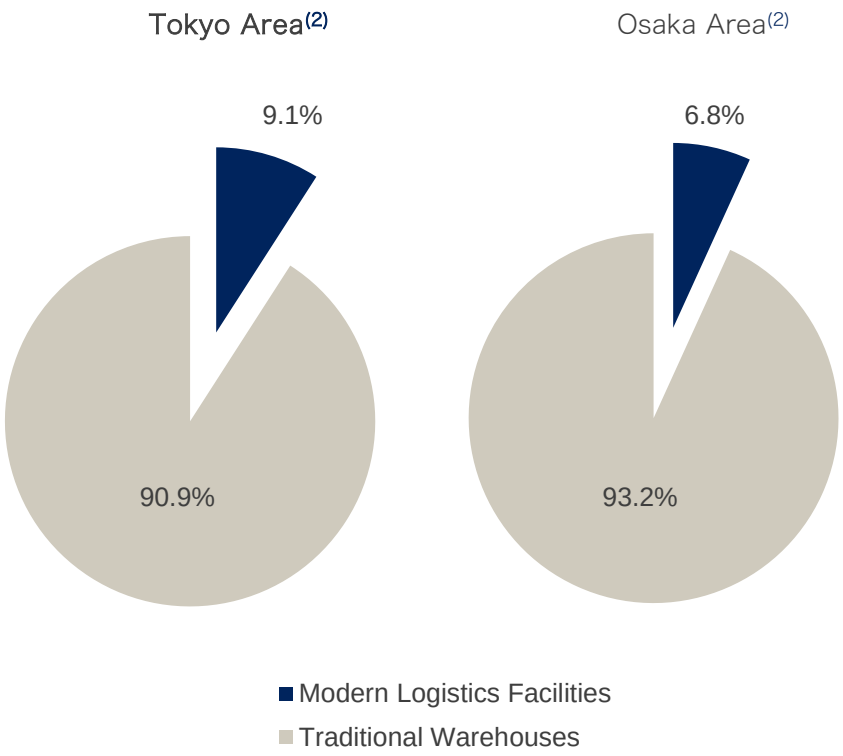


■ Rent Gap



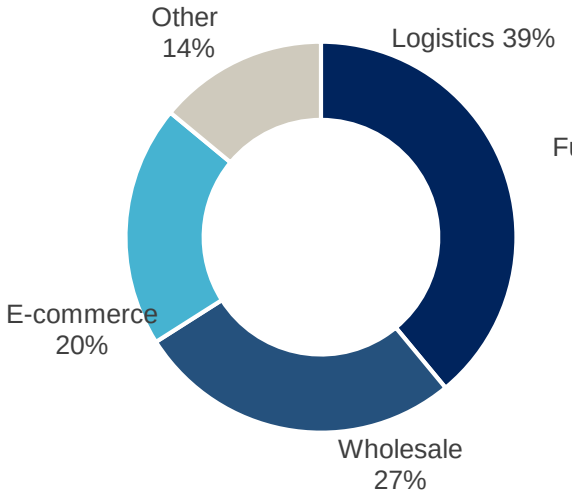
Logistics Real Estate Stock

Comparison of modern logistics facilities[1] relative to overall warehouse stock

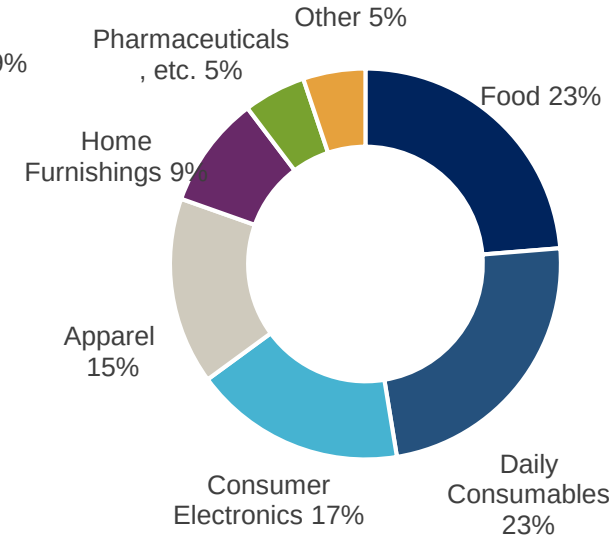


Tokyo area multi-tenanted facilities and the inventory that underlies space demand needs[3]

Percentage of tenant business type by industry



Breakdown of Inventory Type

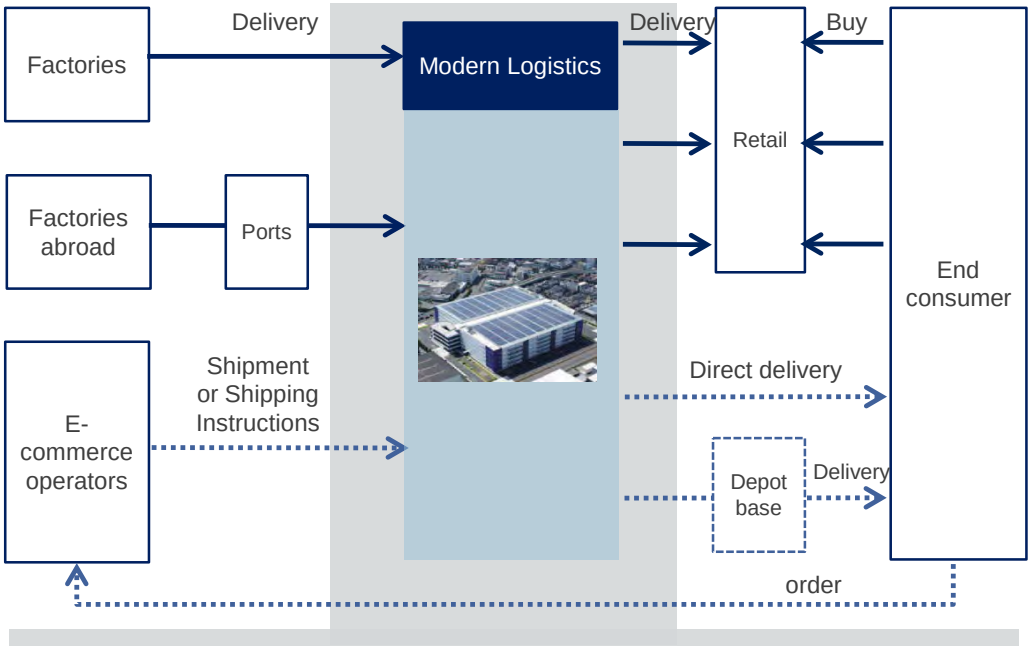


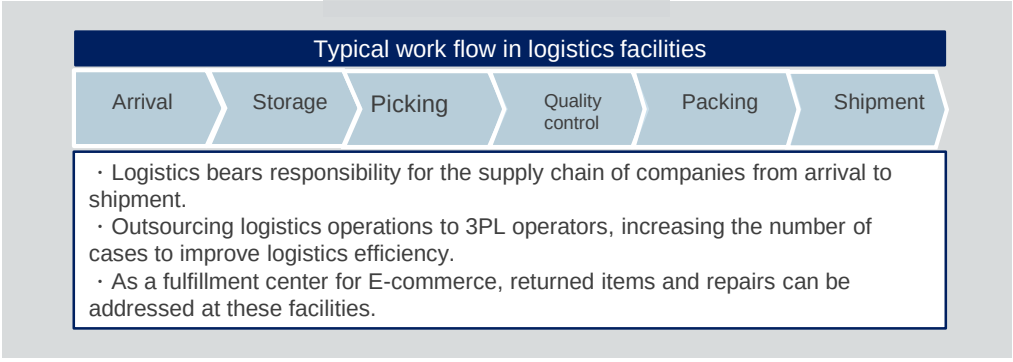
Source: Both of the above are from CBRE
(1) GFA >10,000㎡, modern leasable facilities that satisfy functional design standards that warrant their modernity. As of 3/2017 information.
(2) Tokyo Area is defined as Tokyo, Kanagawa, Saitama, Chiba and Ibaraki prefecture, " Osaka Area " is defined as Osaka, Kyoto, Hyogo prefecture.
(3) Tokyo Area multi-tenanted facilities with GFA >10,000 ㎡

Specific needs related to logistics real estate

The role that modern logistics play in the supply chain

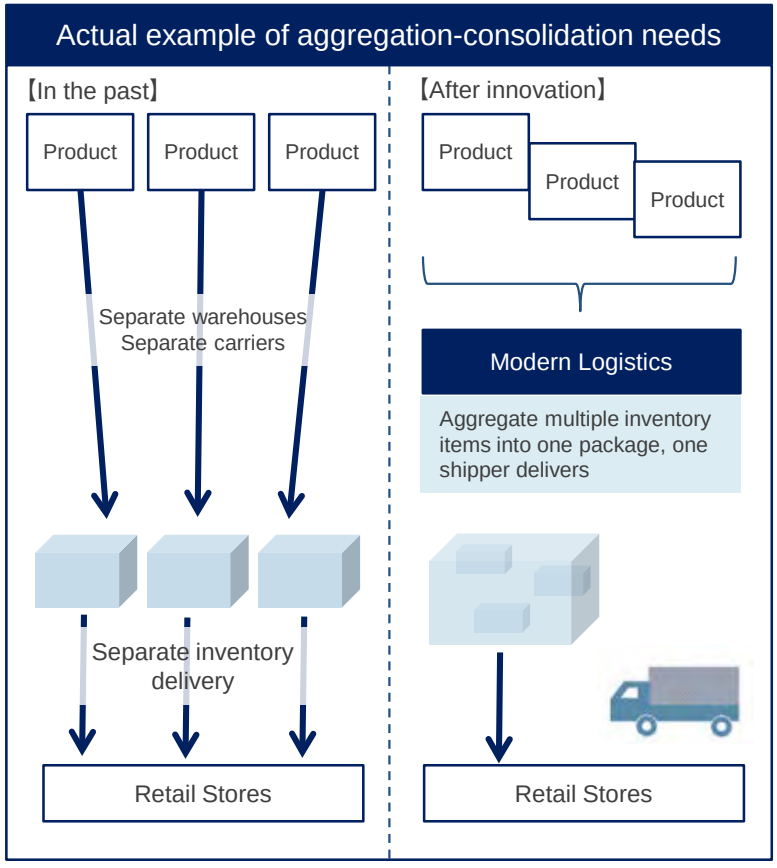
- What used to center around purely simple storage functions for traditional warehouses, modern logistics has evolved into facilities that can efficiently perform tasks such as sorting, processing, and delivery.





Expansion of consolidation and integration needs

- The source of logistics' robust demand is driven by two factors. First is the relocation needs from conventional small to medium-sized warehouses that demand aggregation and integration of operations. Second is from new demand arising from the burgeoning growth of e-commerce.



(Reference) Portfolio level per tsubo rents vs. Occupancy and their sensitivity to DPU growth

Sensitivity to DPU of Occupancy vs. Per Tsubo Rents (Expressed in yen)

		稼働率						
		-3.0%	-2.0%	-1.0%	0.0%	1.0%	2.0%	3.0%
賃料単価	-5.0%	-339	-298	-256	-215	-173	-132	-90
	-4.0%	-297	-256	-214	-172	-130	-88	-46
	-3.0%	-256	-213	-171	-129	-87	-44	-2
	-2.0%	-214	-171	-129	-86	-43	-0	42
	-1.0%	-173	-129	-86	-43	0	43	87
	0.0%	-131	-87	-44	0	44	87	131
	1.0%	-89	-45	-1	43	87	131	175
	2.0%	-48	-3	41	86	130	175	219
	3.0%	-6	39	84	129	174	219	264
	4.0%	36	81	126	172	217	262	308
	5.0%	77	123	169	215	260	306	352

Sensitivity to DPU of Occupancy vs. Per Tsubo Rents (Expressed as a %)

		稼働率						
		-3.0%	-2.0%	-1.0%	0.0%	1.0%	2.0%	3.0%
賃料単価	-5.0%	-13.4%	-11.7%	-10.1%	-8.5%	-6.8%	-5.2%	-3.6%
	-4.0%	-11.7%	-10.1%	-8.4%	-6.8%	-5.1%	-3.5%	-1.8%
	-3.0%	-10.1%	-8.4%	-6.7%	-5.1%	-3.4%	-1.7%	-0.1%
	-2.0%	-8.4%	-6.7%	-5.1%	-3.4%	-1.7%	0.0%	1.7%
	-1.0%	-6.8%	-5.1%	-3.4%	-1.7%	0.0%	1.7%	3.4%
	0.0%	-5.2%	-3.4%	-1.7%	0.0%	1.7%	3.4%	5.2%
	1.0%	-3.5%	-1.8%	0.0%	1.7%	3.4%	5.2%	6.9%
	2.0%	-1.9%	-0.1%	1.6%	3.4%	5.1%	6.9%	8.6%
	3.0%	-0.2%	1.5%	3.3%	5.1%	6.8%	8.6%	10.4%
	4.0%	1.4%	3.2%	5.0%	6.8%	8.5%	10.3%	12.1%
	5.0%	3.0%	4.8%	6.7%	8.5%	10.3%	12.1%	13.9%

(Note) The estimate to DPU impact is based on an amount calculated by LLR's asset management company, divided by the total number of issued investment units as of February 2019. Both are figures calculated from a targeted plan and neither LLR not its asset manager does not guarantee their realization.

Fund Summary

Expressed as millions yen unless specified otherwise	5th FP (Actuals)	6th FP (Actuals)
Operating Revenues	5,663	5,792
Net Operating Income (“NOI”)	4,502	4,620
Depreciation	685	688
After Depreciation NOI	3,816	3,931
Asset Management Fee	676	705
Operating Income	3,043	3,100
Interest Expense	342	313
Net Income	2,696	2,783
Total Distributable Amount	2,901	2,988
Capital Expenditures	104	150
Funds from Operations (“FFO”)	3,382	3,471
Adjusted Funds from Operations (“AFFO”)	3,278	3,321
Acquisition Price	188,440	188,440
Tangible Fixed Asset Book Value	188,639	188,101
Real Estate Appraisal Value	203,090	203,920
Unrealized Capital Gain	14,450	15,818
Unrealized Capital Gain (%)	7.7%	8.4%
Interest Bearing Debt	86,310	87,531
Net Assets	108,309	108,190
Total Assets	199,373	200,670
NOI Yield (Acq. Price basis)	4.7%	4.9%
After Depreciation NOI Yield (Acq. Price basis)	4.0%	4.2%
LTV (Book Value basis)	43.3%	43.6%
LTV (Market Value basis)	40.4%	40.4%
# of Outstanding Units at FP end	1,100,000	1,100,000
NAV	119,858	121,020

Expressed as millions yen unless specified otherwise	5th FP (Actuals)	6th FP (Actuals)
Distributions Per Unit (“DPU”)	2,638 yen	2,717 yen
Earnings Per Unit (“EPU”)	2,452 yen	2,530 yen
Distributions in Excess of EPU	186 yen	187 yen
AFFO per unit	2,980 yen	3,019 yen
NAV per unit	108,962 yen	109,773 yen
Net Asset per unit	98,462yen	98,355 yen
Investment Unit Price (Last Day with Rights)	106,800 yen	108,200 yen
Market Capitalization (Last Day with Rights)	117,480	119,020
Dividend Yield	4.90%	5.06%
Price to Book Ratio	1.09x	1.10x
Price / NAV	0.98x	0.98x
ROE	5.0%	5.1%
AFFO Payout Ratio	88.5%	90.0%

1. FFO = Net Income + Depreciation Expense – Gain on sale of real estate
2. AFFO = FFO – Capital Expenditures
3. NOI Yield = NOI (Annual conversation) ÷ Acquisition Price
4. After Depreciation NOI Yield = NOI – Depreciation (Annual conversion) ÷ Acquisition Price
5. LTV (Book Value Basis) = Interest Bearing Debt ÷ Total Assets
6. LTV (Market Value Basis) = Interest Bearing Debt ÷ (Total Assets – Tangible Fixed Asset Book Value + Real Estate Appraisal Value)
7. NAV = Net Assets – Expected Dividend Distribution Amount + Unrealized Capital Gain/Loss
8. Dividend Yield = DPU (Annual Conversion) ÷ Investment Unit Price
9. Price to Book Ratio (Unit price Net Assets’ multiple) = Investment Unit Price ÷ Net Assets Equity per Unit
10. Price/NAV ratio = Investment Unit Price ÷ NAV per unit
11. ROE (per unit profitability ratio) = Net Income (Annual conversion) ÷ Net Assets
12. AFFO Payout Ratio = Total Distributable Amount ÷ AFFO

P&L on a per property basis

6th Fiscal Period (9/1/2018 – 2/28/2019)

(Units: thousands yen)

	LP Hashimoto	LP Sagamihara	LP Kita Kashiwa	LP Nagareyama A	LP Nagareyama B	LP Higashi Ogishima A	LP Higashi Ogishima B	LP Higashi Ogishima C	LP Kawagoe	LP Hiratsuka Shinmachi	LP Sakai Minamijimacho
6th FP Operating # of Days	181	181	181	181	181	181	181	181	181	181	181
① RE Leasing Business Income	608,167	717,479	769,813	847,985		605,501	687,706	769,834	384,986		
Leasing Income	560,895	654,547	694,658	778,455		544,439	574,763	690,966	320,917		
Other Income	47,272	62,932	75,154	69,530		61,062	112,942	78,867	64,068		
② RE Operating Expenses	196,852	231,130	276,325	324,958		161,596	232,100	255,210	106,457		
Outsourced Contract Costs	20,072	32,865	30,602	30,279		38,962	48,768	52,083	17,512		
Utilities	29,934	44,044	62,995	53,542		18,973	29,964	44,166	18,798	Undisclosed	Undisclosed
Property Taxes	53,573	60,818	72,423	59,150		38,681	58,448	57,698	23,046		
Insurance	937	1,106	1,202	1,616		1,096	1,372	1,462	503		
Repair & Maintenance	4,162	3,838	15,964	29,168		11,361	20,570	9,044	2,979		
Depreciation Expense	74,835	67,852	90,446	147,444		50,360	70,912	89,243	40,941		
Other Expenses	13,336	20,605	2,691	3,756		2,160	2,063	1,511	2,675		
1) RE Business P&L （=①−②）	411,315	486,348	493,487	58,775	464,251	443,905	455,605	514,623	278,523	150,937	174,012
④ NOI （=③ + Depreciation）	486,150	554,200	583,934	80,858	589,613	494,265	526,518	603,866	319,469	176,452	204,993

(Note) LOGIPORT Nagareyama A: As consent for disclosure from an end tenant (1 lessee) has not been obtained, each of the line items have been combined with Nagareyama B.
LOGIPORT Nagareyama B: Nagareyama B's income and expense line items have been combined with Nagareyama A.
LOGIPORT Hiratsuka Shinmachi, LOGIPORT Sakai Minamijimacho: As consent for disclosure from end tenants have not been obtained, each of the income and expense line items are undisclosed.

Income Statement and Balance Sheet

Income Statement

(units: thousands of yen)

Item	5th FP Actuals 8/31/2018	6th FP Actuals 2/28/2019
Operating Revenues	5,663,743	5,792,458
Leasing Business Revenues	5,179,266	5,206,141
Other Leasing Business Revenues	484,477	586,316
Operating Expenses	2,620,386	2,692,001
Leasing Business OpEx	1,846,869	1,860,667
Asset Management Fee	676,123	705,203
Asset Custody/Administrative Fee	27,150	28,141
Directors' Compensation	3,600	3,600
Independent Auditors' Fee	10,000	10,000
Other Operating Expenses	56,643	84,389
Operating Revenues Less Expenses	3,043,356	3,100,457
Non-Operating Income	42	707
Interest Income Receivables	42	47
Interest on Refund	-	659
Non-Operating Expenses	345,713	316,839
Interest Expenses	231,312	230,646
Interest on Inv. Corp. Bonds	26,786	25,963
Amortization of Deferred Establishment Expenses	3,656	3,656
Amortization of Inv. Corp. Bond Issuance Costs	5,656	5,656
Financing Related Expenses	78,301	50,917
Ordinary Income	2,697,686	2,784,324
Net Income Before Taxes	2,697,686	2,784,324
Net Income	2,696,927	2,783,302
Prior Period Profit Carry Forward	711	439
Net Income Available for Distributions	2,697,639	2,783,741

Balance Sheet

(units: thousands of yen)

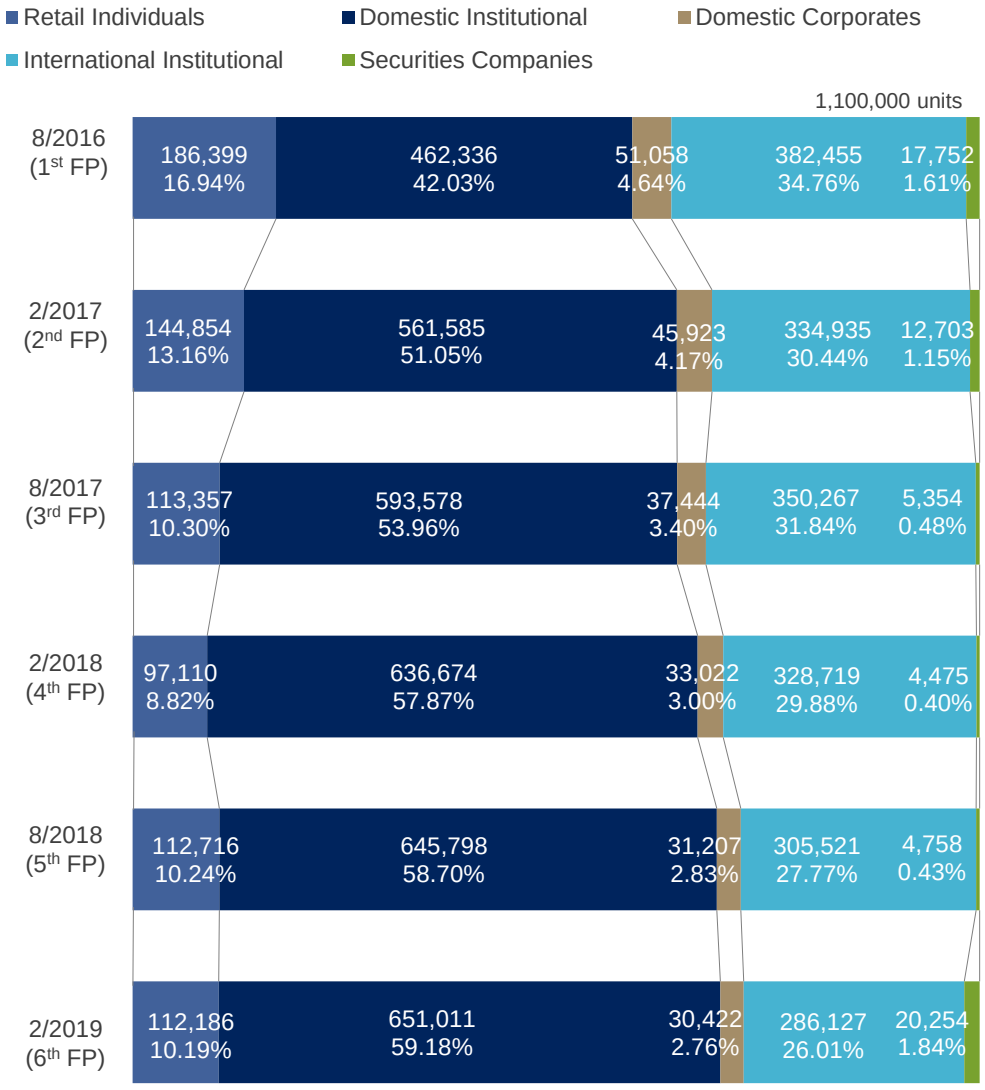
Item	5th FP Actuals 8/31/2018	6th FP Actuals 2/28/2019
Current Assets	10,208,854	10,866,616
Cash & Deposits	5,858,660	6,828,982
Cash & Deposits in Trust	3,860,404	3,745,887
Other Current Assets	489,787	291,745
Fixed Assets	189,086,005	189,734,938
Tangible Fixed Assets	188,639,035	188,101,244
Investments & Other Assets	446,970	1,633,694
Deferred Assets	78,570	69,258
Establishment Costs	15,234	11,578
Inv. Corp. Bond Issuance Costs	63,335	57,679
TOTAL ASSETS	199,373,430	200,670,813
Current Liabilities	2,251,120	3,864,931
Operating Accounts Payable	191,545	169,693
LT Debt Due within 1 Year	-	1,300,000
Accounts Payable	772,830	821,304
Consumption Tax Payable	-	143,084
Advances Received	969,612	978,731
Other Current Liabilities	317,130	452,117
Fixed Liabilities	88,813,105	88,615,175
Investment Corporation Bonds	11,500,000	11,500,000
Long Term Borrowings	74,810,000	74,731,000
Security Deposits Held in Trust	2,503,105	2,384,175
TOTAL LIABILITIES	91,064,226	92,480,106
Net Assets	108,309,204	108,190,706
Unitholders Capital (1)	105,611,565	105,406,965
Surplus Capital	2,697,639	2,783,741
TOTAL NET ASSETS	108,309,204	108,190,706
TOTAL LIABILITIES + NET ASSETS	199,373,430	200,670,813

(1) Unitholders Capital is equal to the equity raised at IPO less any distributions in excess of retained earnings.

Unitholders Summary

(As of February 28, 2019)

Change in Number of Investment Units by Investor Type



Number of Investors by Ownership Type

	6th FP (As of 2/28/2019)			
	# of Investors	% of Total Investors	# of Units	% of Total # of Units
Retail Individuals	9,819	95.03%	112,186	10.19%
Domestic Institutional	91	0.88%	651,011	59.18%
Domestic Corporates	222	2.14%	30,422	2.76%
International Institutional	183	1.77%	286,127	26.01%
Securities Companies	17	0.16%	20,254	1.84%
Total	10,332	100.0%	1,100,000	100.0%

Major Unitholders (Top 10 Ranking)

	Name of Account	# of Units	% Ratio
1	The Master Trust Bank of Japan ,Ltd. (Trust Account)	217,481	19.77%
2	Japan Trustees Services Bank, Ltd. (Trust Account)	211,631	19.23%
3	The Nomura Trust and Banking Co., Ltd. (Trust Account)	47,061	4.27%
4	NSI CUSTOMER SECURED 30.7. OMNIBUS(3)	46,200	4.20%
5	Trust & Custody Services Bank, Ltd. (Securities Investment Trust Account)	29,500	2.68%
6	BNYM AS AGT/CLTS 10 PERCENT	15,605	1.41%
7	STATE STREET BANK WEST CLIENT-TREATY 505234	13,232	1.20%
8	SSBTC CLIENT OMNIBUS ACCOUNT	12,215	1.11%
9	THE HACHIJUNI BANK,LTD.	12,028	1.09%
10	Aozora Bank, Ltd.	11,731	1.06%
	TOTAL	616,684	56.06%

(1) Ratios are rounded to the nearest hundredth
(2) Includes Sponsor owned 46,200 units
(3) Jones Lang LaSalle Co-Investment, Inc. (a subsidiary of JLL) currently held # of LLR units. As shown in the right hand table, the 46,200 units are actually held by Jones Lang LaSalle Co-Investment Inc.

Optimal Cash Management

■ Distribution policy of cash reserves related to depreciation expense

Repayment of Interest Bearing Debts

Construction of robust financial condition

New Property Acquisitions

Strengthening growth potential

Utilize towards R&M or CapEx

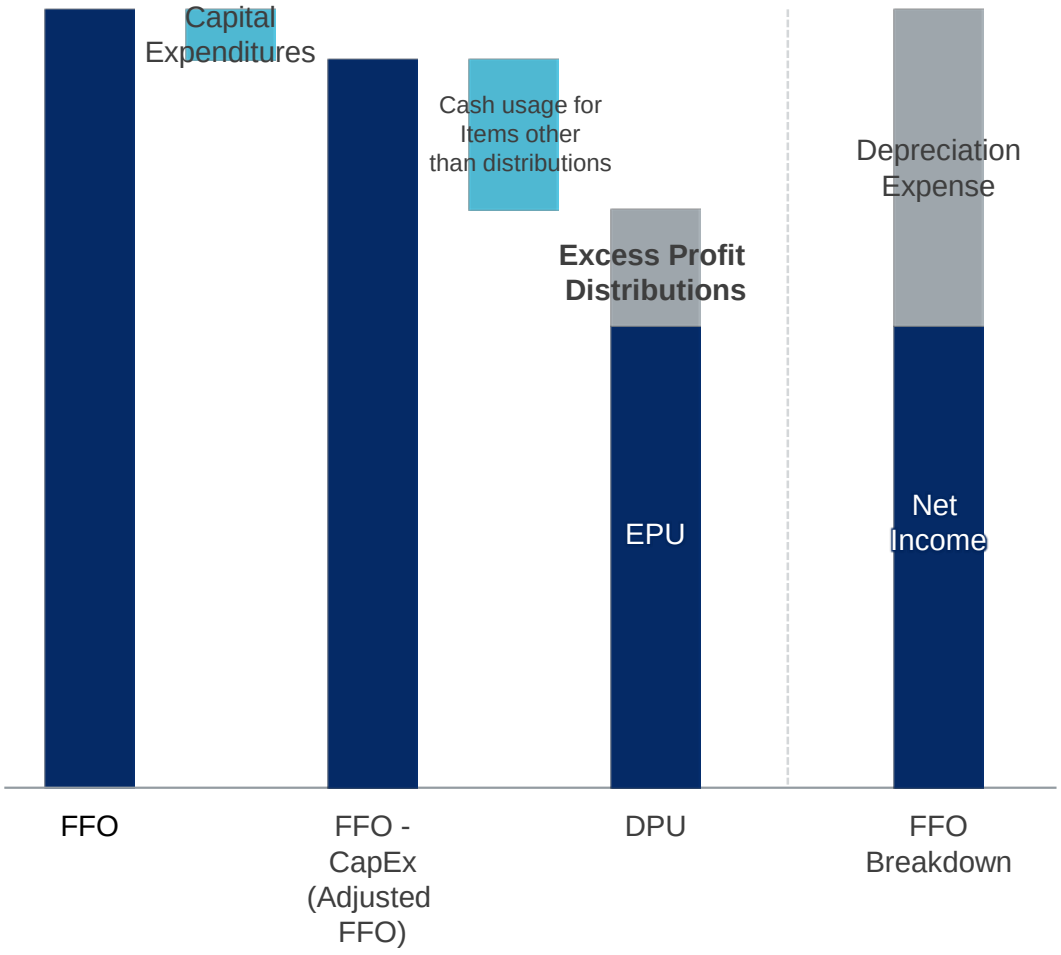
Maintain and strengthen competitiveness of owned assets

Excess Profit Distribution (Return of Capital)

Estimate（vs. Depreciation Expense）

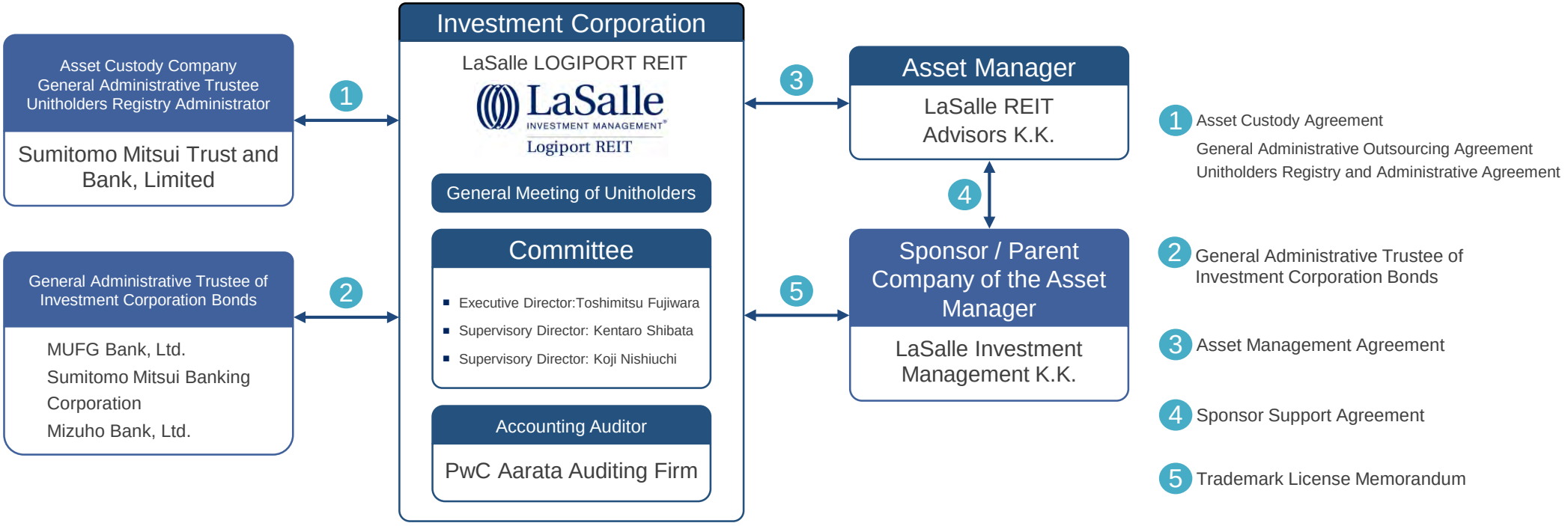
- Continual excess profit distributions…30%
- Continual excess profit distributions + one time excess profit distributions…60%

■ Sample illustration of cash management due to implementation of excess profit distribution



LaSalle LOGIPORT REIT's Structure

■ Structure Diagram of the Investment Corporation



■ Overview of Asset Management Company

Company Name	LaSalle REIT Advisors K.K.
Paid in Capital	¥164,500,000
Shareholder	LaSalle Investment Management K.K. (100%)
President and CEO	Toshimitsu Fujiwara
Registration and Licenses, etc.	Building Lots and Buildings Transaction Business Governor of Tokyo (1) No. 97862 Trading discretionary proxy MLIT approved No. 92 Financial Instruments Business Director of the Kanto Local Financial Bureau No. 2863

Disclaimer

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In this document, there is information about LaSalle LOGIPORT REIT (Hereinafter the “Investment Corporation” or “LLR”) which are based off of charts and data provided by third parties that were utilized by LaSalle REIT Advisors K.K. (hereinafter the “Asset Management Company” or “LRA”). In addition, there is analyses, judgments, and other opinions expressed by the Asset Management Company that draw inferences from these data.

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In the future, if there are any material corrections to be made with regards to the content within this disclosure document, then such correction(s) will be posted onto LLR’s website (http://lasalle-logiport.com/english/)

The Asset Management Company is a financial instruments firm based on the Financial Instruments and Exchange Act.