

LaSalle™ Logiport REIT

Financial Results for the 10th Fiscal Period ("FP") Ended Feb. 28, 2021
LaSalle LOGIPORT REIT

May 25, 2021

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01

Operational Highlights

Operational highlights

CONTINUE TO IMPROVE UNITHOLDER VALUE THROUGH ACTIVE MANAGEMENT

1. JPY 40Bn acquisition of LOGIPORT Osaka Bay through a fourth equity offering
2. Increased earnings and dividends for the 10th fiscal period (ended Feb. 2021), driven by maintaining high occupancy and internal growth
3. Continue proven Active Management strategies emphasizing total unitholder return, by pursuing accretive external growth and excess return investment opportunities
4. Achieved upward rent revision of +5.1% for the 10th fiscal period (ended Feb. 2021), by capturing robust tenant demand
5. The first redevelopment project in the value-up phase, by commencement of development work

JPY 40Bn acquisition of LOGIPORT Osaka Bay

4TH PO: RAISED JPY 24BN THROUGH 2ND GLOBAL OFFERING SINCE PANDEMIC BEGAN

- Acquired large-scale logistics property at higher yield relative to transaction market, and earned unrealized gain compared to appraisal value

Appraisal NOI yield
4.4 %

% of unrealized gain to acquisition price
6.8 %

- Acquisition from the SPC invested during lease-up phase, and earned redemption gain from capital recycle

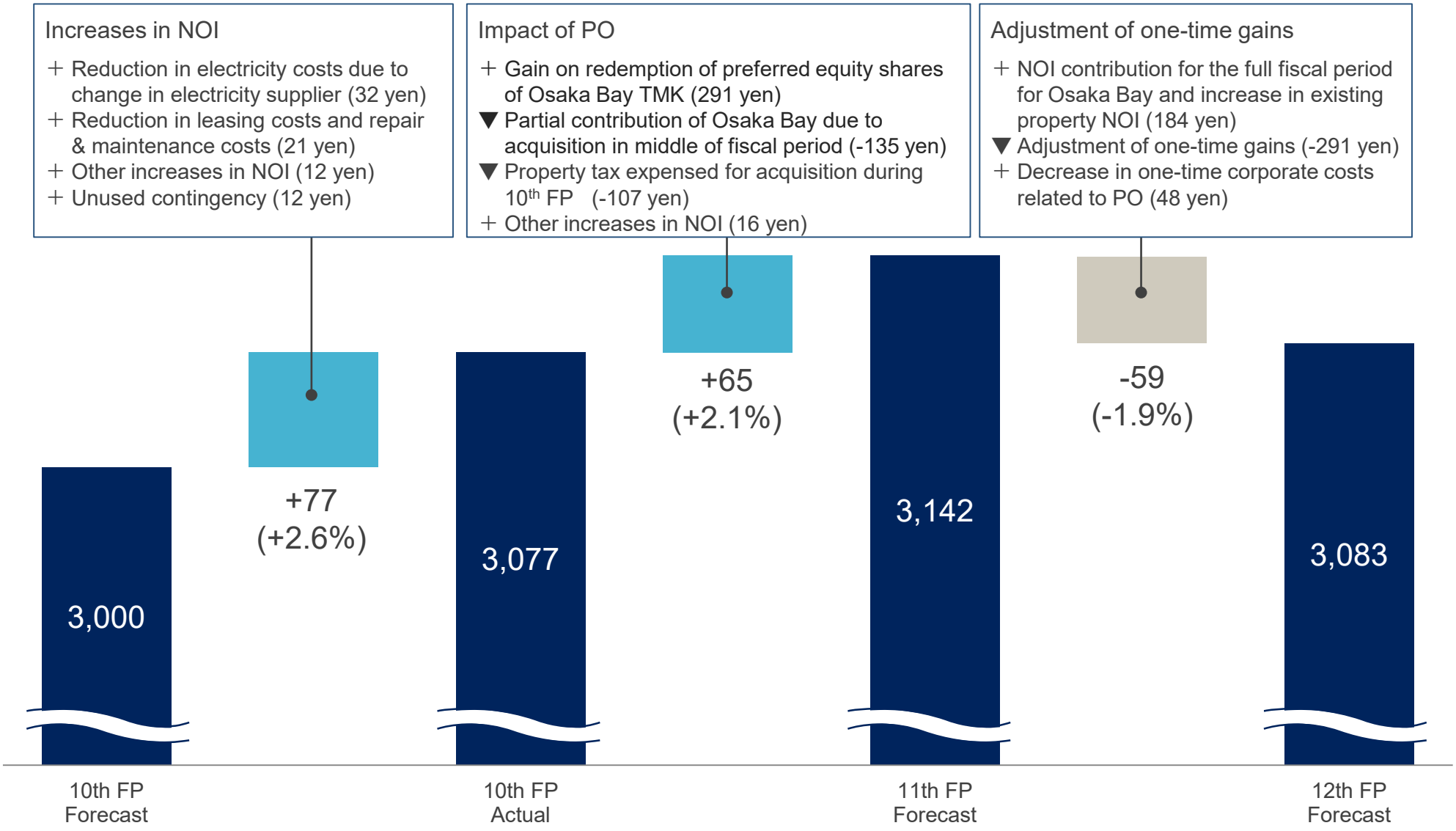
Expected gain on redemption
JPY 519 MM
(JPY 291 per unit)

- Internal growth potential from expected rent increase in Osaka Bay area, with its proximity to high consumption areas has recently been re-evaluated

Rent gap
9.6 %

Exceeded expectations for 10th FP, further growth expected for 11th FP from PO

DPU TRANSITION



Active Management Strategies enable continued growth in unitholder value

AIMING ABOVE 4% AVERAGE ANNUAL STABILIZED DPU GROWTH

Portfolio Strategy

Sustainable growth in unitholder value

- External growth backed by abundant pipeline while being conscious of cost-of-capital
- Consider asset replacement subject to capital market conditions
- Investment to logistics suited locations outside of Tokyo and Osaka areas

+

Asset Strategy

Enhancement of portfolio profitability

- Capture robust tenant demand and maintain high occupancy rates
- Reduce rent gaps
- Capital investments for profitability enhancement

+

Excess Returns Strategy

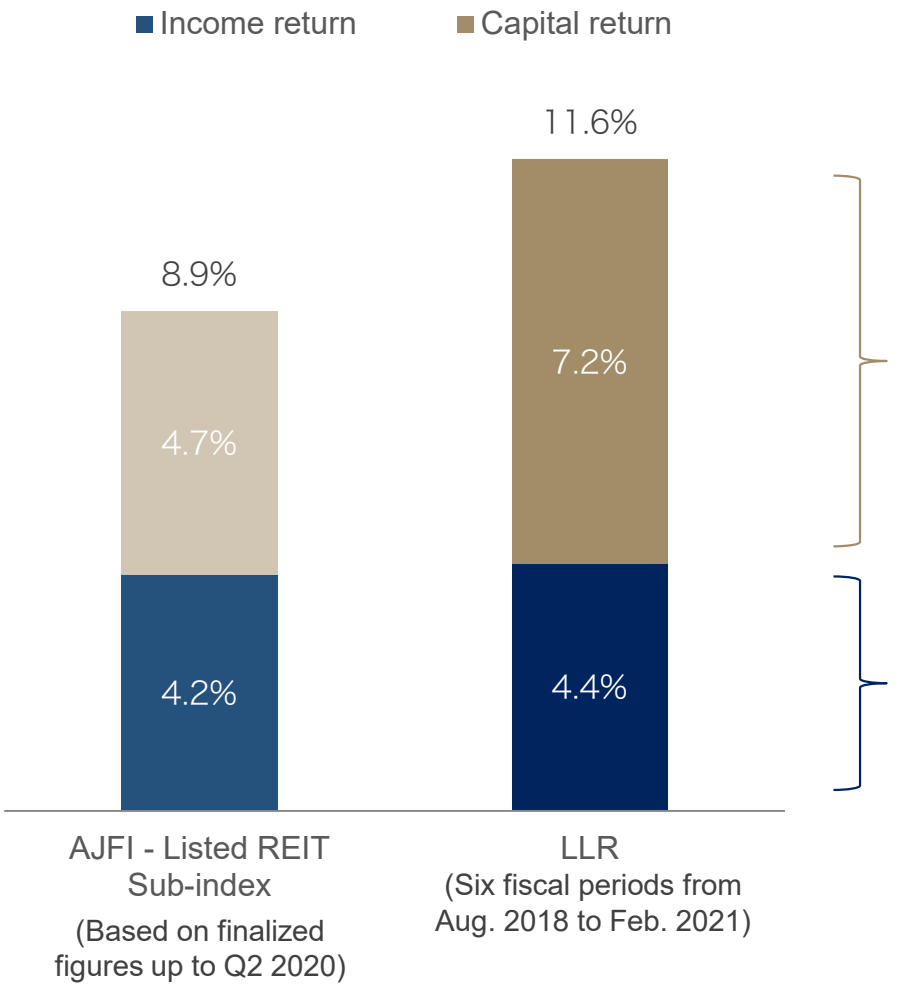
Earning excess returns on a continuous basis

- Commence development work of Osaka Suminoe Logistics Center for value-up
- Diversify sourcing channels to increase value-add investment pipeline

Unitholder value created by outperforming J-REIT market average

ACTIVE MANAGEMENT STRATEGIES DELIVERED ABOVE-MARKET CAPITAL RETURNS MAINLY FROM EXCESS RETURNS EARNINGS

Annual NAV-based total return since LLR's implementation of Active Management strategies (past six fiscal periods)



LLR continue to pursue maximizing unitholder value with emphasis on the NAV-based total return, through Active Management strategies

Capital return

- Unrealized gain from acquisitions at an appropriate price
- Gain on redemption from value-add investments
- Realized gain from asset replacements

Income return

- Growth of portfolio cashflow

Note: "AJFI" stands for ARES Japan Fund Index

Abundant pipeline of approx. JPY 150Bn

EXTERNAL GROWTH POTENTIAL SUPPORTED BY ACQUISITION OPPORTUNITIES

Sponsor Development Projects
(5 properties 600,000㎡)



AZ-COM Logistics Kyoto
Completed in Sep. 2020



LOGIPORT Kazo
Scheduled completion
Jul. 2020



LOGIPORT Kobe Nishi
(provisional name) Scheduled
completion Nov. 2021



Matsudo Logistics Center
(provisional name) Scheduled
completion Jan. 2022

Planned Development

One Multi-tenant type
deal (Undisclosed)

Potential sources of stable income

+

Redevelopment Projects



Osaka Suminoe Logistics
Center Project
(provisional name) Scheduled
completion in 1H 2023



Higashi Ogishima
(leasehold land)

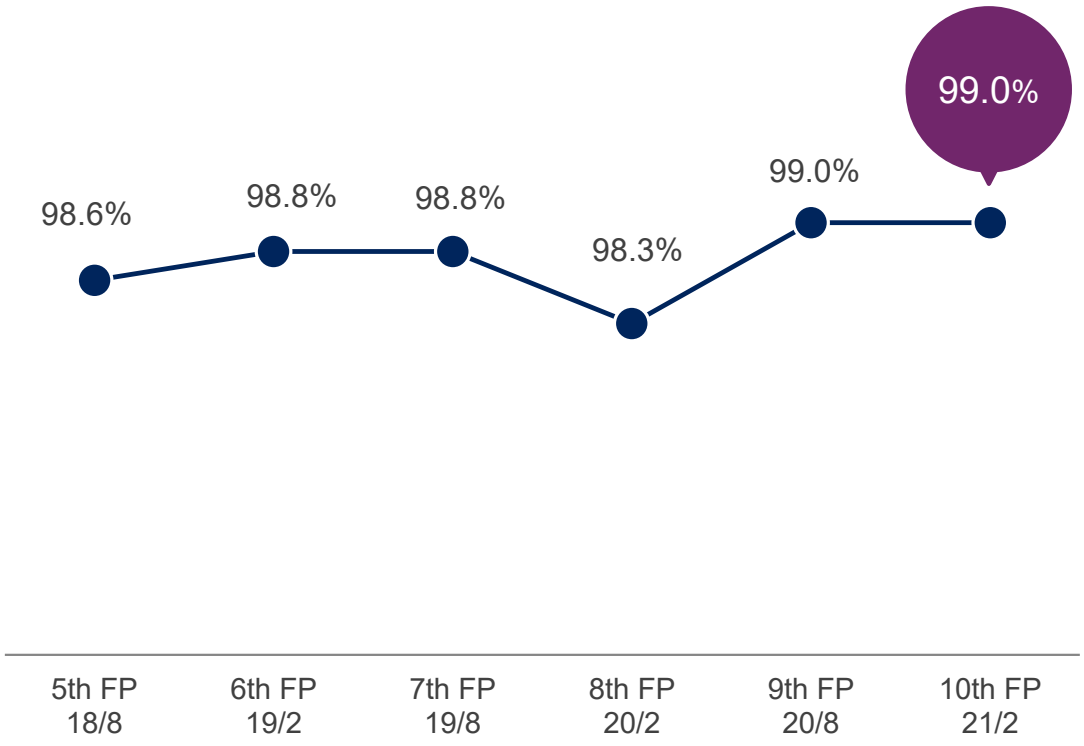
**Excess returns from
value-add investments**

Note: The picture of LOGIPORT Kazo is a rendering and is subject to change. Unauthorized usage of this rendering is prohibited.

Portfolio occupancy maintained at 99.0%, the highest since IPO

INTERNAL GROWTH FROM STRONG LEASING CAPABILITIES

Trends in Occupancy (Fiscal Period Average)



Maintaining a high occupancy rate through effective leasing

- Despite the 10th FP having a record high in lease expirations by area (134,000㎡) for fixed-term leases, strong leasing capabilities helped maintain occupancy at a high level

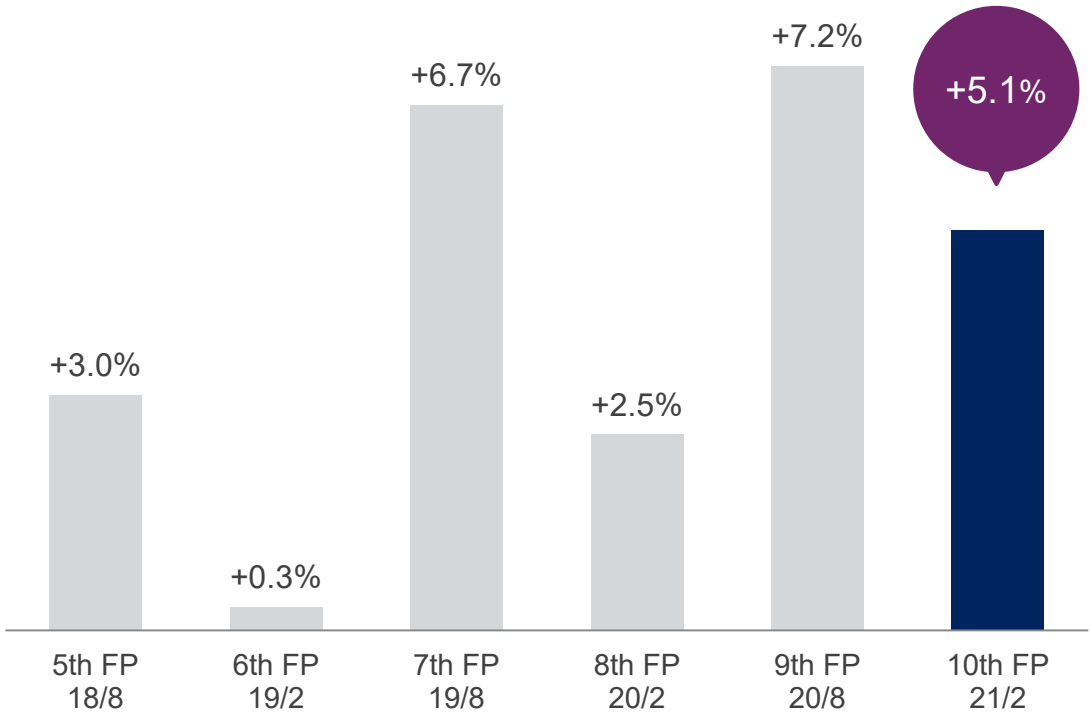
Occupancy is expected to remain high going forward

- Lease renewal negotiations for the 11th FP are 100% pre-leased.
- LOGIPORT Osaka Bay which was acquired in April was at 82.3% occupancy will reach 94.5% in June. portfolio occupancy is expected to be at 98.1%
- Portfolio occupancy for the 11th FP is expected to slightly decrease at 98.1% but is expected to recover to 98.6 % in the 12th FP

Momentum in rental increases continues

STEADY PROGRESS IN CLOSING THE RENT GAP

Trends in Rent Revision Rates (Fixed-Term Lease Properties)



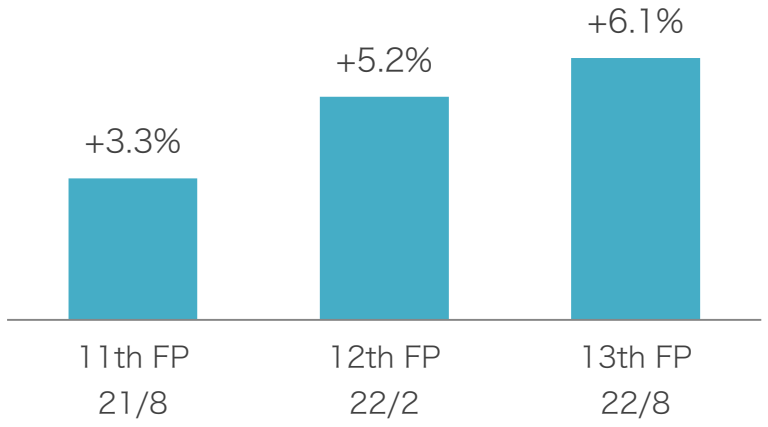
Achieved a high revision rate in the 10th FP

- Market rent continues to rise amid tight supply-demand conditions especially for the properties located near the Route 16 arterial corridor
- Rental increase of +5.1% in the 10th FP exceeded the 4.6% rent gap

Expecting to continue rental increases

- +3.3% rental increases achieved thus far in the 11th FP (100% pre-leased)

Rent Gaps for the next 3 FPs



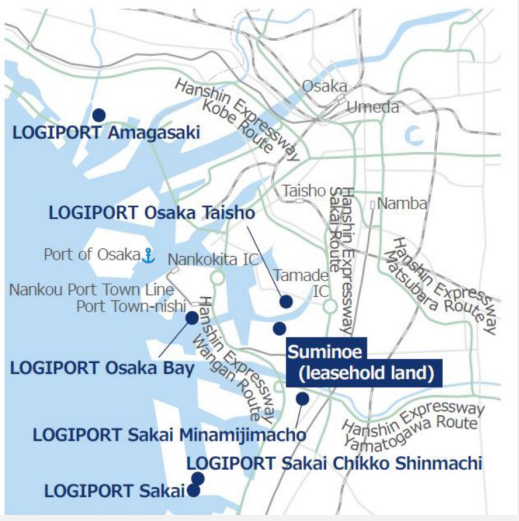
Redevelopment Project – Moving to next phase in value creation

AIM FOR EXCESS RETURNS AMID TIGHTENING SUPPLY-DEMAND CONDITIONS IN OSAKA BAY AREA

2019 | 2020 | **2021** | 2022 | 2023

June 2019

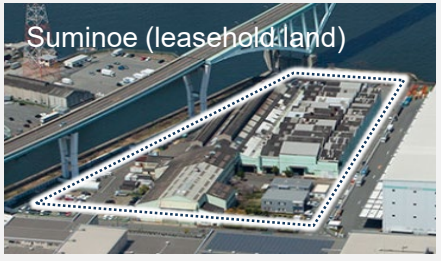
Acquired Suminoe (leasehold land)



March 2021

Investment in preferred shares for a development SPC

Obtained preferential negotiation rights over the property to be redeveloped



Value-add Implementation

2H 2021

Scheduled construction commencement after demolition



Aim to Earn Excess Returns

1H 2023

Scheduled completion

Earn excess returns from development SPC and switch to a direct investment

Exercise preferential negotiation right and acquire property at an appropriate yield to secure unrealized gains

Obtain gain on redemption from preferred equity investment through successful redevelopment and lease-up

Abundant liquidity ready to be utilized for Active Management Strategies

STRENGTHENED OUR FINANCIAL POSITION THROUGH PO AND REFINANCING

Changes in Financial Indicators

	After 4th PO	After 3rd PO (Sept. 2020) Comparison
Book Value LTV	41.8 %	- 0.2 %
Avg. Interest Rate	0.54 %	± 0 %
Avg. Remaining Debt Term	5.4 yrs	+ 0.6 yrs
Dry Power Funds Available	JPY 15.0Bn	JPY +2.0Bn
Acq. Capacity through Debt (Up to 45% LTV)	JPY 20.0Bn	JPY +2.0Bn

Lending attitude by lenders toward LLR remains unchanged. The financing terms for the refinance in Feb. 2021 for JPY 13.3Bn and the financing for the 4th PO in Apr. 2021 for JPY 19.7Bn were both at similar conditions compared to financings in the past.

LLR has received a AA- (positive) rating from Japan Credit Rating Agency, Ltd. In Jan. 2021 due to improved evaluation in LLR's management track record.

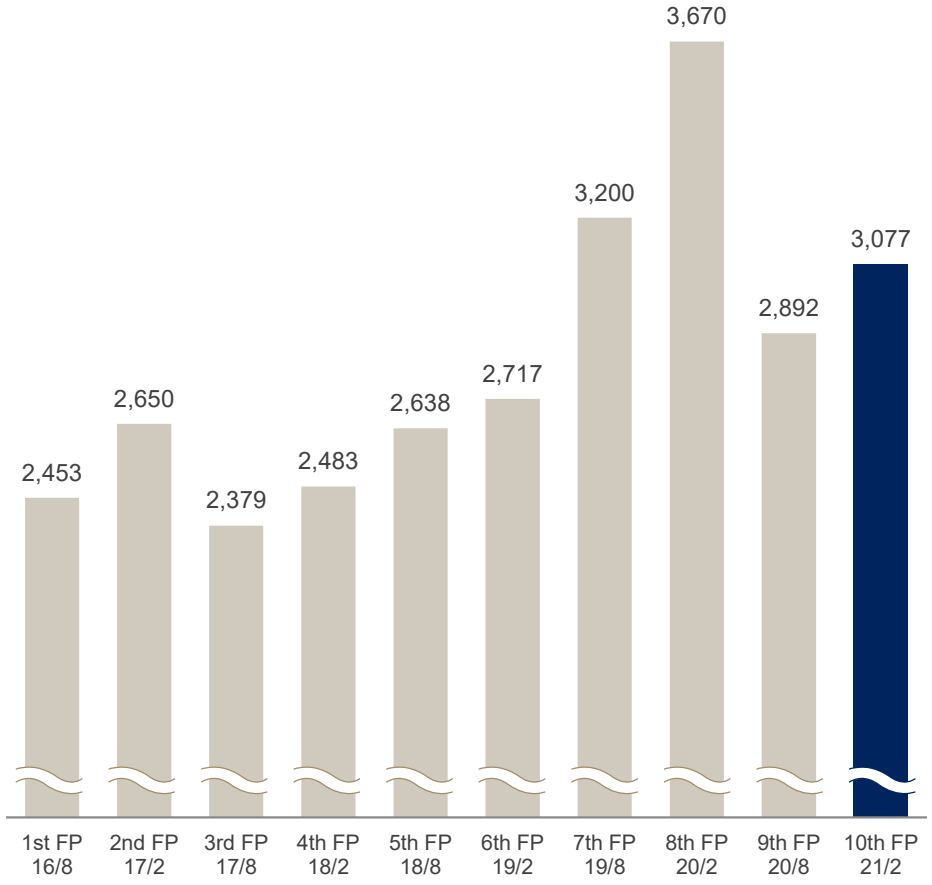
The dry powder paired with the available debt capacity is ready to be utilized for value-add projects as a part of our Active Management Strategy

02

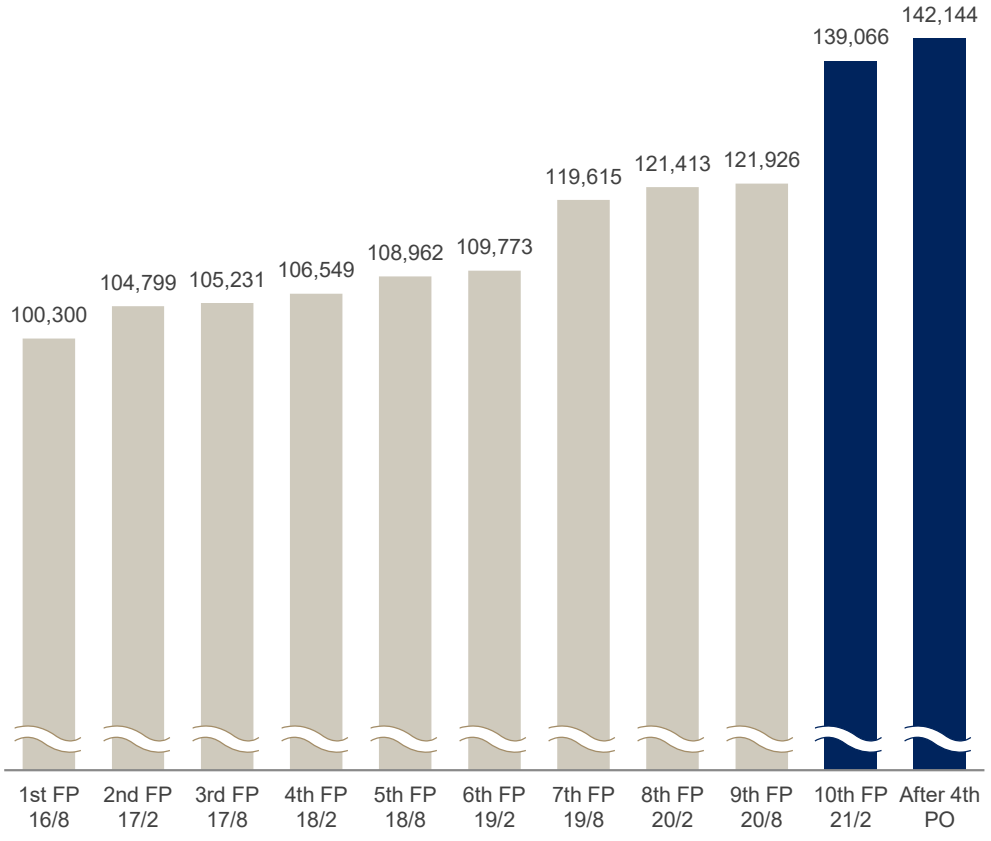
10th Fiscal Period Financial Results

Continuous growth of DPU and NAV per unit

DPU including distributions in excess of earnings per unit (JPY)



NAV per unit (JPY)



2/28/2021 (10th FP) Financial results summary

	Units: mm yen	10th FP Forecast (a)	10th FP Actual (b)	Difference (b) - (a)	Difference between guidance and actuals
Propertm Level	Real Estate Leasing Business Total	9,556	9,504	-52	
	Rent + CAM + Other Income	9,071	9,096	25	
	Reimbursable Utilities Income	444	366	-78	Reduced electricity usage
	Disposition Capital Gains	39	41	2	
	Real Estate Operating Expenses	3,083	2,901	-182	
	Outsourced Contract Costs	365	368	3	
	Utilities	466	335	-131	Reduced electricity usage due to change in electricity supplier
	Leasing Expense	90	66	-24	Reduce leasing costs associated with lease renewals
	Repair & Maintenance	163	151	-12	Allocated to CapEx
	Depreciation Expense	1,265	1,245	-20	Reduce CapEx costs,Contingency not used
	Propertm Taxes	662	665	3	
	Other Expenses	69	67	-2	
	NOI After Depreciation	6,473	6,603	130	
	NOI	7,698	7,805	107	
Corporate	Asset Management Fees	1,111	1,147	36	Increased due to performance improvement
	Interest Expense & Financing Fees	547	549	2	
	Investment Unit Issuance Costs	106	101	-5	Some of the contingency was not used
	Other P&L Items	125	93	-32	Some of the contingency was not used. Reduced G&A costs
	One time Expenses	45	46	1	
	Investment Corporation Level Expenses	1,935	1,934	-1	
DPU Summarm	Net Income	4,536	4,667	131	
	Distributions Per Unit (men)	3,000	3,077	77	
	Earnings Per Units (men)	2,769	2,849	80	
	Dividend in Excess of Earnings (men)	231	228	-3	
	LTV	42.4%	42.4%	-0.1%	
	Number of properties at end of FP	18	18	-	

(Note) These figures are using numerical values based on management accounting and may differ from values based on financial accounting.

8/31/2021 (11th FP) Financial forecast

	Units: mm yen	10th FP Actual (a)	11th FP Guidance (b)	Difference (b) - (a)	Difference between 10th FP Actual vs. 11th FP Guidance
Propertm Level	Real Estate Leasing Business Total	9,504	10,718	1,214	
	Rent + CAM + Other Income	9,096	9,744	648	Due to the newly acquired asset in 11th FP
	Reimbursable Utilities Income	366	438	72	
	Disposition Capital Gains	41	-	-41	Adjustment of one-time gains/expenses
	Dividend Income	-	535	535	TMK preferred securities dividend attributed to the sale of Osaka Bay
	Real Estate Operating Expenses	2,901	3,379	478	
	Outsourced Contract Costs	368	382	14	
	Utilities	335	409	74	
	Leasing Expense	66	114	48	In accordance with leasing plans
	Repair & Maintenance	151	99	-52	In accordance with R&M plans
	Depreciation Expense	1,245	1,386	141	Due to the newly acquired asset in 11th FP
	Propertm Taxes	665	915	250	Property tax impact recorded for assets acquired in 10th FP
	Other Expenses	67	72	5	
	NOI After Depreciation	6,603	7,339	736	
	NOI	7,805	8,189	384	
Corporate	Asset Management Fees	1,147	1,323	176	Increased due to performance improvement
	Interest Expense & Financing Fees	549	594	45	Due to increased debt from new acquisitions
	Investment Unit Issuance Costs	101	87	-14	Diffrenece of the public offering size between 3rd and 4thPO
	Other P&L Items	93	121	28	Reserved for contingency and ESG costs
	One time Expenses	46	-	-46	Adjustment of one-time gains/expenses
	Loss on redemption of investment securities	-	15	15	Expenses related to the principal portion of preferred equity shares to be redeemed
	Investment Corporation Level Expenses	1,934	2,141	207	
DPU Summarm	Net Income	4,667	5,194	527	
	Distributions Per Unit (men)	3,077	3,142	65	
	Earnings Per Units (men)	2,849	2,910	61	
	Dividend in Excess of Earnings (men)	228	232	4	
	LTV	42.4%	42.0%	-0.4%	C-tax loan repayment as part of 10th FP property acquisition
	Number of properties at end of FP	18	19	1	

(Note) These figures are using numerical values based on management accounting and may differ from values based on financial accounting.

2/28/2022 (12th FP) Financial forecast

	Units: mm yen	11th FP Guidance (a)	12th FP Guidance (b)	Difference (b) - (a)	Difference between 11th FP Guidance vs. 12th FP Guidance
Propertm Level	Real Estate Leasing Business Total	10,718	10,538	-180	
	Rent + CAM + Other Income	9,744	10,113	369	Due to the newly acquired asset in 11th FP and
	Reimbursable Utilities Income	438	424	-14	LP Amagasaki Hazardous Material Warehouse Expansion
	Dividend Income	535	-	-535	Adjustment of one-time gains/expenses
	Real Estate Operating Expenses	3,379	3,418	39	
	Outsourced Contract Costs	382	389	7	
	Utilities	409	384	-25	
	Leasing Expense	114	136	22	In accordance leasing plans
	Repair & Maintenance	99	92	-7	In accordance R&M plans
	Depreciation Expense	1,386	1,427	41	Full year contribution of the asset acquired in 11h FP
	Propertm Taxes	915	915	-	
	Other Expenses	72	71	-1	
	NOI After Depreciation	7,339	7,119	-220	
	NOI	8,189	8,547	358	
Corporate	Asset Management Fees	1,323	1,309	-14	Increased due to performance improvement
	Interest Expense & Financing Fees	594	571	-23	Adjustment of one-time gains/expenses
	Investment Unit Issuance Costs	87	31	-56	Adjustment of one-time gains/expenses
	Other P&L Items	121	128	7	Reserved contingency and Unitholders Meeting costs
	Loss on redemption of investment securities	15	-		Adjustment of one-time gains/expenses
	Investment Corporation Level Expenses	2,141	2,041	-100	
DPU Summarm	Net Income	5,194	5,077	-117	
	Distributions Per Unit (men)	3,142	3,083	-59	
	Earnings Per Units (men)	2,910	2,844	-66	
	Dividend in Excess of Earnings (men)	232	239	7	
	LTV	42.0%	41.8%	-0.2%	C-tax loan repayment as part of 11th FP property acquisition
	Number of properties at end of FP	19	19	0	

(Note) These figures are using numerical values based on management accounting and may differ from values based on financial accounting.

03

Current status of the portfolio

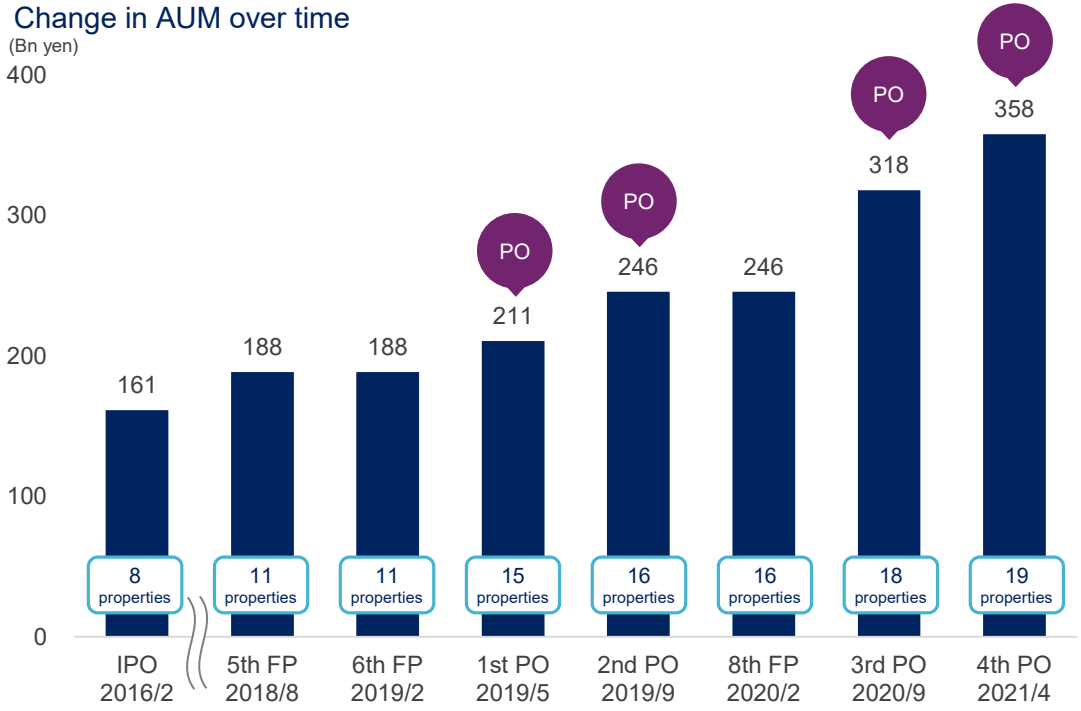
Overview of LaSalle LOGIPORT REIT

LaSalle LOGIPORT REIT Overview (1)

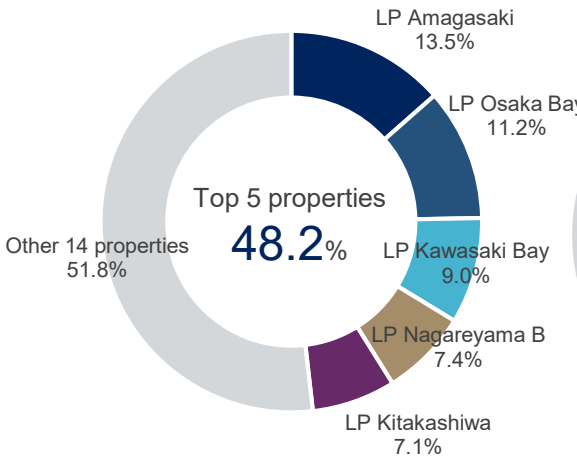
Total acq. price	No. of properties	Occupancy rate	LTV (2)
JPY 357.8Bn	19	97.4 %	41.8 %

Total appraisal value	Appraisal NOI yield (3)	No. of tenants (4)	Credit rating (JCR)
JPY 401.1Bn	4.8 %	169	AA- Positive

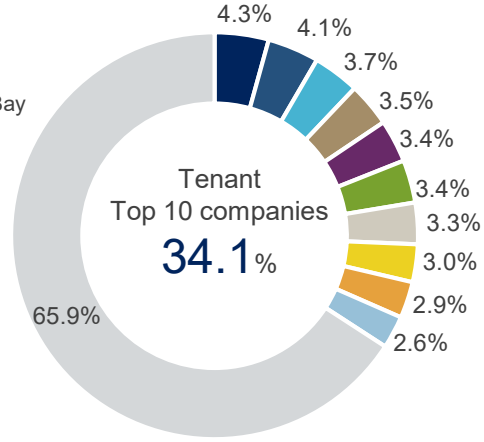
Change in AUM over time



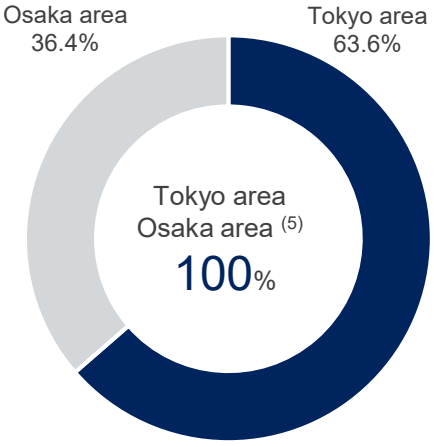
Composition of Portfolio (Acquisition Price Basis)



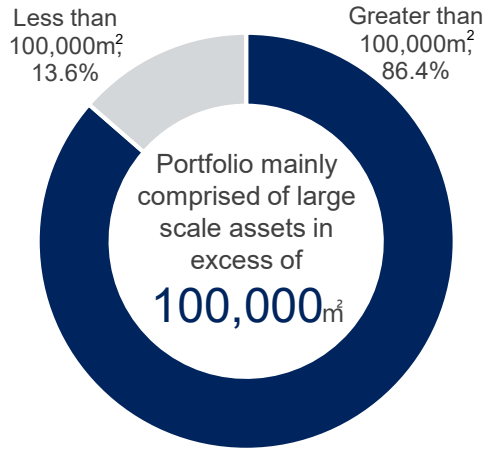
Tenant Distribution (Leased Area Basis)



Locational Diversification (Acquisition Price Basis)



GFA Diversification (6) (Acquisition Price Basis)

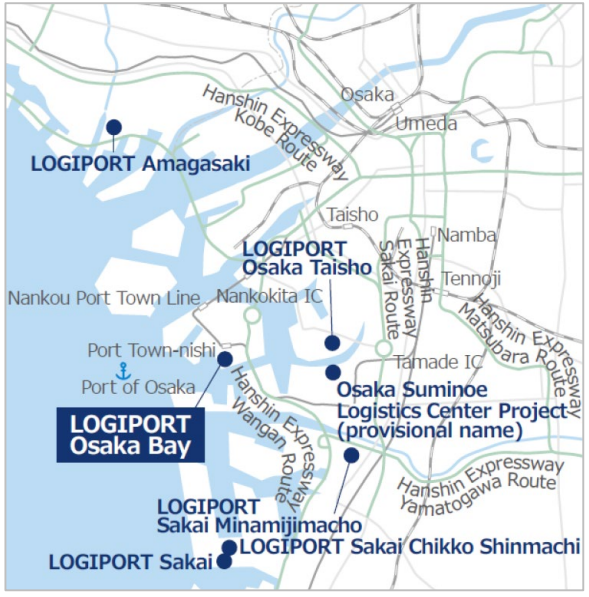


(1) Presented based on the February 28, 2021 status of the 19 properties owned as of April 2021
(2) Represents investment units after the 4th PO, after property acquisition, and after repayment of short-term debt
(3) Appraisal NOI divided by the acquisition value of the 18 properties excluding the leasehold land
(4) Gross number of tenants (i.e. some tenants lease in several of LLR's properties). Net number of tenants is 147.
(5) "Tokyo Area" is defined as the area within a 60km radius from JR Tokyo Station. "Osaka Area" is defined as the area within a 45km radius from JR Osaka Station.
(6) Calculated based on 18 properties excluding the leasehold land

New acquisition – LOGIPORT Osaka Bay



Acquisition Price	JPY 40.0Bn
Appraisal Value	JPY 42.7Bn
NOI Yield	4.4%
Completion Mo./Yr.	Feb. 2018
GFA	139,551㎡
Location	Osaka City, Osaka
No. of Tenants	11
Occupancy(1)	94.5%



Property Characteristics

- Location with convenience as a delivery hub for major consumption areas surrounding Central Osaka. Located in the Nanko area, a core logistics district, the asset is in proximity to the Port of Osaka and major arterial roads
- Multi-tenant facility straddling a central driveway with a leasable area of approx. 10,000 tsubo per floor and equipped with highly-functional specifications such as double ramp-ways, effective ceiling height, and floor loading capacity

Gain on redemption (expected)	Preferred Equity Investment IRR(2)	Rent Gap
JPY 519MM	27.7%	9.6 %

Timeline of the LOGIPORT Osaka Bay Lease-Up

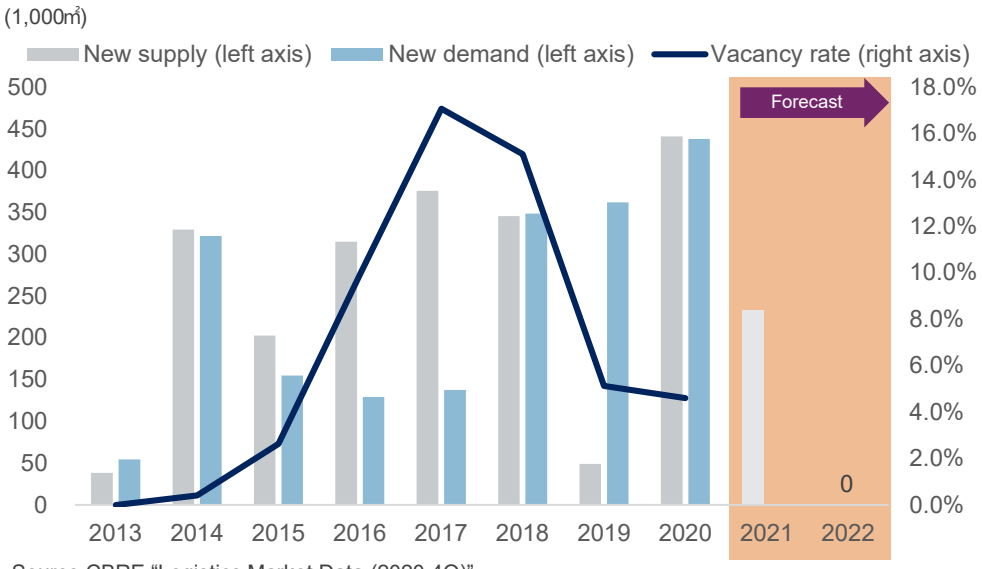
Leased-up approx. 110,000㎡ since investing in the preferred equity shares

2019	2020	2021
Dec. 2019 Preferred equity investment at 12.0% occupancy rate	Oct. 2020 Occupancy rate of 62.7%	Feb. 2021 Occupancy rate of 94.5%

(1) Contractual basis as of February 28, 2021.
(2) After acquiring the preferred equity shares on December 25, 2019, the principal of the preferred equity shares is assumed to be redeemed on June 30, 2021 and the transaction costs will be deducted from the dividend income on July 31, 2021. The estimated IRR for the investment period assumes an estimated gain on redemption of JPY 519 million.

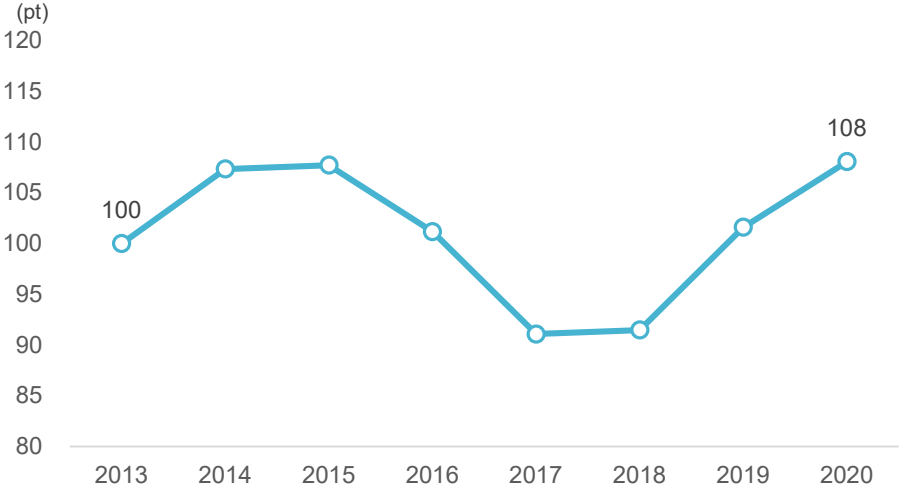
Osaka Bay area – A positive outlook for rent growth potential

Supply/Demand and Vacancy Rate in Osaka Bay Area



Source CBRE "Logistics Market Data (2020 4Q)"

Trend of Unit Price Index of Contracted Rents in Osaka Bay Area



Source CBRE "Logistics Market Data (2020 4Q)"

Trend of Rising Rent Per Tsubo Prices in Osaka Bay Area

- The vacancy rate for logistics facilities in the Osaka Bay area spiked to nearly 20% as a result of massive supply in 2016 and 2017. While the volume of new supply steeply declined in 2019, demand for high-quality logistics space associated with consumer goods mainly from e-commerce was robustly generated. As a result, the market vacancy rate declined significantly and the unit price index of contracted rents as of the end of 2020 rose by 19% from the 2017 level.

- New supply in the Osaka Bay area in 2021 is expected to remain at approx. half of that in 2020, and the % of tenants pre-leased for large-sized multi-tenant facilities to be newly constructed in 2021 reached 100% as of the end of 2020. Additionally, no new supply is planned in 2022, which means there is no vacancy to be filled up. Thus, LLR expects a positive outlook for rent growth potential in the Osaka Bay Area.

Unit price index of contracted rents

+ 19 %

(vs 2017 end)

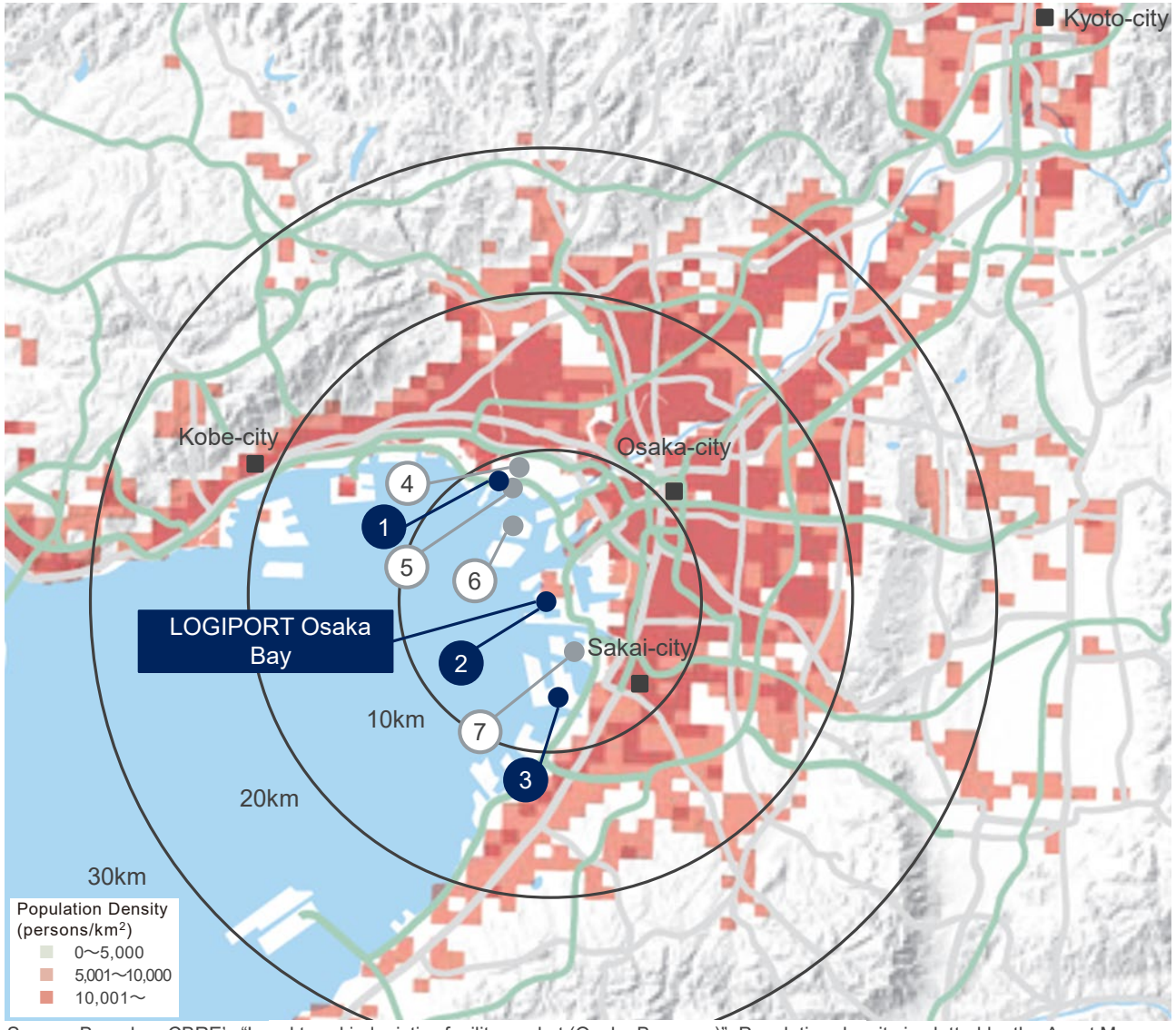
% of tenants pre-leased in 2021

100 %

(as of 2020 end)

Osaka Bay area – Increasing attention to the proximity to Osaka's high-consumption areas

Logistics Hubs for Major E-commerce Players in the Osaka Bay Area



- The Osaka Bay area, which had long been a district full for warehouses for import cargo, has recently been **re-evaluated as a hub for last-mile logistics, owing to its proximity to high-consumption areas**
- As a result, demand for logistics facilities has been on an increasing trend due to a number of e commerce players and retailers seeking to open their logistic sites for deliveries to consumers
- There are growing needs for logistics facilities for refrigerated and frozen foods released at the Port of Osaka, the largest port of import in western Japan, and delivery to consumption areas
- LOGIPORT Osaka Bay is located at the heart of the Osaka Bay area, with **access to a population of 2.1 million in areas within 30 minutes drive**, allowing to serve as a highly accessible delivery hub for consumption areas

1	Rakuten*	4	MonotaRO
2	Amazon*	5	Amazon
3	Amazon*	6	Askul
* LLR's Properties		7	Amazon

Source: Based on CBRE's "Local trend in logistics facility market (Osaka Bay area)". Population density is plotted by the Asset Manager, based on data by Statistics Bureau, Ministry of Internal Affairs and Communications "Grid square method in each area (500m)" from "Grid square method research regarding census performed in 2015"

Track record of value-add investments

Lease-up Projects and Redevelopment Projects

Lease-up Projects

6th FP ending Feb. 2019
- Changed operating guidelines and established system to invest in leasehold land and preferred equity shares
- Invested in LOGIPORT Amagasaki deal

7th FP ending Aug. 2019
- Increased profitability with an asset replacement deal
- Conducted 1st PO
- Invested in leasehold land

8th FP ending Feb. 2020
- Conducted 2nd PO
- Earned excess returns from LOGIPORT Amagasaki deal
- Invested in LOGIPORT Osaka Bay deal

10th FP ending Feb. 2021
- Conducted 3rd PO
- Transferred Suminoe (leasehold land) to a development SPC

11th FP ending Aug. 2021
- Conducted 4th PO
- Expecting excess returns from Osaka Bay deal
- Invested in Suminoe (leasehold land) dev. SPC

Acquired Preferred Equity No.1



LOGIPORT Amagasaki 35% Occ.

Leased-up by Sponsor
Achieved 100% occupancy

Acquisition (51% interest)
- ✓ Acquired redemption gain of JPY 781 mm for an investment of JPY1.2Bn
- ✓ Acquired at an attractive NOI yield of 5.3%

Acquisition (49% interest)
- ✓ Acquired at an attractive NOI yield of 5.3%
- ✓ Achieved an unrealized gain ratio of 17% on acquisition price

Earning stable income

Acquired Preferred Equity No.2



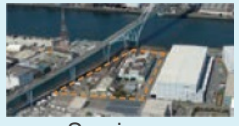
LOGIPORT Osaka Bay 12% Occ.

Leased-up by Sponsor
Achieved 94.5% occupancy

Acquisition (100% interest)
- ✓ Expecting redemption gain of JPY 519 mm for an investment of JPY1.1Bn
- ✓ Achieved an unrealized gain ratio of 7% on acq. price

Redevelopment Projects

Invested in Leasehold Land



Suminoe
(leasehold land)



Higashi Ogishima
(leasehold land)

Shift to development phase while collecting ground rent

Transferred to Dev. SPC No.1
- ✓ Proceeds were used for the acquisition of properties in 3rd PO
- ✓ Aiming to generate excess returns through this value-add redevelopment project

Acquired Preferred Equity

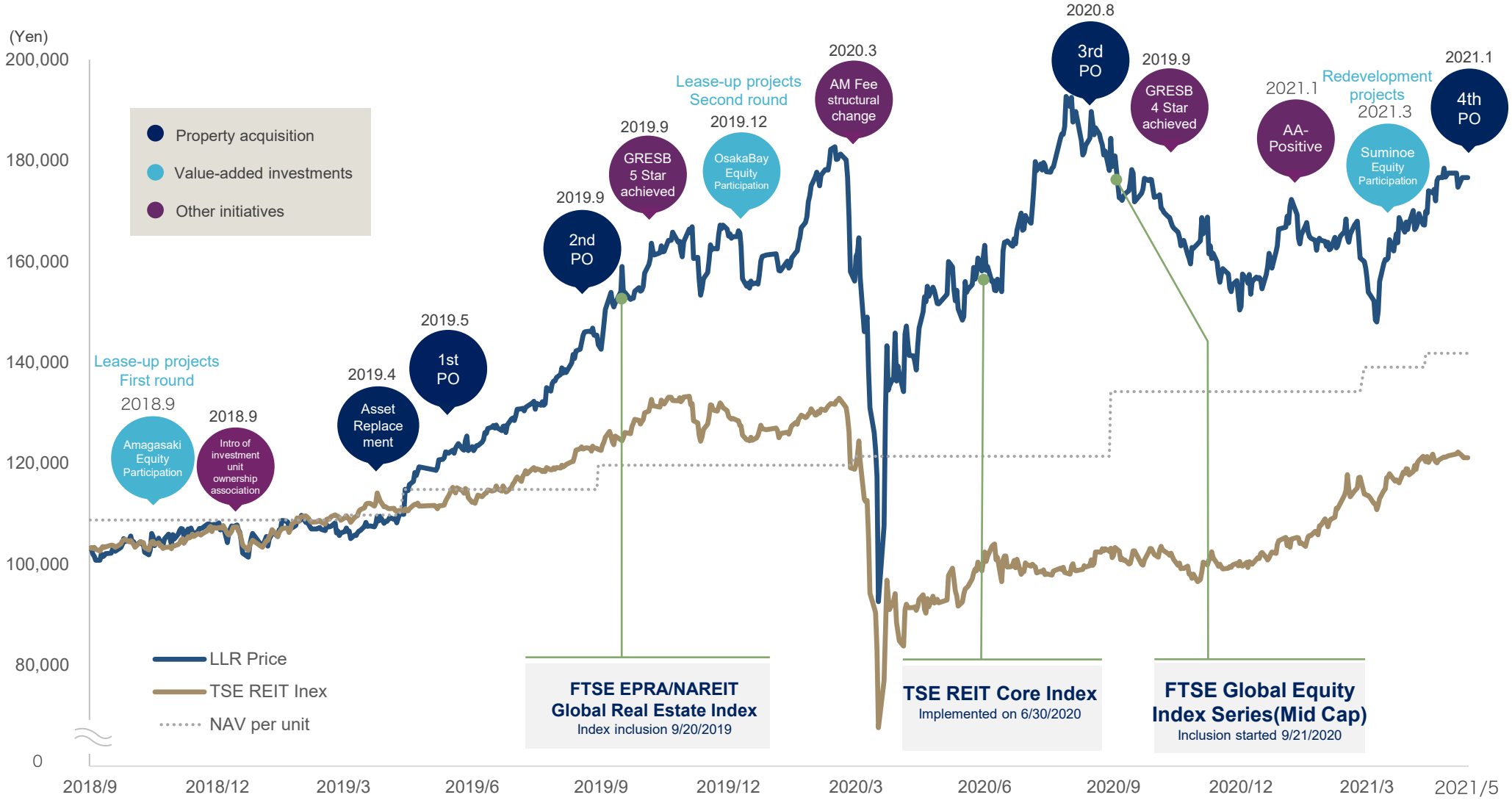


Continue to collect ground rent

Consideration for future redevelopment

Investment unit price movements and enhancing LLR's liquidity

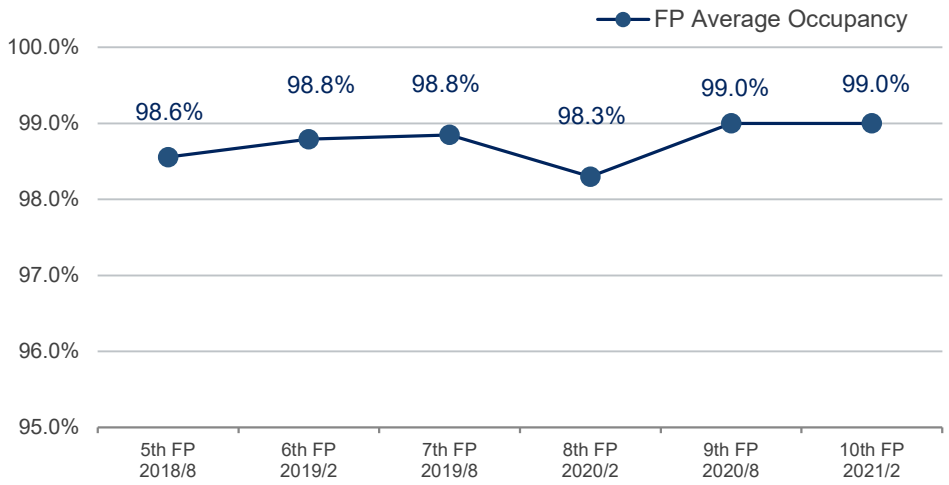
Major Initiatives of LLR since September 2018 and Movements in Investment Unit Prices



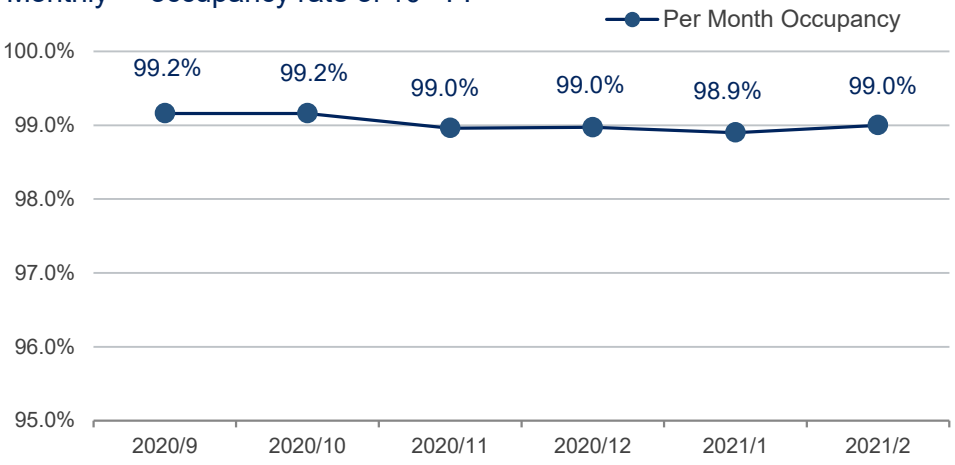
(1) The Tokyo Stock Exchange REIT Index is graphed by taking the closing price of LLR's investment unit price on 9/3/2018, and then indexing off of that as the base.
(2) In the graph above, LLR's main initiatives are tracking the timing of each announcement or implementation relative to investment unit price changes.

Internal growth – Property operations track record ①

Transition [1] in Occupancy Rate

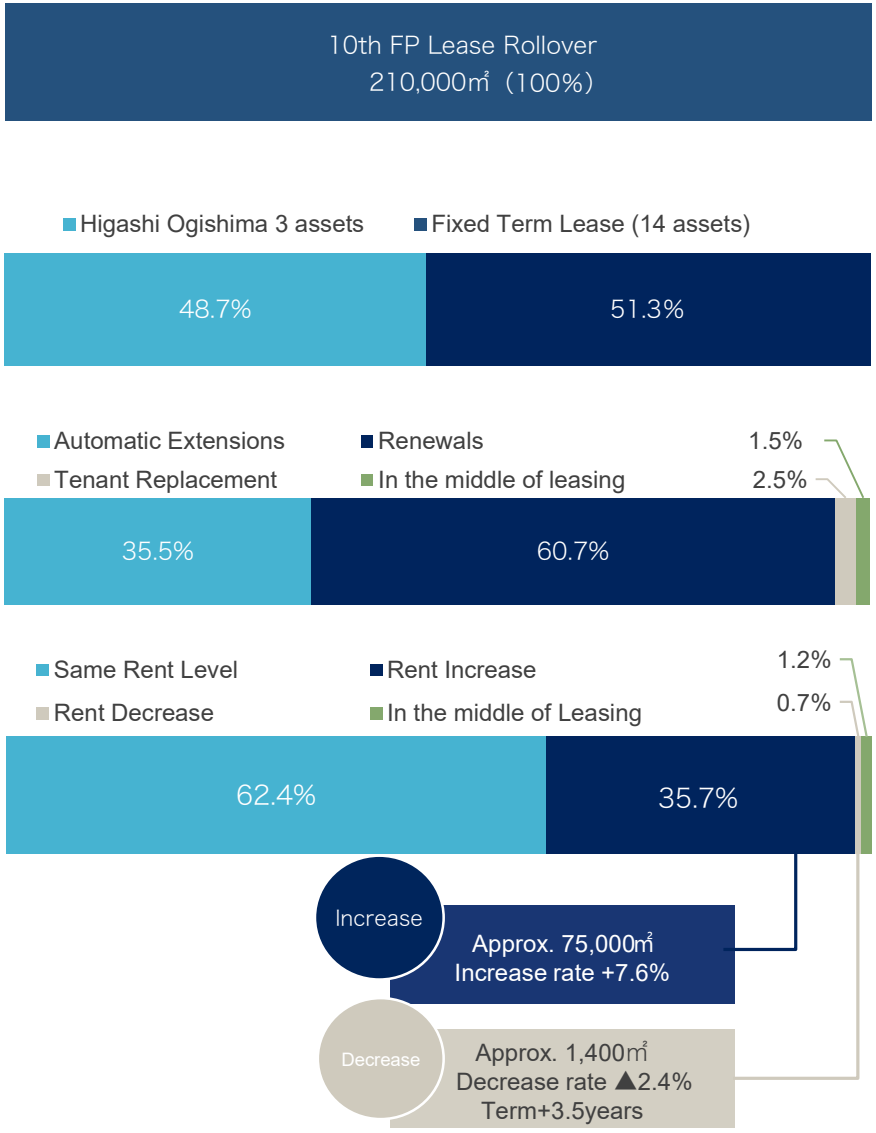


Monthly [1] occupancy rate of 10th FP



10th FP Leasing Track Record [2]

210,000 ㎡ of leases rolled over during the 10th FP

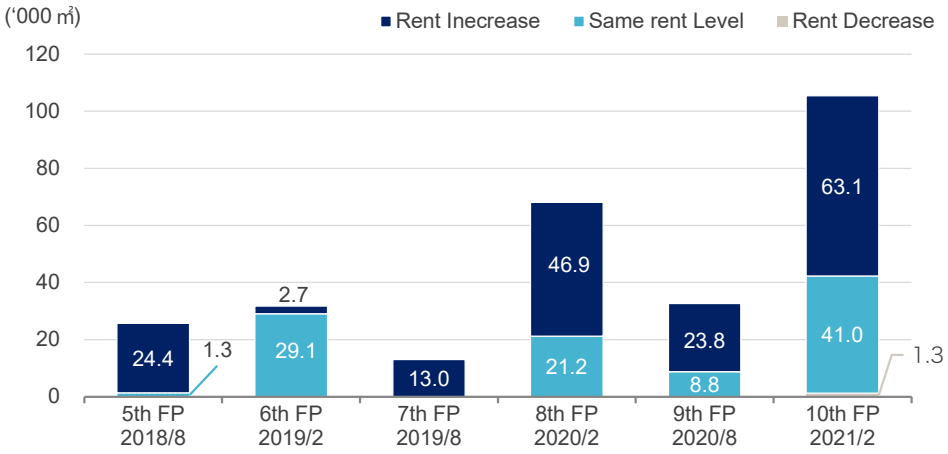


(1) Figures for the entire portfolio (incorporating co-ownership interest %) are shown.
(2) Percentage of leased area contracted during the 10th FP (warehouse portion only, excluding temporary use)

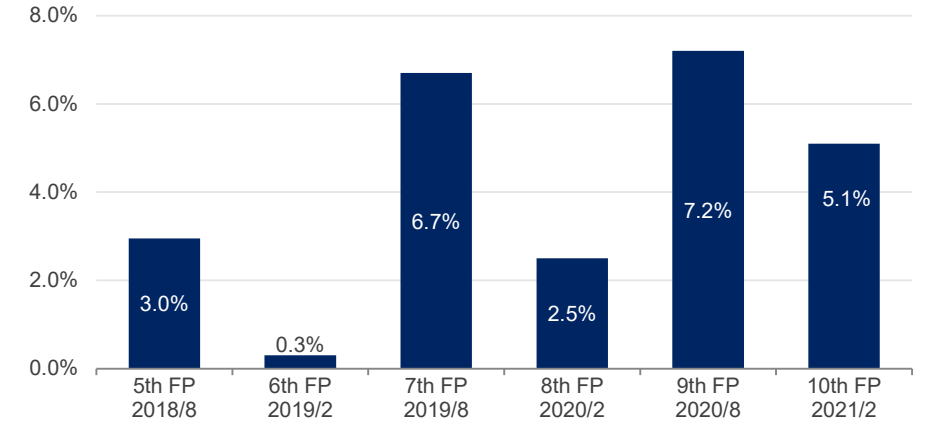
Internal growth – Property operations track record ②

Fixed Term Lease properties (14 properties) (1)

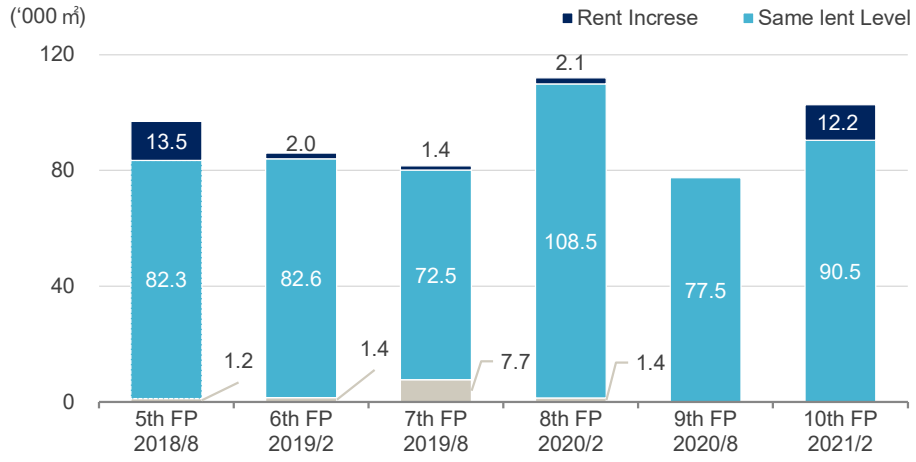
Changes in rental rates upon lease maturity (2)



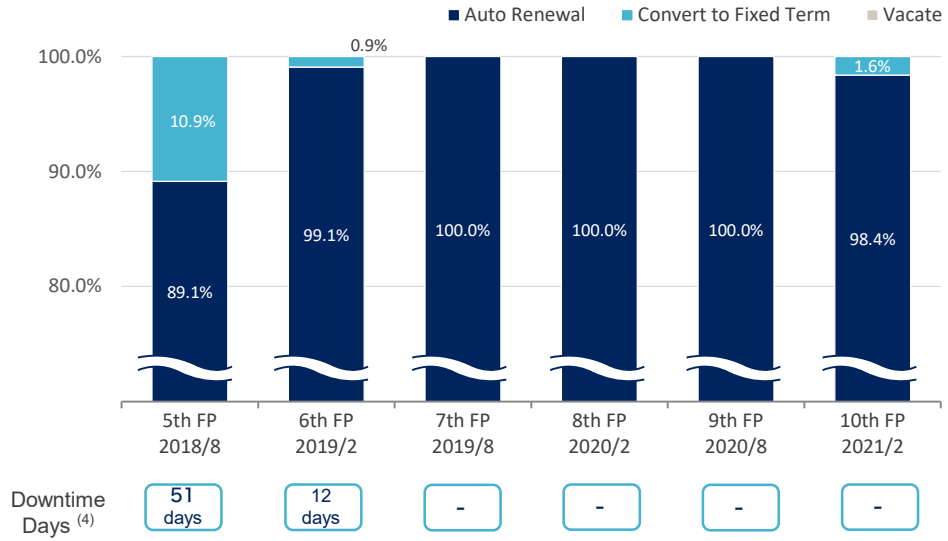
Changes in lease rental rates (3)



3 Higashi Ogishima properties



Lease Renewal Track Record for standard leases (2)

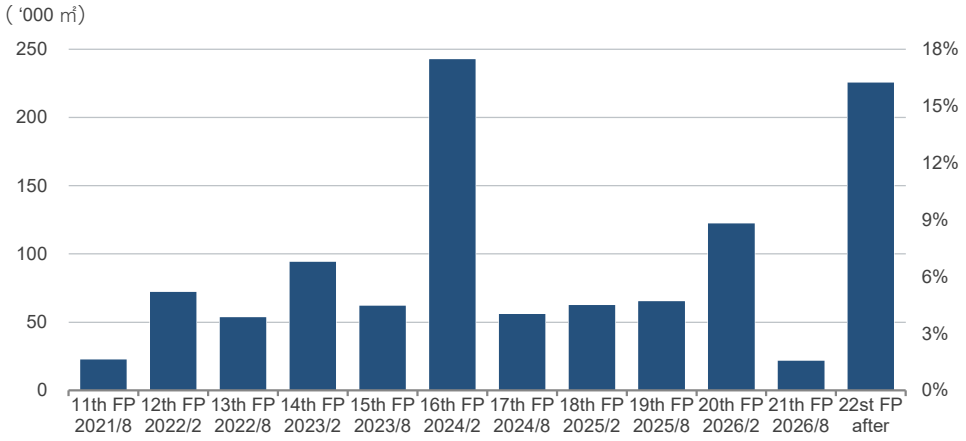


(1) The 14 properties owned as of the end of the 10th FP, excluding land assets and 3 Higashi Ogishima assets
(2) The area where the lease maturity came about during the fiscal period (warehouse only, excludes temporary use)
(3) The amount a given lease's rent increased/decreased relative to the prior lease's rent level for each lease which matured during the FP (warehouse only, excludes temporary use)
(4) When tenants vacated during this FP or in prior FPs, these were the average # of downtime days until signing a subsequent tenant (warehouse only)

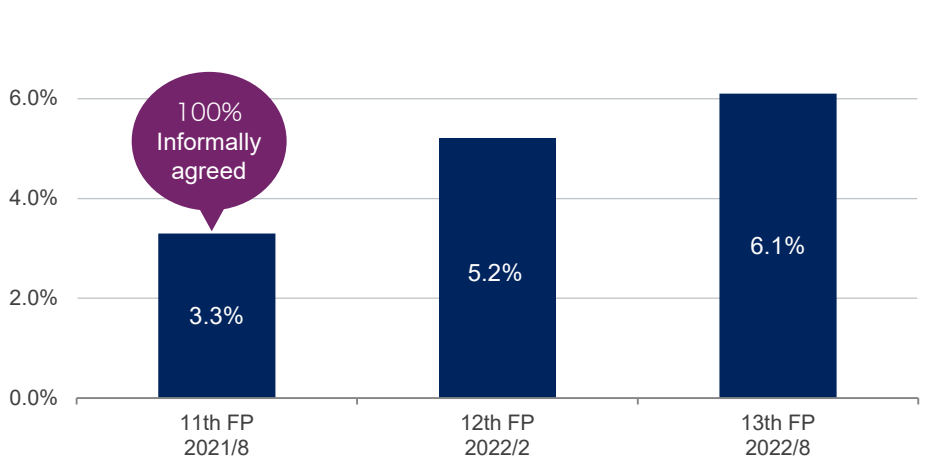
Future leasing strategy

Lease maturities of fixed-term lease (1) properties (15 properties)

Lease expiration schedule

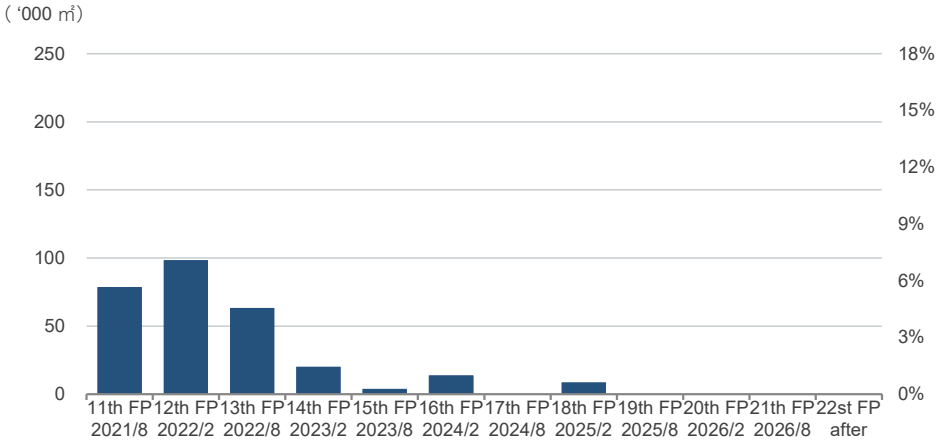


Potential increase in rent (1) that will expire in the future

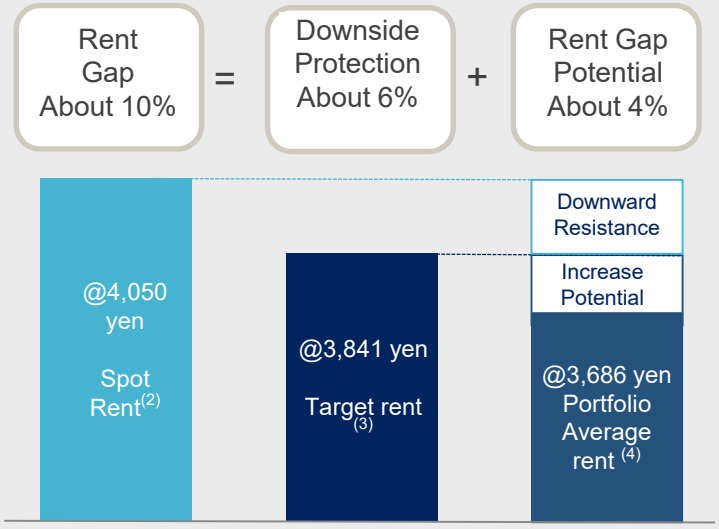


3 Higashi Ogishima properties

Lease expiration schedule



Rent gap



(1) Figures are totals for fixed lease contracts for the warehouse portion of 15 properties, excluding one leasehold interest property and three Higashi-Ohgishima properties, among the properties owned as of the end of April 2021.
(2) Offering rent unit price of the warehouse portion of the newly developed property
(3) Quoted rent unit price of the warehouse portion prepared by the management company based on the market report
(4) Rent unit price of the warehouse portion

Internal growth – Strengthening profitability via strategic CapEx

Planned expansion of hazardous material warehouse

Utilize unused FAR to construct a hazardous material warehouse for additional income

LP Amagasaki



Investment amount	¥457Million
Forecast NOI yield	13.7%
Timing	10/2021

Leasing activities that capture market trends

Achieved an increase in rents for renewals and new leases by capturing the rise in market rents due to tight supply and demand



Property	Covered floor area	Warehouse rent/tsubo
Hashimoto	+8,000㎡	+ 11.1%
Sagamihara	+8,000㎡	+ 6.1 %
Nagareyama B	+7,000㎡	+ 9.1 %

Installation of solar panels

Rooftop solar panels leased to solar companies increased property revenues

LP Sakai Chikko Shinmachi



Investment amount	¥214Million
Forecast NOI yield	9.7 %
Timing	9/2020

Upward rent revision achieved by converting to LED lighting

Successfully increased rents for Japanese standard lease tenants by converting lights to LED and reduced electricity costs

LP Higashi Ogishima A・B.



Bldg.	Covered floor area	Warehouse rent/tsubo
A	+16,000㎡	+ 2.9 %
A	+7,000㎡	+ 2.8 %
B	+5,000㎡	+ 4.3 %

Portfolio list ① [1]

No.	Property name	Address	Total floor area (㎡)	Year of completion	Acquisition price (Bn yen)	Investment ratio (%)	Appraisal (Bn yen)	NOI Yield [2] (%)	Occupancy rate (%)	Fixed Term Lease ratio[3] (%)	# of tenants	WALE [4] (Years)	PML [5] (%)
Tokyo-1	LP Hashimoto [6]	Sagamihara, Kanagawa	145,801	Jan 2015	21.2	5.9	23.8	4.6	99.9	100.0	16	3.6	1.3
Tokyo-2	LP Sagamihara [6]	Sagamihara, Kanagawa	200,045	Aug 2013	23.0	6.4	25.9	4.8	99.7	100.0	19	2.9	0.5
Tokyo-3	LP Kita Kashiwa	Kashiwa, Chiba	104,302	Oct 2012	25.3	7.1	30.2	4.6	100.0	100.0	6	2.5	0.9
Tokyo-5	LP Nagareyama B	Nagareyama, Chiba	133,414	Jul 2008	26.6	7.4	31.1	4.9	99.9	100.0	8	2.7	2.3
Tokyo-6	LP Higashi Ogishima A	Kawasaki, Kanagawa	100,235	Apr 1987	19.0	5.3	20.2	5.0	97.0	38.8	23	1.0	6.5
Tokyo-7	LP Higashi-Ogishima B	Kawasaki, Kanagawa	117,546	Apr 1991	19.1	5.3	21.7	5.4	95.3	44.6	18	0.9	6.2
Tokyo-8	LP Higashi Ogishima C	Kawasaki, Kanagawa	116,997	Sep 2001	23.7	6.6	26.4	4.9	98.6	44.9	18	0.9	6.3
Tokyo-9	LP Kawagoe	Kawagoe, Saitama	50,742	Jan 2011	11.9	3.3	12.5	4.7	100.0	100.0	4	2.0	4.4
Tokyo-11	LP Kashiwa Shonan	Kashiwa, Chiba	40,878	Jul 2018	9.3	2.6	10.5	5.1	100.0	100.0	1	-[9]	1.6
Tokyo-12	LP Sayama Hidaka	Hidaka, Saitama	23,570	Jan 2016	6.4	1.8	6.6	4.6	100.0	100.0	1	-[9]	3.5
Tokyo-13	Higashi-Ogishima (Land with leasehold interest)	Kawasaki, Kanagawa	-	-	1.1	0.3	1.6	3.8	100.0	-	1	-	-
Tokyo-14	LP Kawasaki Bay [6]	Kawasaki, Kanagawa	289,164	May 2019	32.2	9.0	34.9	4.3	99.7	100.0	11	6.7	3.3
Tokyo-15	LP Shinmoriya	Tsukuba Mirai, Ibaraki	37,089	Jul 2019	8.5	2.4	9.3	4.9	100.0	100.0	1	-[9]	0.9

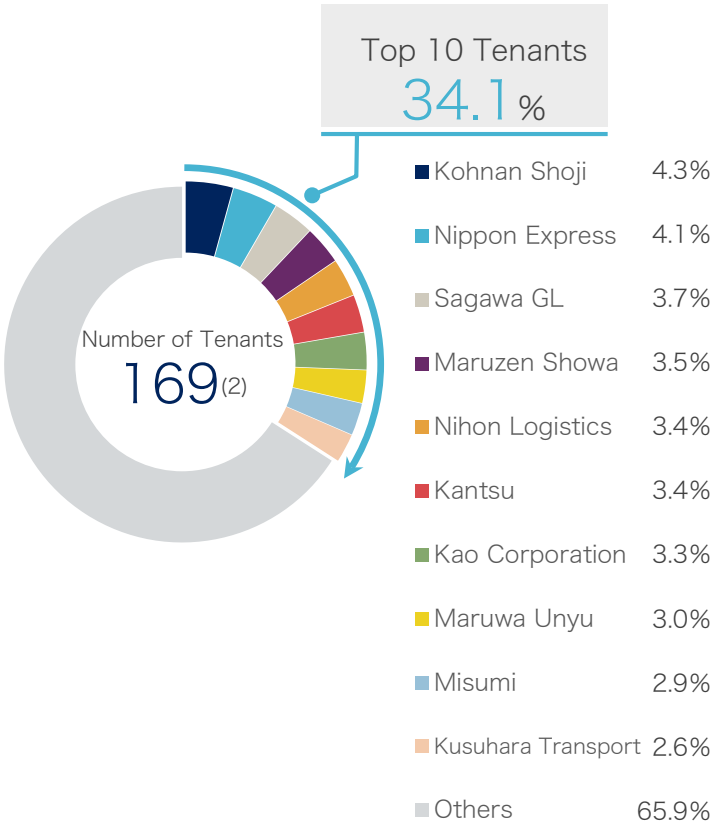
Portfolio list ② (1)

No.	Property name	Address	Total floor area (㎡)	Year of completion	Acquisition price (Bn yen)	Investment ratio (%)	Appraisal (Bn yen)	NOI Yield (2) (%)	Occupancy rate (%)	Fixed Term Lease ratio(3) (%)	# of tenants	WALE (4) (Years)	PML (5) (%)
Osaka-1	LP Sakai Minamijimacho	Sakai, Osaka	30,696	Oct 2016	8.1	2.3	8.7	4.8	100.0	100.0	1	-(9)	6.5
Osaka-2	LP Sakai Chikko Shinmachi	Sakai, Osaka	20,428	Aug 2018	4.1	1.2	5.0	5.6	100.0	100.0	1	-(9)	7.6
Osaka-3	LP Osaka Taisho(6)	Osaka, Osaka	117,037	Feb 2018	17.6	4.9	19.3	4.7	96.0	100.0	11	3.3	8.4
Osaka-5	LP Amagasaki	Amagasaki, Hyogo	259,004	Oct 2017(7)	48.2	13.5	57.8	5.3	99.7	100.0	13	3.1	6.2
Osaka-6	LP Sakai(6)	Sakai, Osaka	115,552	Mar 2017	12.0	3.4	12.8	4.8	98.5	100.0	5	1.9	8.7
Osaka-7	New asset LP Osaka Bay	Sakai, Osaka	139,551	Feb 2020	40.0	11.2	42.7	4.4	82.3	100.0	11	3.9	8.3
	Totals / Averages		2,042,060		357.8	100.0	401.1	4.8	97.4	89.3	169(8)	3.4	3.1
LLR-3	Osaka Suminoe Logistics Center Project (provisional name) (Preferred Shares)	Osaka, Osaka	-	-	0.2	-	-	-	-	-	-	-	-

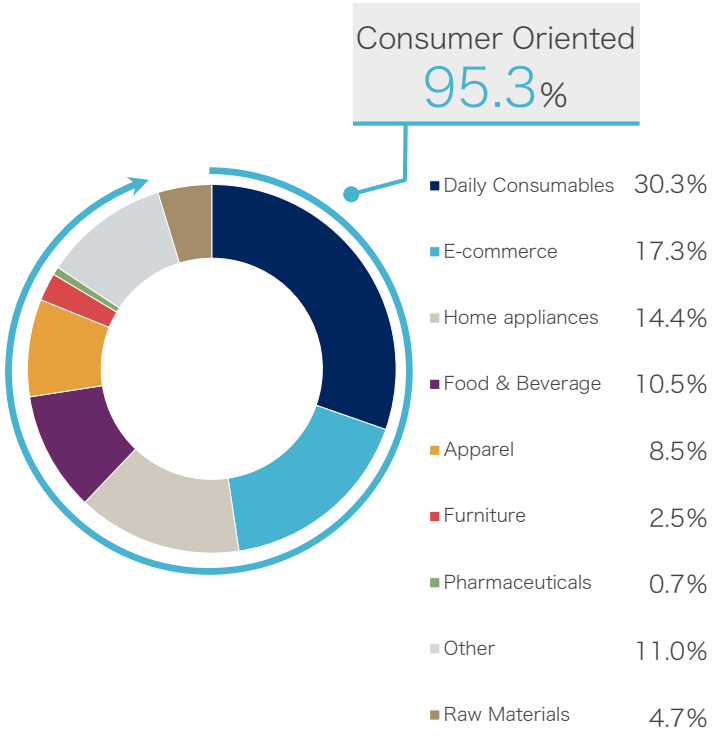
(1) 19 properties owned by LLR as of 4/30/2021. Figures are as of 3/31/2021.
(2) NOI Yield is calculated by taking appraisal NOI divided by the acquisition price.
(3) Based on rental revenues basis
(4) Based on leased area basis
(5) PML levels are as of March 2021, and based off of Tokyo Marine Nichido's "18 property earthquake risk survey portfolio analysis report"
(6) Acquisition price and appraisal values are expressed in relative proportion to LLR's co-ownership interest. The GFA is shown for the entire property.
(7) Conversion of construction work from a plasma TV factory to modern logistics was completed in October 2017.
(8) Gross number of tenants which means there are some duplicate tenants at various properties.
(9) Not able to disclose due to tenant approval not having been obtained

Portfolio with effective tenant diversification

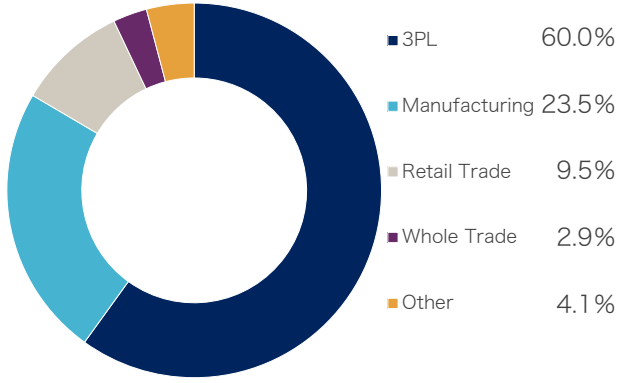
Tenant Diversification Overview (1)



End User Industry Type (3)



Tenant Business Ratio (3)



(Note) As of 4/30/2021, 18 properties, excludes leasehold land asset
(1) Calculated based on leased area
(2) Some properties have overlapping tenants. Net number of tenants is147.
(3) Calculated based on leased area (storage area only)

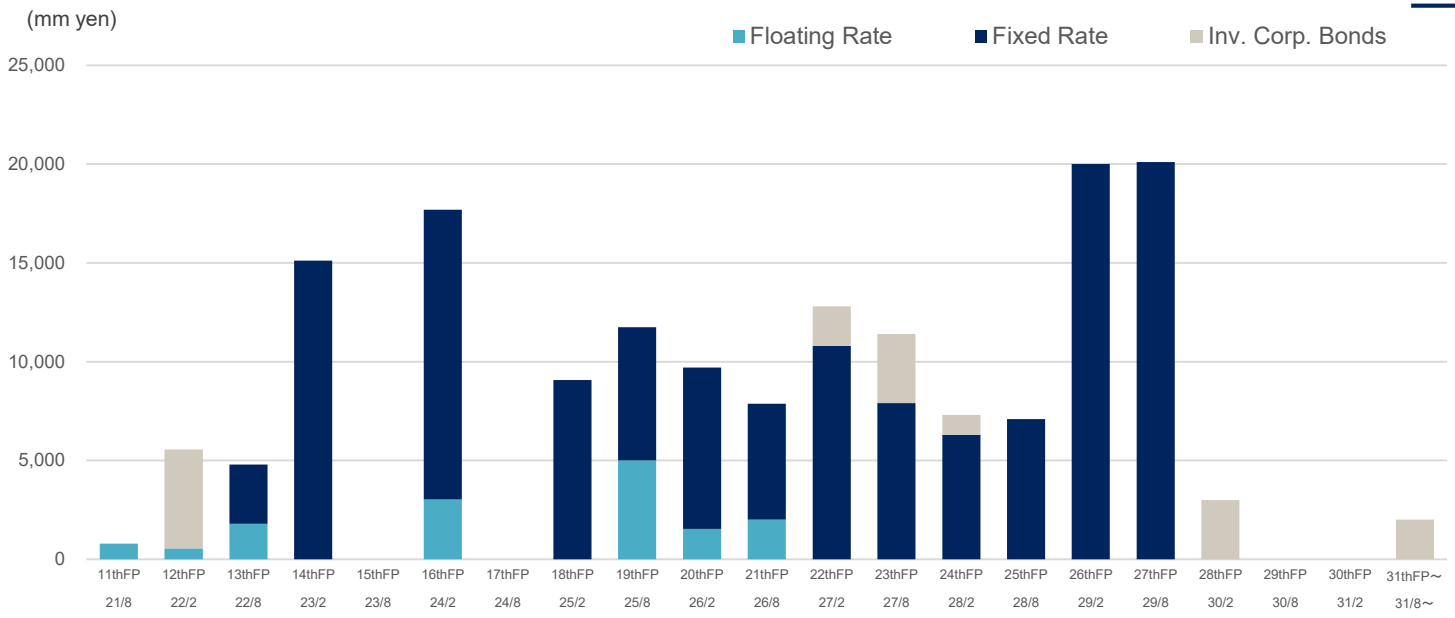
Financial management overview of LLR

Built on Strong Financial Management (1)

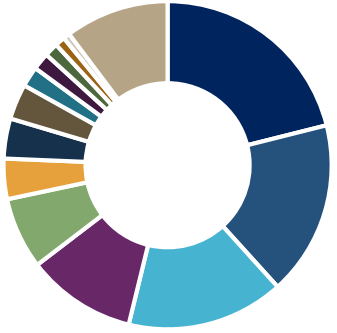
Total Debt	LTV (2)	Wtd. Avg. Int. Rate	Commitment Line	Credit Rating
JPY 160.6Bn	41.8 %	0.54 %	Max Amount JPY 4.0Bn	AA- Positive Rated by Japan Credit Rating (JCR)

Inv. Corp. Bonds %	Appraisal LTV (2)	Avg. Remaining Debt Term (3)	Avg. Debt Term (3)	Fixed Rate (4)
10.3%	37.3%	5.4 years	7.7 years	93.2 %

Maturity Ladder (1)



Bank Syndicate 13 Banks



MUFG.Bank	21.2%
Mizuho	17.1%
SMBC	16.2%
SMTB	11.0%
DBJ	7.1%
Shinsei	4.2%
Resona	4.1%
Fukuoka	3.1%
Nishi Nihon City	1.9%
NomuraTrust	1.5%
Chugoku Bank	1.2%
Aozora Bank	0.6%
77 Bank,	0.6%
Inv.corp.Bonds	10.3%

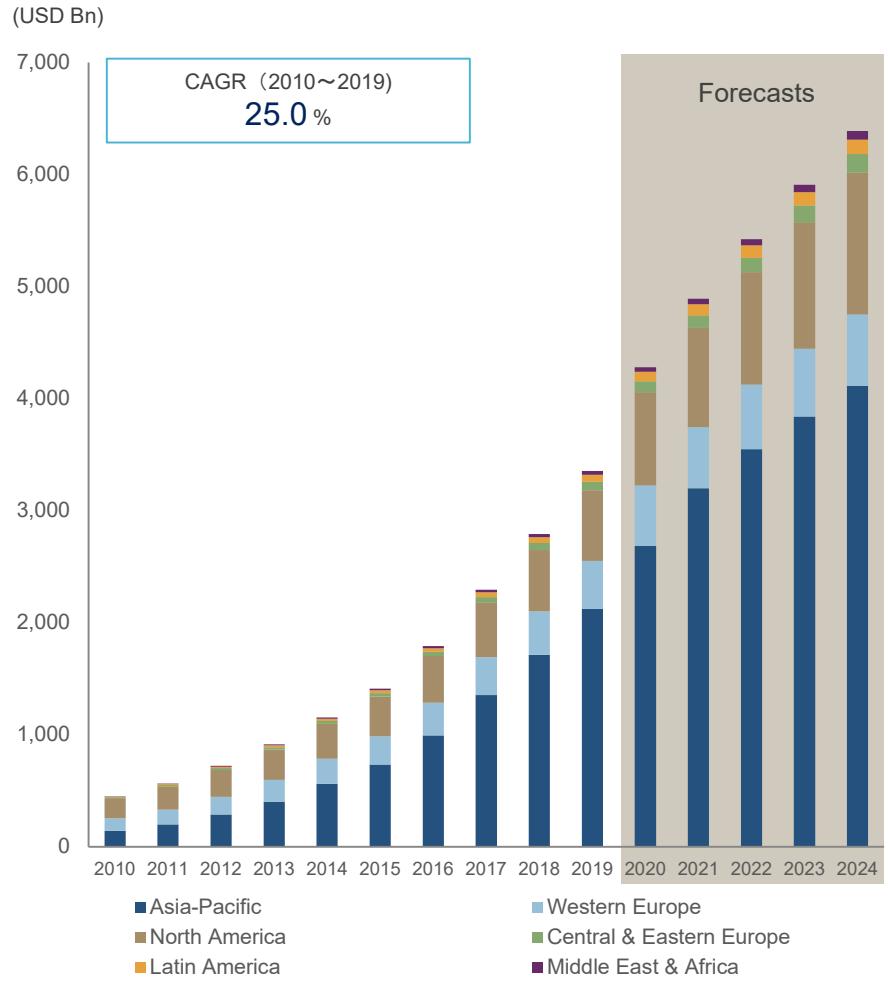
(1) Figures are expressed after an increase in outstanding investment units due to 4th public offering, completion of property acquisitions, repayment of short-term debt.
(2) LTV is calculated by interest bearing debts ÷ total assets (book value basis), and appraisal LTV is calculated by interest bearing debts ÷ total assets (market value basis)
(3) Calculated as the sum of total loan borrowings and investment corporation bonds
(4) Calculated as the balance of interest bearing debt with fixed interest rates ÷ total balance of interest bearing debts

04

Logistics Market Outlook

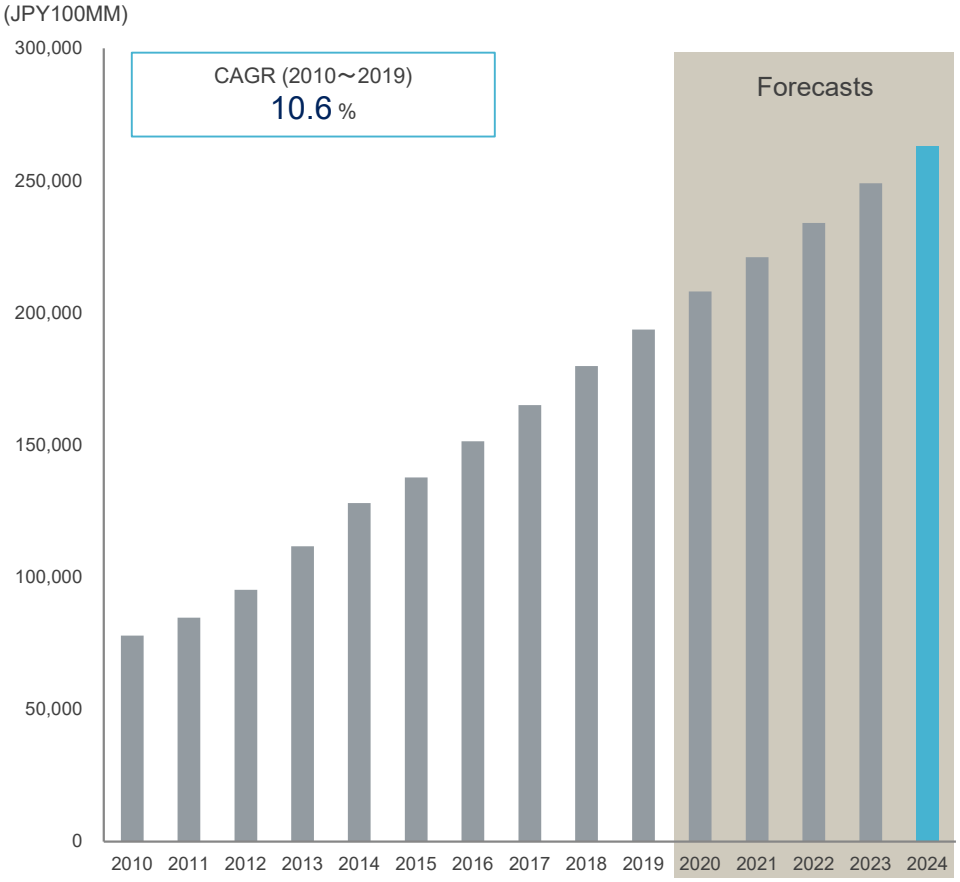
Continued growth of e-commerce market supporting solid demand for logistics facilities①

Size of the Global E-commerce Market



Source: eMarketer (February 2021)

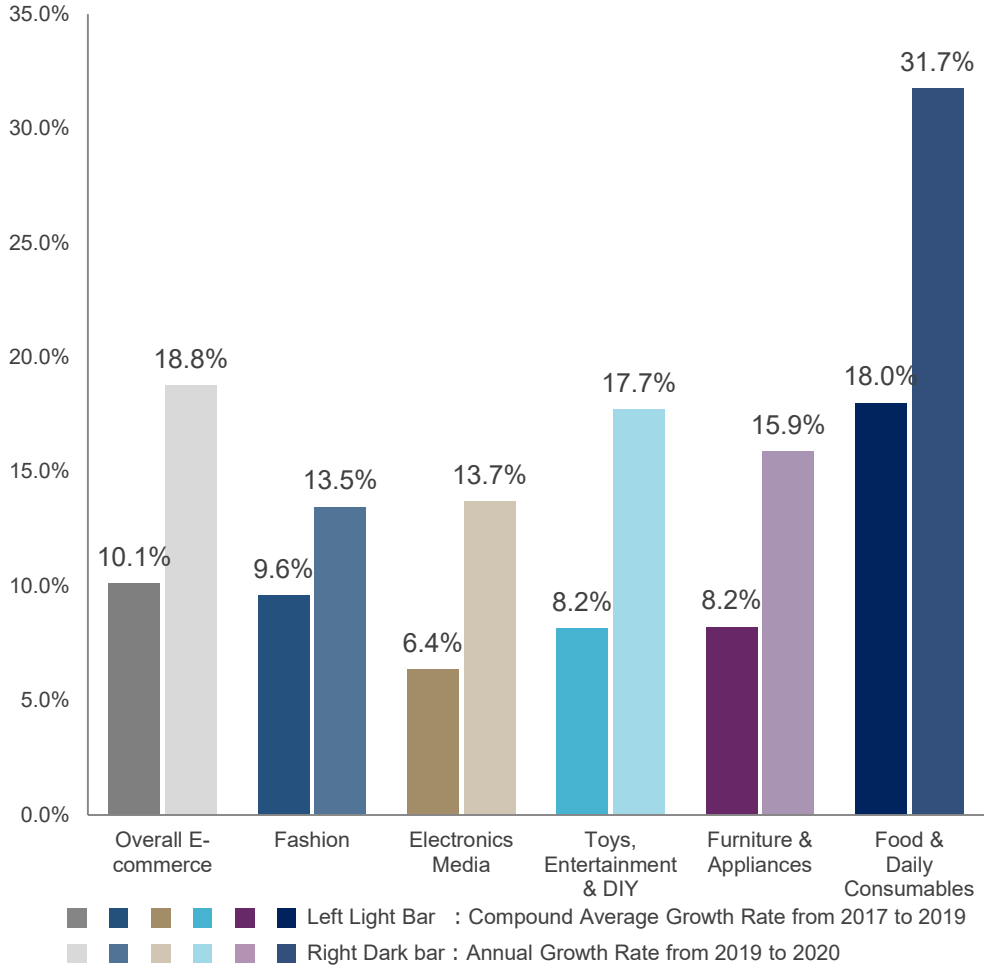
Size of the E-commerce Market in Japan



Source: For actual data from 2006 to 2019: Ministry of Economy, Trade and Industry, Commerce, Information Policy Bureau, Information Economy Division “Survey on International Economy for the Purpose of Formulating Integrated Strategy for Economic Growth (Market Survey on E-commerce)”, for forecasts from 2020 to 2024: Nomura Research Institute, Ltd “IT Navigator 2021”

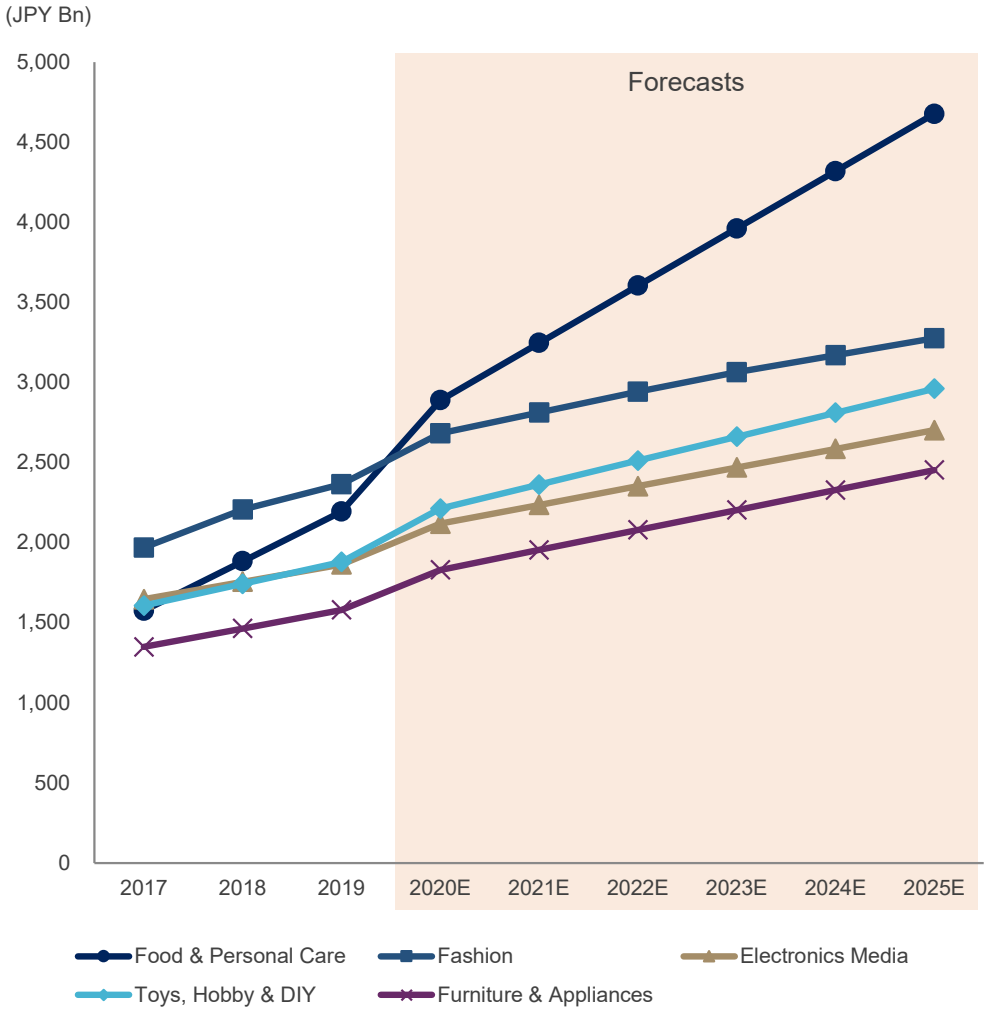
Continued growth of e-commerce market supporting solid demand for logistics facilities②

Growth Rate of E-commerce Market Size by Product in Japan
(as of November 2020)



Source: Statista (November 2020)

Long-term Outlook for E-commerce Sales in Japan (by Category)
(as of November 2020)

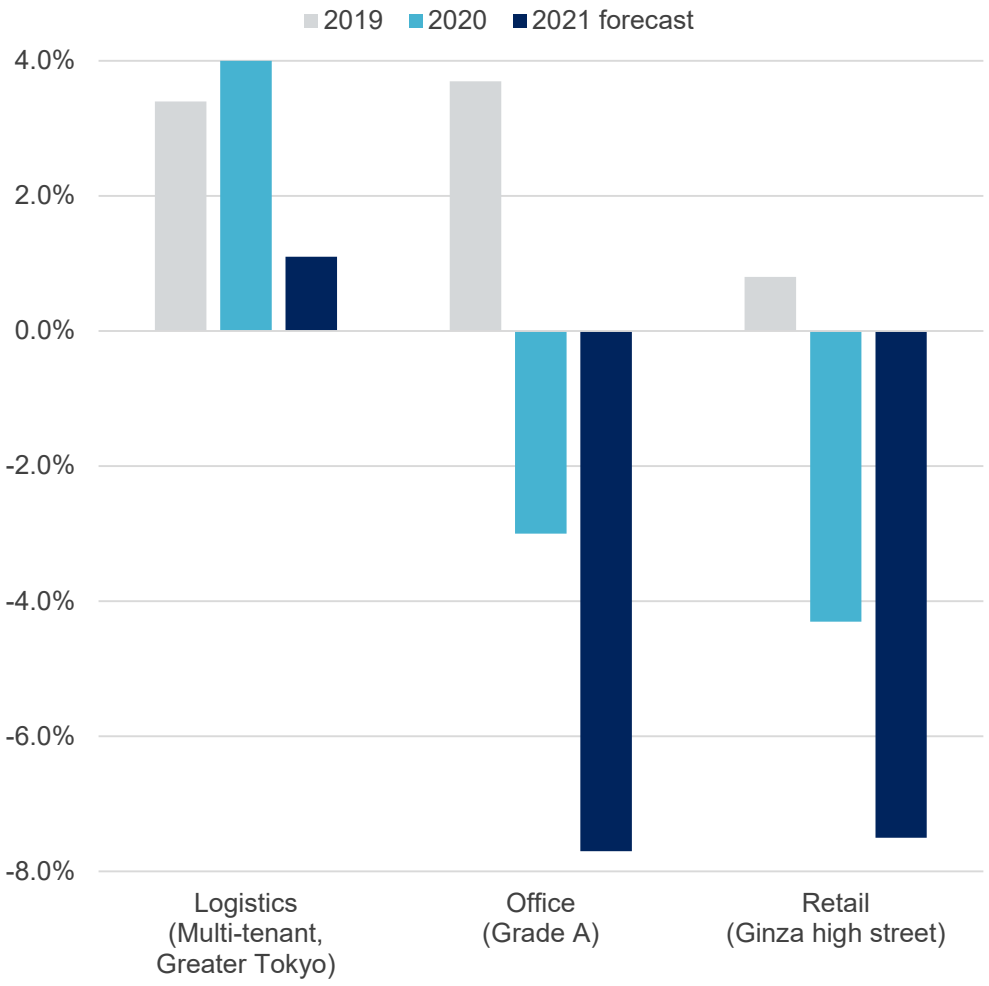


Source: Statista (November 2020)

Strong logistics market

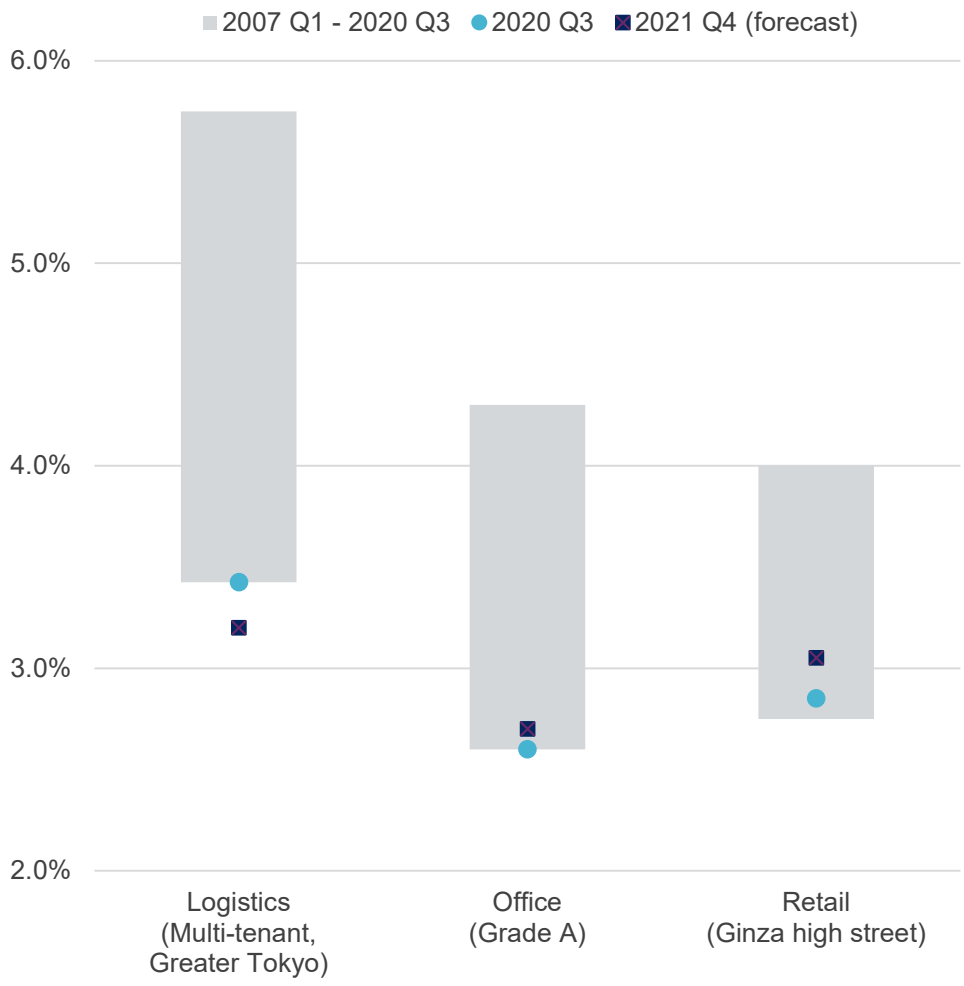
CONSUMER LOGISTICS MARKET SUPPORTED BY ACCELERATED SHIFT TO ONLINE SHOPPING

Forecasts for Rents of Major Asset Types in Tokyo Metropolitan Area
(year-on-year basis)



Source: CBRE “ASIA PACIFIC REAL ESTATE 2021 outlook JAPAN RESTART regeneration and evolution of real estate market (2021)”(January 2021)

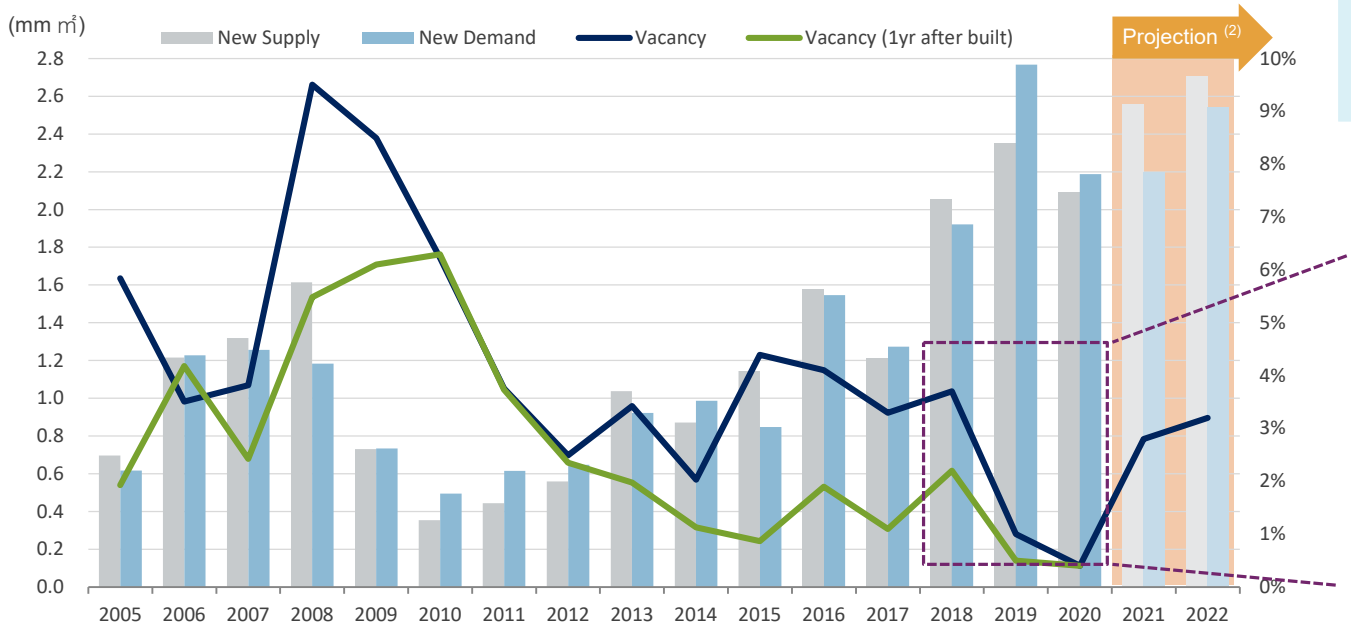
Forecasts for Yields of Prime Assets in Tokyo Metropolitan Area



Source: CBRE “ASIA PACIFIC REAL ESTATE 2021 outlook JAPAN RESTART regeneration and evolution of real estate market (2021)”(January 2021)

Tokyo Area logistics market

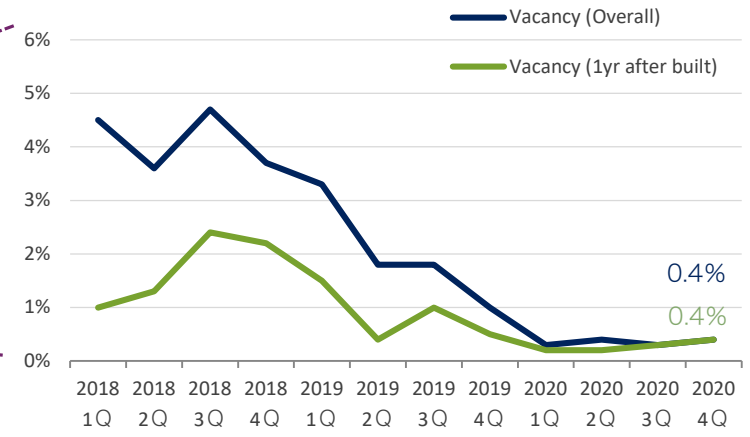
Supply/Demand and Mid-term Projections (1)



Source: CBRE (1) Logistics facilities with GFA greater than 5,000㎡
(2) Light colored bars represent projections

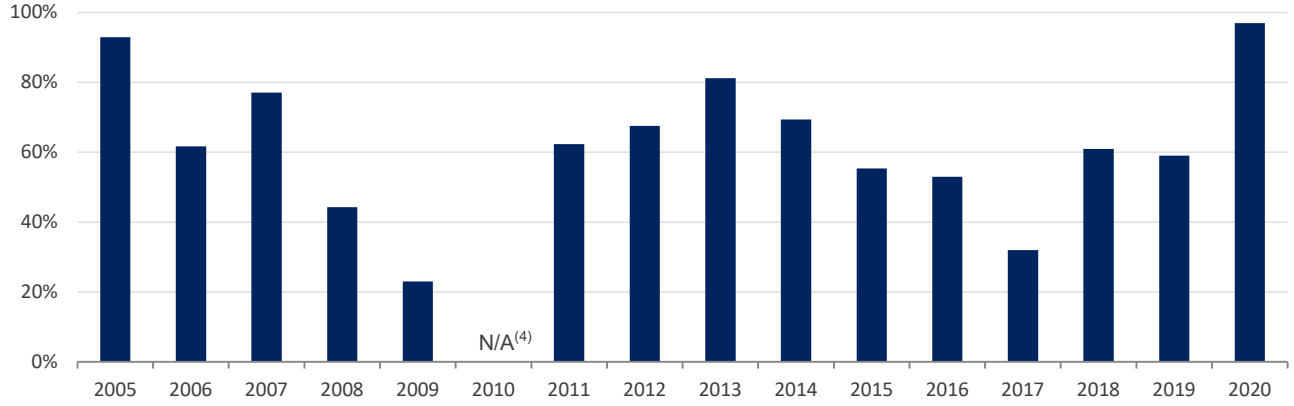
Recent Vacancy Rate

In 2020, new demand of 2.18 million ㎡ exceeded the new supply of 2.08 million ㎡, which pushed the vacancy rate to a historically low level.



Source: CBRE

Change in occupancy for large scale multi-tenanted facilities(3) at construction completion



Source: CBRE (3) Multi-tenanted logistics facilities built with GFA greater than 10,000 tsubo
(4) During these years, there were too few examples to be counted

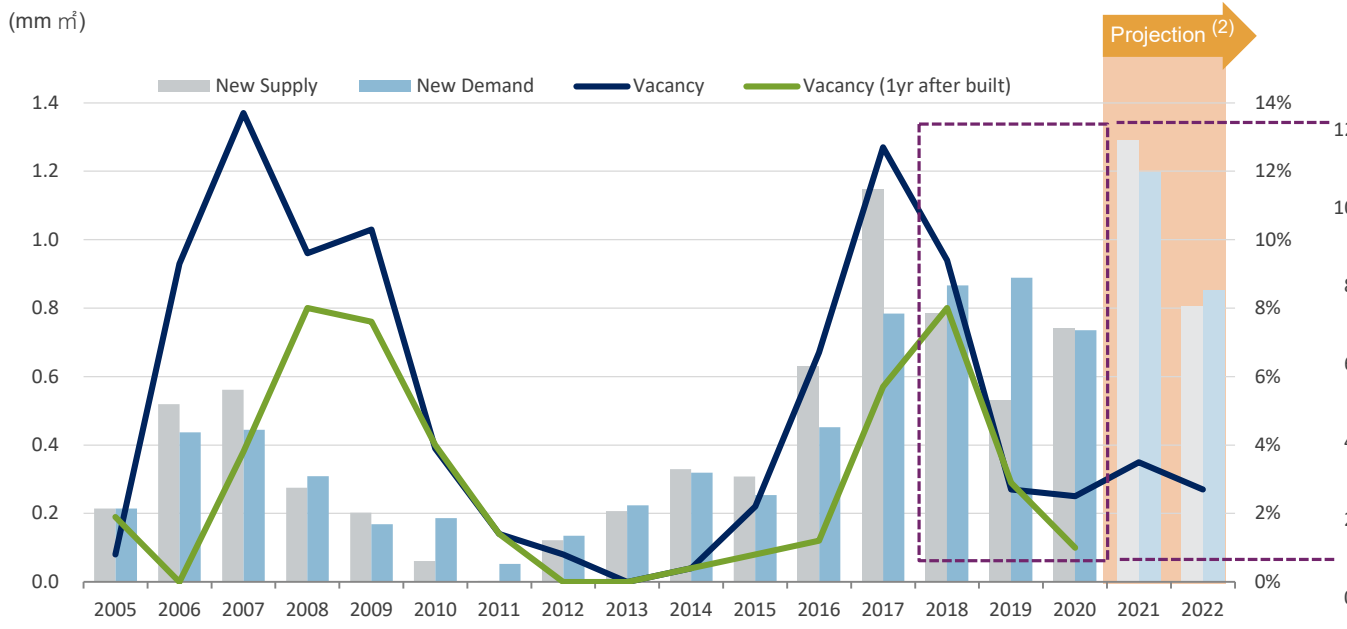
As of 12/31/2020 **0.4** %
(0.4% for 1yr after built)

2021 Supply Approx. **2.55m** ㎡

2022 Supply Approx. **2.70m** ㎡

Osaka Area logistics market

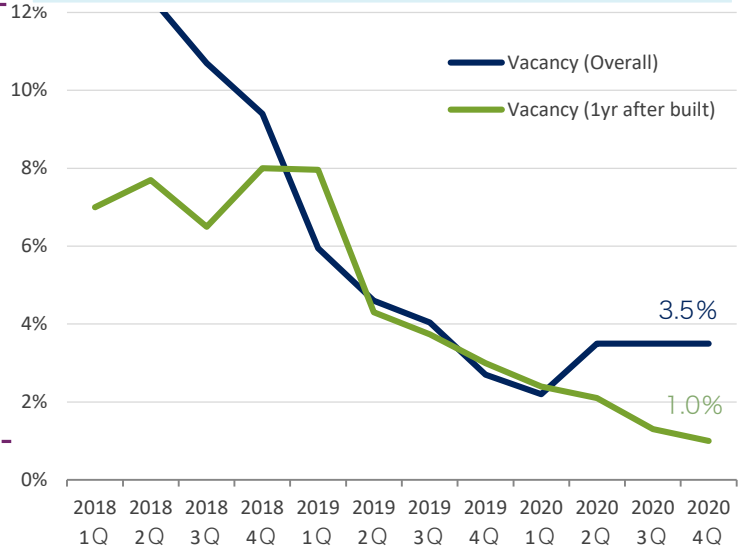
Supply/Demand and Mid-term Projections [1]



Source: CBRE (1) Logistics facilities with GFA greater than 5,000㎡
(2) Light colored bars represent projections

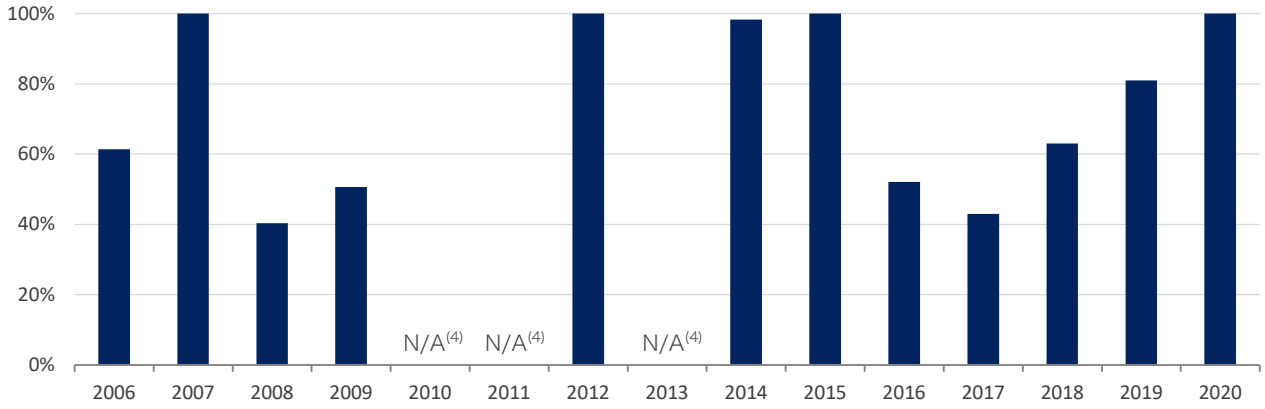
Recent vacancy rate

In 2020, new supply of 0.74 million ㎡ slightly exceeded the demand of 0.73 million ㎡. The vacancy rate has increased in Q2 but this was due to a newly built property coming to market.



Source: CBRE

Change in occupancy for large scale multi-tenanted facilities [3] at construction completion



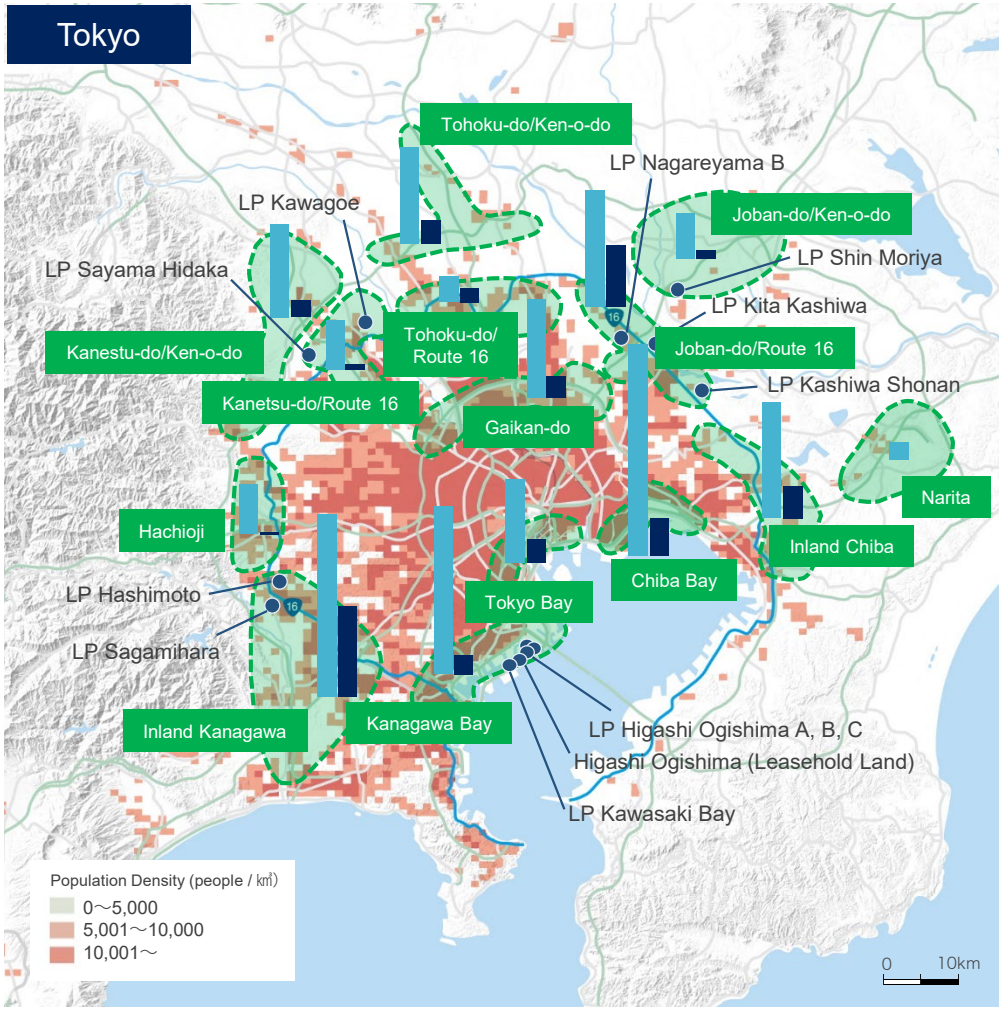
Source: CBRE (3) Multi-tenanted logistics facilities built with GFA greater than 10,000 tsubo
(4) During these years, there were too few examples to be counted

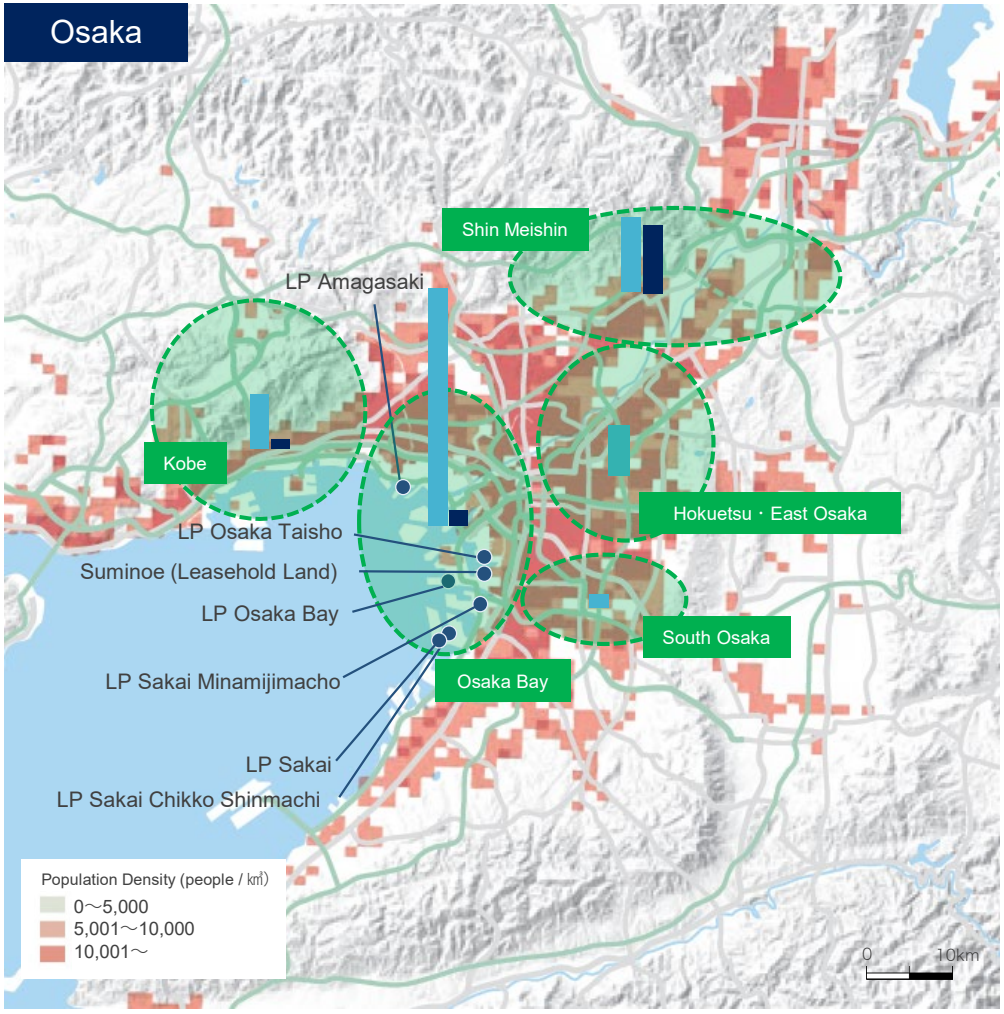
As of 12/31/2020 **3.5** %
(1.0% for 1yr after built)

2021 Supply Approx. **1,290,000** ㎡

2022 Supply Approx. **800,000** ㎡

Tokyo / Osaka Area submarket vacancy rate and supply outlook





Vacancy (1) (4th Qtr 2020)	Supply/Demand Situation
0～5%	Supply/Demand is tight
5～10%	Supply/Demand is in equilibrium
10～15%	Supply/Demand softening concerns
15%～	Supply/Demand deteriorating

Existing Stock as of 4th Qtr 2020
Projected supply for 2021 and 2022

Source: CBRE data which was compiled by LRA
(1) Logistics facilities with GFA greater than 5,000㎡

05

Appendix

Features of LaSalle LOGIPORT REIT

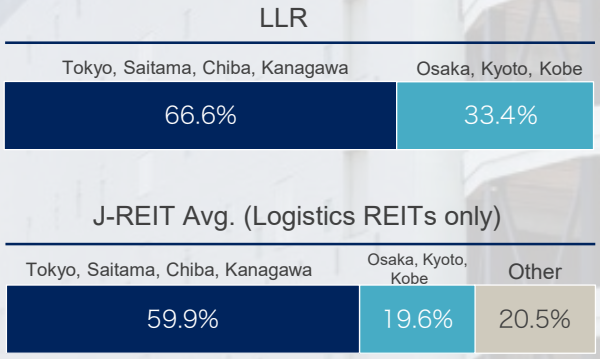
1 Focused investments on Prime Logistics in Tokyo and Osaka

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

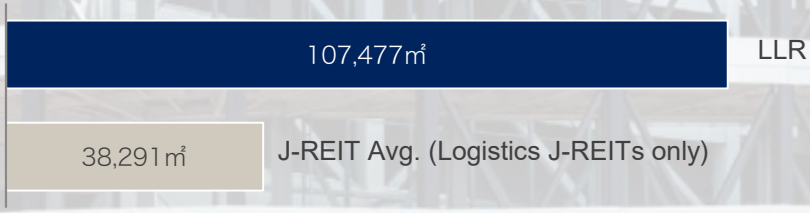
2 Leveraging off of the LaSalle Group's asset management capabilities

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

Investment Area Ratios (1)



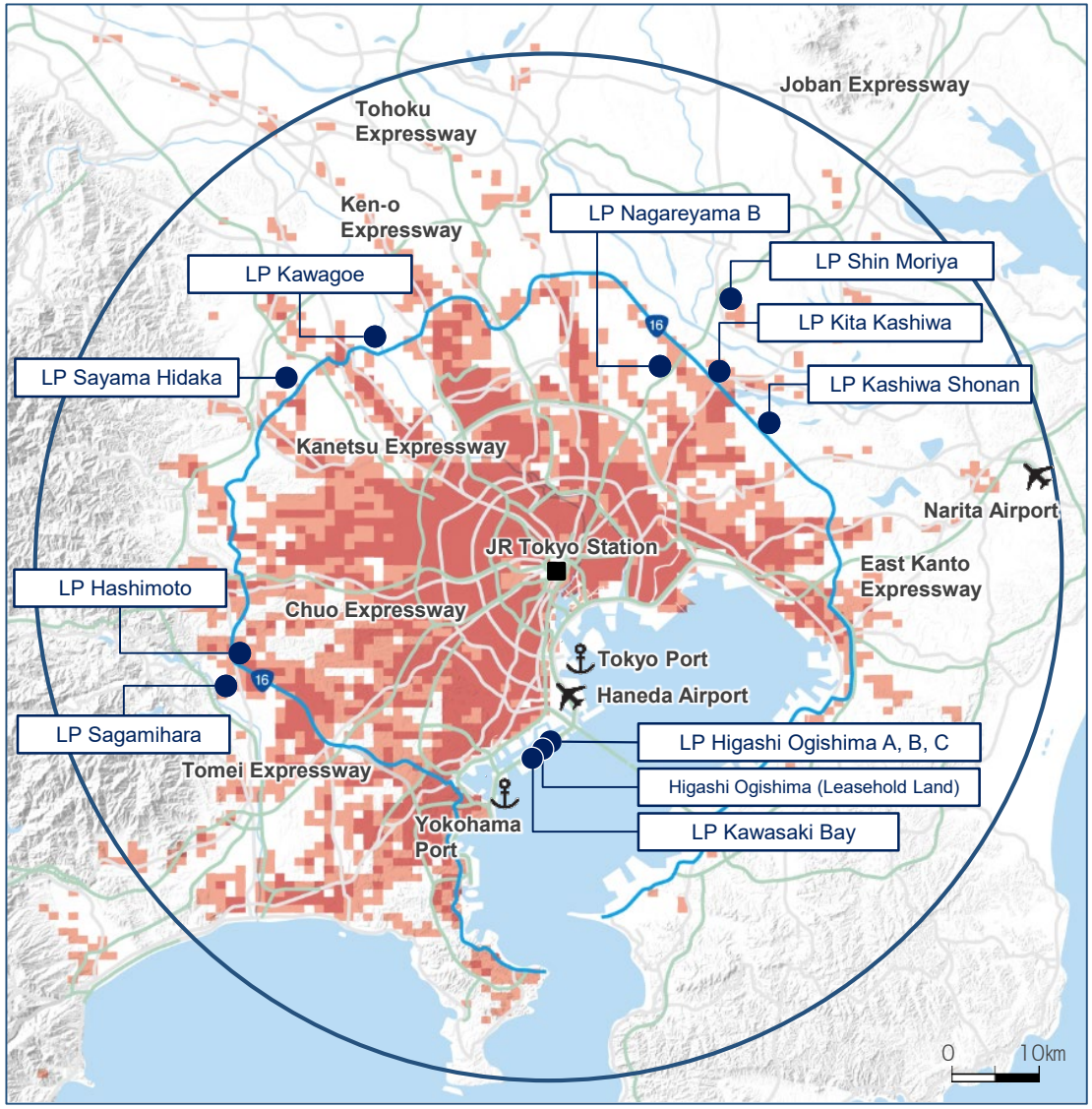
Average GFA (1)



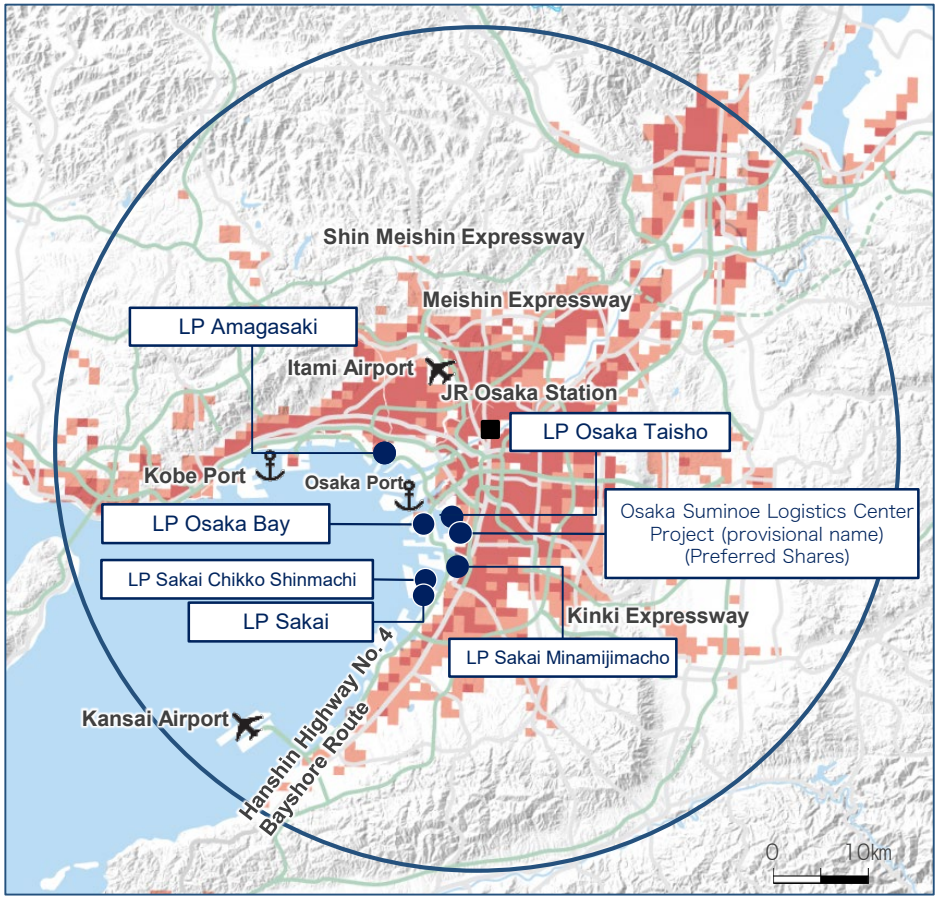
(1) "Investment Area Ratios" and "Average GFA" are calculated based on the total floor area, on a GFA basis, for all logistics properties that have been acquired by LLR as of 30/4/2021 and other logistics focused J-REITs as of 2/28/2021, respectively. Leasehold land assets have been excluded.

Portfolio composition and location of LaSalle LOGIPORT REIT assets

Tokyo Area (60km radius from JR Tokyo station)



Osaka Area (45km radius from JR Osaka station)



Population Density (people / ㎢)
- 0～5,000
- 5,001～10,000
- 10,001～

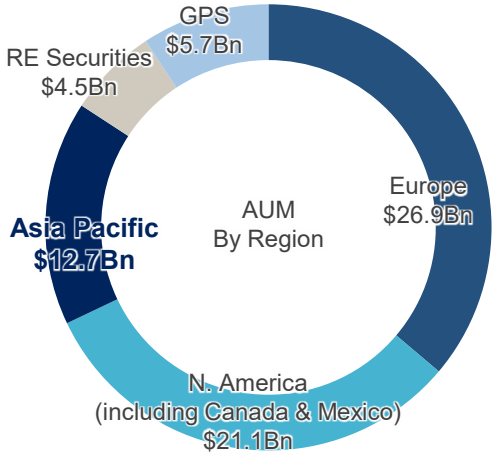
Airport Port

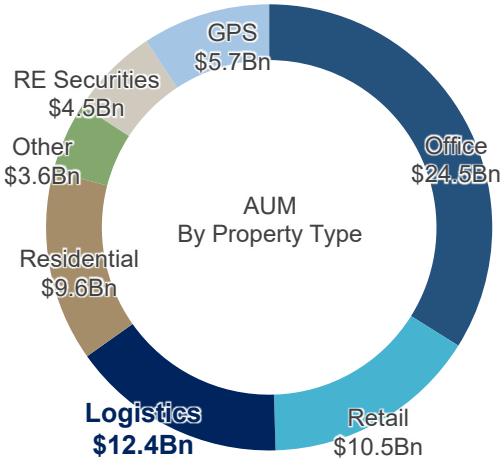
AUM	JPY 357.8Bn	Tokyo & Osaka Area	100 %

LaSalle Group is a leading company in real estate core investments

LaSalle™ World leading real estate investment management firm

AUM	Global Network	Trusted by Investors
$ 70.9Bn	15 countries/22 offices Over 850 employees	500+institutional investors From over 30+ countries including SWFs, pension systems, insurance companies, and corporates





JLL Global comprehensive real estate services firm

(Parent company of LaSalle Investment Management)

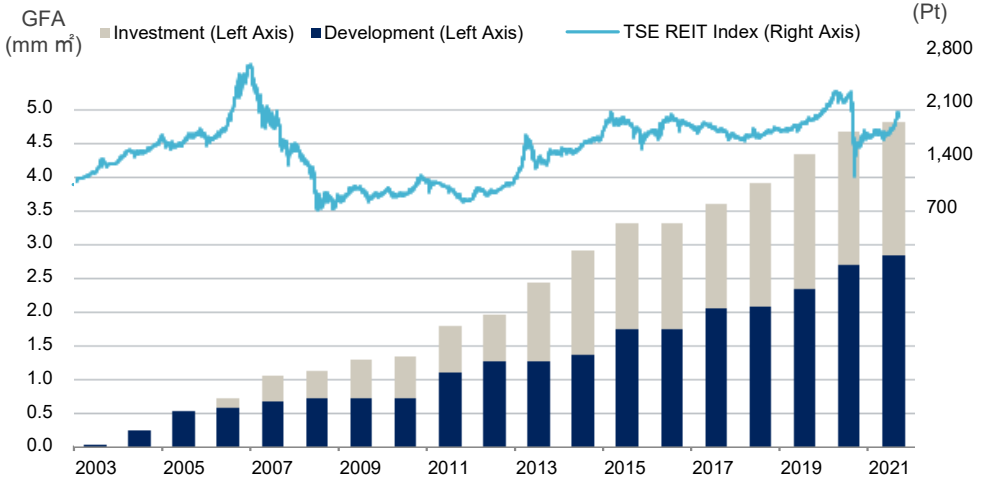
Scale of Operations	Global Network	Market Capitalization
Revenues (FY2020) Approx. $ 6.1Bn	80 countries 91,000 employees	Approx. $ 7.6Bn (listed on the NYSE)

(Note) As of 12/31/2020

■ Development, Investment, and Leasing Track Record in Japan for Logistics Properties

Total developments	Approx. 2.84 mm m²
Total acquisitions	Approx. 1.98 mm m²
Total leasing	Approx. 4.01 mm m²
Large scale development market share in Greater Tokyo Area	Approx. 15 %

Development, Investment (Aggregated Basis)



(1) As of 2/28/2021
(2) Includes development pipeline
(3) Sources: CBRE. Sample set is comprised of multi-tenanted logistics with GFA greater than 100,000 ㎡ (as of 12/31/2020)

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

2003 — Logistics Investments begins in Japan

2004 — JAPAN LOGISTICS FUND 1 Established

Sept 2004 — First inland multi-tenanted logistics property

2007 — JAPAN LOGISTICS FUND 2 established

April 2011 — Japan's first inland facility that was in close proximity to a train station

2013 — JAPAN LOGISTICS FUND 3 established

Feb 2016 — LaSalle LOGIPORT REIT listed on Tokyo Stock Exchange

2017 — JAPAN LOGISTICS FUND 4 established

2018 — LRF LPS FUND (side car fund established

Sep 2020 — LaSalle LOGIPORT REIT Asset size 300Bn yen Achievement



7/2003

Wakasu
25,052㎡

9/2004

LP Kashiwa
148,453㎡

3/2005

LP Kawasaki
160,218㎡

3/2008

LP Island City Hakata
48,852㎡

4/2011

LP Kita Kashiwa
127,165㎡

10/2012

LP Hashimoto
156,609㎡

2/2015

LP Osaka Taisho
122,535㎡

3/2017

LP Kawasaki Bay
296,799㎡

9/2018

LP Amagasaki
258,704㎡

3/2019

LP Kazo
122,487㎡

12/2019

Matsudo Logistics Center (provisional name)
71,257㎡

3/2021

Osaka Suminoe Logistics Center Project (provisional name)
Approx.50,000㎡

9/2004

Ichikawa Shiohama
66,297㎡

2/2005

LP Osaka
135,822㎡

8/2006

Sodegaura
50,963㎡

7/2009

LP Nagareyama A, B
161,771㎡

7/2011

LP Sagamihara
210,829㎡

7/2014

LP Higashi Ogishima A, B, C
388,343㎡

3/2015

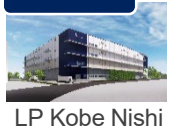
LP Sakai
116,076㎡

2/2018

LP Shin Moriya
38,931㎡

1/2019

AZ-COM Logistics Kyoto
38,339㎡

6/2019

LP Kobe Nishi (provisional name)
49,972㎡

12/2019

LP Osaka Bay
139,551㎡

Development　Investment　Establishment of a private equity development fund

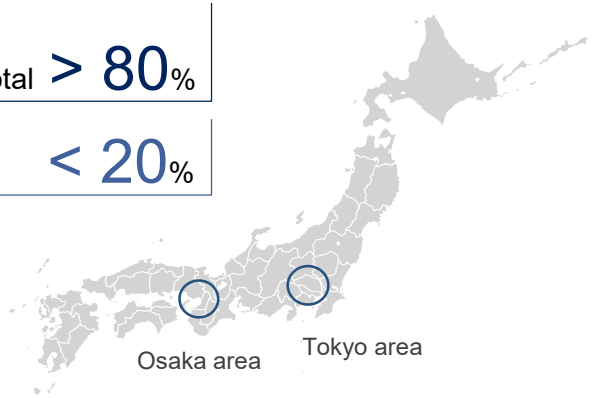
(Note)
The timeline above reflects the timing to when a purchase and sale contract was consummated for the acquisition of land and building
The figures below the photos in the above chart indicates the gross floor area of each respective properties
As of the date of this document, LLR has not decided 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”

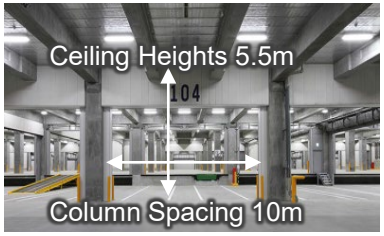
Suitable Sites	① Excellent access to high consumption areas (dense population areas) ② Close proximity to highway interchange nodes ③ Located in industrial use zoned areas that allow for 24 hour operations ④ Easy public transportation access in order to attract employees
Large Scale	① In general, GFA 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.



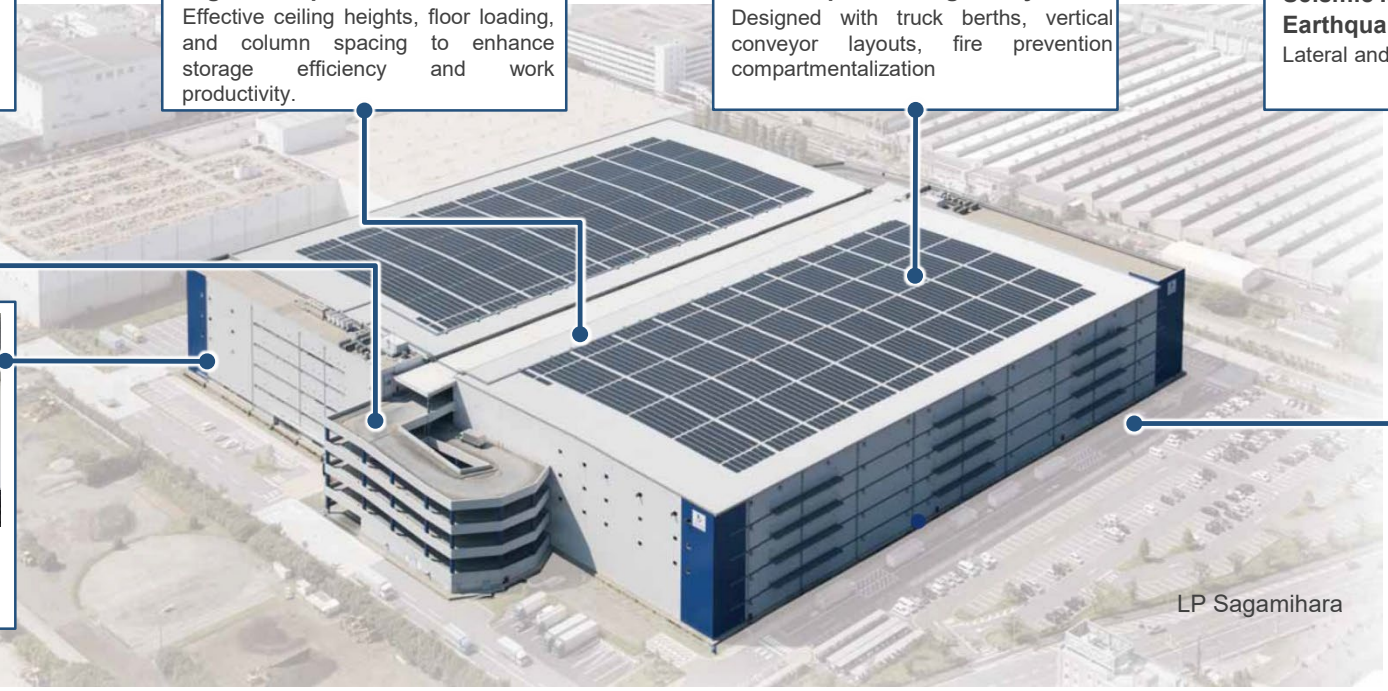
Flexible partitioning of bays
Designed with truck berths, vertical conveyor layouts, fire prevention compartmentalization



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 ①

Basic ESG Policy

Investing in Our Future

LLR's philosophy is to increase unitholder value through stable, long term growth in cash flows and asset values. LLR believes that the implementation of best practices related to environmental (E), social (S), and governance (G) matters (collectively "ESG") contributes to the sustainable improvement of unitholder value and is consistent with the basic philosophy set forth by this investment corporation

ESG Objectives

As a member of the LaSalle Group ("LaSalle"), LaSalle REIT Advisors K.K. ("LRA"), the asset management company of LLR, strives to achieve the following ESG objectives in accordance with LaSalle's ESG Policy

- Reduce the environmental impact of our business
- Reduce the environmental impact of our clients' real estate holdings
- Exceed local environmental regulations where appropriate
- Drive thought leadership and innovation on sustainable property investments
- Collaborate with clients, tenants, property managers, and other service providers to provide sustainable management of properties

Support to ESG Initiatives

U.N. Principles for Responsible Investing (PRI)

LaSalle signed onto the PRI in 2009. In the 2019 assessment results, LaSalle has been ranked A+ for three consecutive years in the areas of "strategy and governance" and "real estate"

United Nations Environment Program Finance Initiatives (UNEP FI)

LaSalle signed onto the UNEP FI in 2018 and work with its real estate working group to promote and sustainable investment behavior as a group member

Task Force on Climate Related Financial Disclosures (TCFD)

LaSalle announced its support for TCFD, set up by Financial Stability Board, in 2019 and is making increased efforts on information disclosure on exposure to climate-related risks

ULI Greenprint / Net Zero Carbon x 2050

LaSalle announced its plan to achieve net zero carbon by 2050 by controlling its carbon emissions from global portfolio of managed assets

ESG initiatives ②

Third Party Evaluations / Certifications

LLR is promoting the acquisition of environmental certifications/evaluations to increase transparency and reliability of the environmental performance of its properties. As of the end of April 2021, 74.8% of LLR's properties (on a GFA basis) had obtained environmental certifications/evaluations. LLR aims to increase this ratio to 100% by 2025

Property Evaluation / Certification

Certification / Evaluation	Number of Properties	Gross Floor Area (m²)	Ratio (GFA-based)
CASBEE Real Estate Certification	15	1,527,952	74.8%
BELS	11	1,076,966	52.7%
Total	15	1,527,952	74.8%

Other Evaluations / Certifications

- GRESB Real Estate Assessment
- SMBC Environmental Consideration Rating
- J-REIT's ESG evaluation conducted by MUFG and supported by JCR

Green Bonds

LLR will allocate the proceeds of the green bond to acquire existing or new assets that meet the Eligibility Criteria ("Green Eligible Assets"), or to refinance an existing loan or investment corporation bond which have been allocated to a Green Eligible Asset

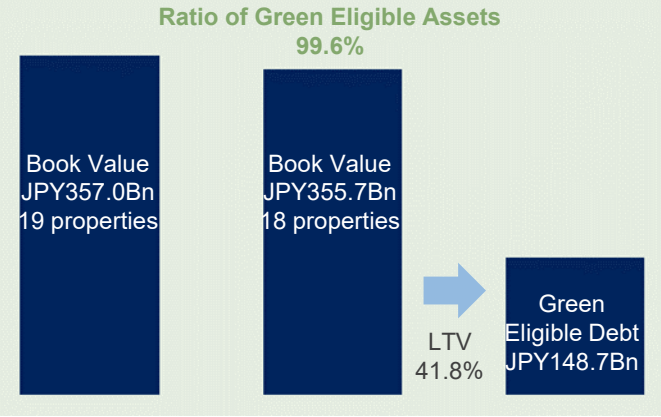
Issuance of Green Bonds

Amount (JPY)	Coupon	Issuance Date	Maturity Date
3.0Bn	0.59%	Feb. 20, 2020	Feb. 20, 2030
2.0Bn	0.76%	Feb. 16, 2021	Feb. 15, 2036

※The above amount has been fully allocated toward the repayment of debt financing for the acquisition of Green Eligible Assets

Green Eligible Assets

The ratio of Green Eligible Assets to the portfolio assets (on a book value basis) is 99.6% (after this Offering), which is at the highest level among J-REITs



ESG initiatives ③

Environment (E)

Climate Change

As part of LLR's aim to increase unitholder value through stable, long-term growth in asset value, LLR recognizes that climate change has a major impact on societies/industries and is an unavoidable risk that is closely related to its business activities. By contributing to the reduction of greenhouse gases ("GHG") mainly through the reduction of energy consumption, LLR aims to contribute to a sustainable society

Objectives and KPIs

LLR will monitor GHG emissions per unit on a gross floor area basis using Key Performance Indicator ("KPI"). LLR will aim to reduce emissions per unit by 30% by 2030 compared to 2017 emission levels (target setting done in 2021). In addition to the KPI's mentioned above, LLR aim to reduce GHG emissions by introducing LED lighting, as well as introducing highly efficient energy saving equipment. The introduction of these measures will be based on the timing of medium to long-term repair plans (12 years) of engineering reports and the more near-term repair plan (5 years) of the property management company

Our Efforts

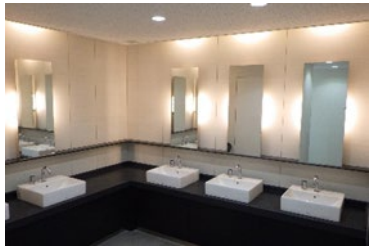
Introducing LED lighting



Introducing solar energy panels

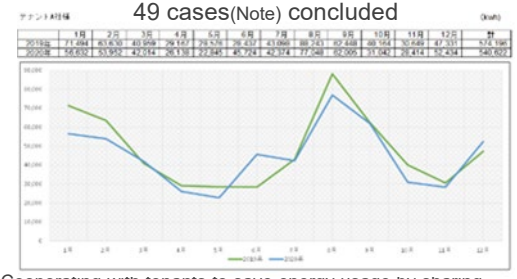


Introducing motion sensor lights



Green Lease

49 cases(Note) concluded



Cooperating with tenants to save energy usage by sharing electricity usage information with tenants

(Note) As of 4/30/2021

Society (S)

Social responsibility for LLR is to make decisions that support the welfare of employees and the interests of society. LLR will continue its efforts to improve the welfare, health, and safety of its employees, business partners, and local communities, while maintaining the highest standards of corporate ethics

Safety and Security of Tenants



Emergency storage



COVID-19 infection prevention

Contributions to local communities



Registration as disaster management office



Donation of reserves in preparation for disaster

Implementation of Employee Satisfaction Survey

As part of communication with employees, People Survey (on employee satisfaction under the COVID-19 environment) covering all officers and employees was conducted in May and November 2020

ESG initiatives ④

Governance (G)

Management Fees that Align with Unitholders' Interest

LRA Management Fee Structure

Recurring Management Fee

(1) AM Fee Ⅰ:
NOI (Inclusive of Capital Gain)× 10% (upper limit rate)
(2) AM Fee Ⅱ:
Before tax Net Income × Adjusted EPU×0.002% (upper limit rate)
(3) AM Fee Ⅲ:
Adjusted NAV × NAV per unit in prior FP × 0.6% (upper limit rate)

Acquisition Fee

(4) Transaction Price when acquiring real estate assets × 1.0% (upper limit rate)

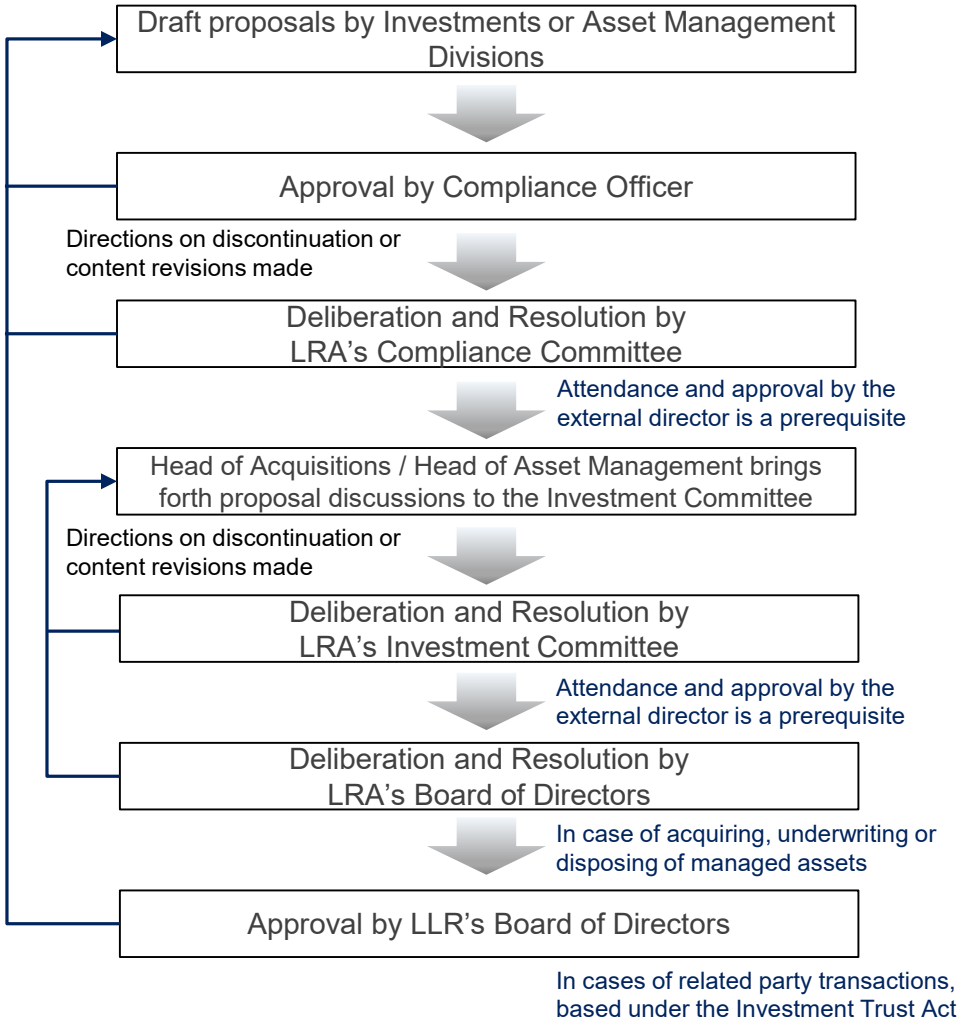
Merger Fee

(5) Valuation of real estate related assets held by the other party to the Consolidation-type merger or absorption merger × 1.0% (upper limit rate)

Aligning Unitholder Interests with LaSalle Group

47,700 units	Same boat investment into LLR made by the LaSalle Group and JLL
Investment Unit Ownership Association	Officers and employees of the Sponsor and Asset Manager, the Sponsor's CEO, and all full-time Directors of Asset manager participate in this investment program
Share Buyback System Already in Place	Amendment of Asset Management Guideline enabling share buybacks and share extinguishment

Decision-making Flow Chart of LRA in Related-party Transactions



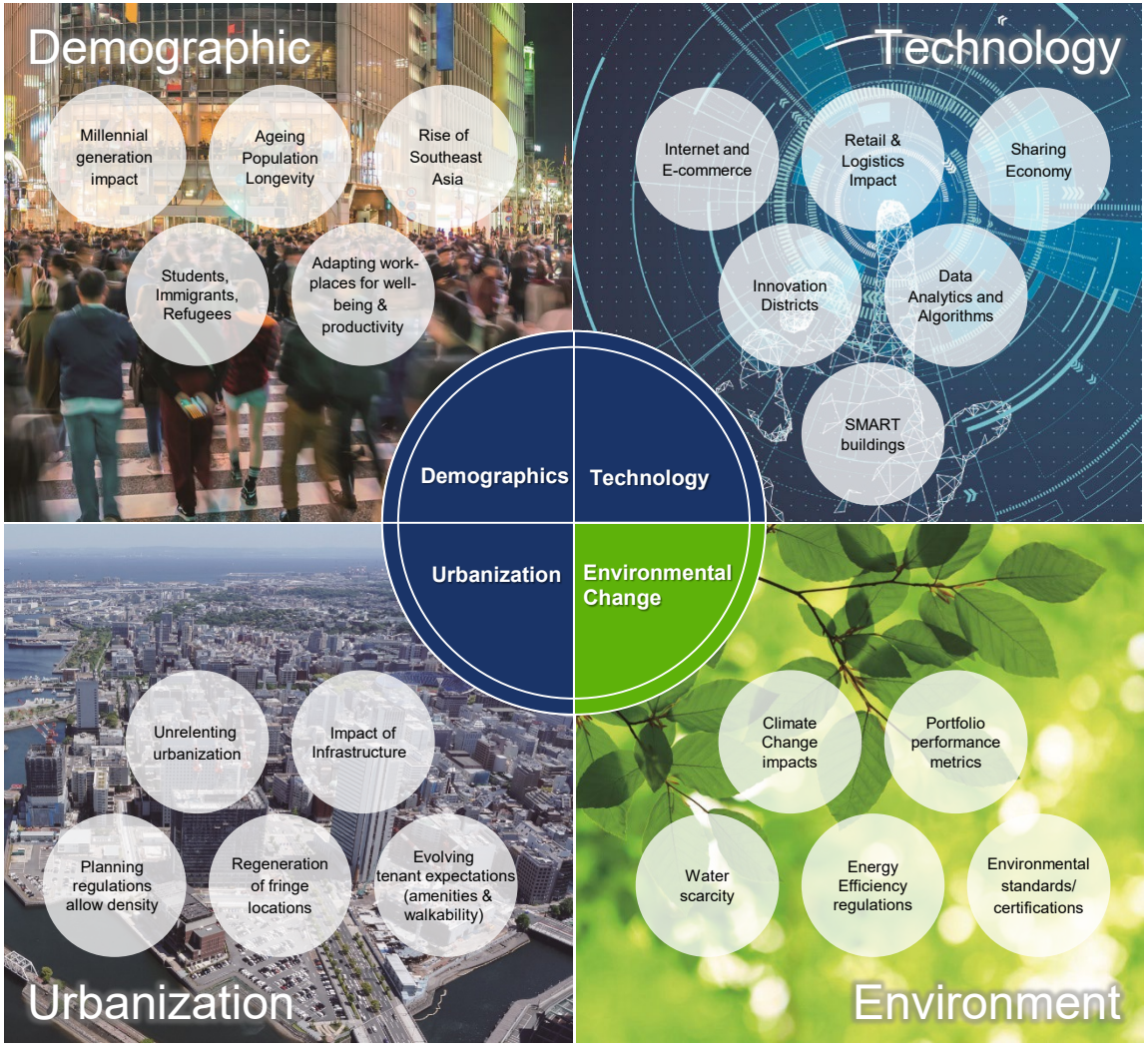
Decisions on related party transactions are subject to the approval of the Asset Manager's Compliance Committee and external board members of the Investment Committee. Furthermore, in certain cases, the Investment Corporation's Board of Directors approves the matters in accordance with the provisions of the Investment Trust Act.

ESG initiatives ⑤

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

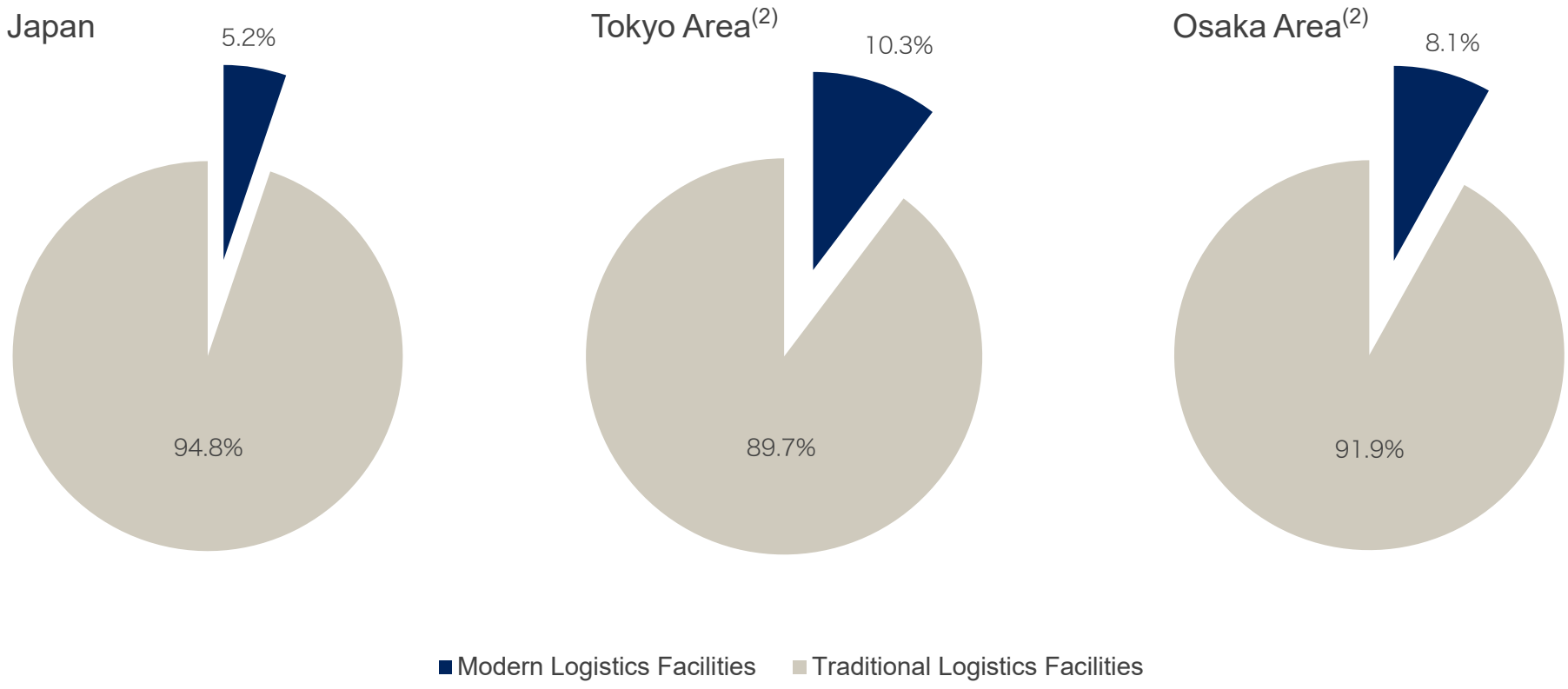
Six years ago, the LaSalle Group decided to undertake focused research on the long term "secular" drivers of real estate. As a result, LaSalle developed the DTU (demographics, technology, urbanization) research program to better understand how fundamental drivers of demand interact. LaSalle's hypothesis 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.



Existing stock of logistics facilities

Ratio of modern and traditional logistics facilities



Source：CBRE
(1) GFA >10,000㎡, modern leasable facilities that satisfy functional design standards that warrant their modernity. As of March 2019.
(2) “Tokyo Area” is defined as Tokyo, Kanagawa, Saitama, Chiba, and Ibaraki prefecture. “Osaka Area” is defined as Osaka, Kyoto, Hyogo prefectures.

Fund summary

	9th FP	10th FP
Operating Revenues	7,430 mm yen	9,504 mm yen
Net Operating Income (“NOI”)	5,956 mm yen	7,805 mm yen
Depreciation	930 mm yen	1,245 mm yen
After Depreciation NOI	5,026 mm yen	6,560 mm yen
Asset Management Fee	877 mm yen	1,147 mm yen
Operating Income	4,066 mm yen	5,316 mm yen
Interest Expense, Financing Related Fees	395 mm yen	549 mm yen
Net Income	3,663 mm yen	4,667 mm yen
Total Distributable Amount	3,941 mm yen	5,040 mm yen
Capital Expenditures	402 mm yen	315 mm yen
FFO	4,594 mm yen	5,912 mm yen
AFFO	4,191 mm yen	5,596 mm yen
Acquisition Price	245,686 mm yen	317,829 mm yen
Tangible Fixed Asset Book Value	244,714 mm yen	316,463 mm yen
Real Estate Appraisal Value	271,640 mm yen	358,420 mm yen
Unrealized Capital Gain	26,925 mm yen	41,956 mm yen
Unrealized Capital Gain (%)	11.0%	13.3%
Interest Bearing Debt	112,244 mm yen	146,344 mm yen
Net Assets	143,202 mm yen	190,874 mm yen
Total Assets	262,435 mm yen	345,529 mm yen
NOI Yield (Acq. Price Basis)	4.81%	4.95%
After Depreciation NOI Yield (Acq. Price Basis)	4.06%	4.16%
LTV (Book Value Basis)	42.8%	42.4%
LTV (Market Value Basis)	38.8%	37.8%
# of Outstanding Units at FP end	1,363,000	1,638,000
NAV	166,185 mm yen	227,790 mm yen

	9th FP	10th FP
Distributions Per Unit (“DPU”)	2,892 yen	3,077 yen
Earnings Per Unit (“EPU”)	2,688 yen	2,849 yen
Distributions in Excess of Earnings Per Unit	204 yen	228 yen
AFFO per unit	3,075 yen	3,417 yen
NAV per unit	134,228 yen	142,144 yen
Net Assets per unit	105,064 yen	116,528 yen
Investment Unit Price (Last Day with Rights)	181,100 yen	168,000 yen
Market Capitalization (as of Last Day of Rights)	246,839 mm yen	275,184 mm yen
Dividend Yield	3.17%	3.69%
Price / Book Ratio	1.72x	1.44x
Price / NAV Ratio	1.49x	1.21x
ROE	5.1%	4.9%
AFFO Payout Ratio	94.0%	90.1%

1. FFO = Net Income + Depreciation Expense
2. AFFO = FFO – Capital Expenditures
3. LTV (Book Value basis) = Interest Bearing Debt ÷ Total Assets
4. LTV (Market Value basis) =Interest Bearing Debt ÷ (Total Assets – Tangible Fixed Asset Book Value + Real Estate Appraisal Value)
5. NAV = Net Assets – Expected Dividend Distribution Amount + Unrealized Capital Gain/Loss
6. Dividend Yield = DPU (Annualized Conversion) ÷ Investment Unit Price
7. Price / Book Ratio (Unit Price Net Assets' multiple) = Investment Unit Price ÷ Net Assets per unit
8. Price / NAV Ratio = Investment Unit Price ÷ NAV per unit
9. ROE = Net Income (Annualized conversion) ÷ Net Assets
10. AFFO Payout = Total Distributable Amount ÷ AFFO

(Note) “NAV per unit” is calculated based on the increased number of issued investment units and the completion of property acquisitions after the 3rd public offering for the 9th fiscal period and after the 4th public offering for the 10th fiscal period.

Per property P&L

10th Fiscal Period (9/1/2020 ～ 2/28/2021)

(units: thousands yen)

	LP Hashimoto	LP Sagamihara	LP Kita Kashiwa	LP Nagareyama B	LP Higashi Ogishima A	LP Higashi Ogishima B	LP Higashi Ogishima C	LP Kawagoe	LP Kashiwa Shonan	LP Sayama Hidaka
10th Fiscal Period Operating # of Days	181	181	181	181	181	181	181	181	181	181
① RE Leasing Business Income	620,134	716,278	768,152	762,806	607,319	665,193	764,352	342,406		
Leasing Income	579,966	665,947	698,161	701,427	549,743	579,759	690,116	320,578		
Other Income	40,167	50,330	69,990	61,379	57,576	85,433	74,236	21,828		
② RE Leasing Business Expenses	191,284	209,522	272,020	260,775	192,569	228,865	271,202	121,378		
Outsourced Contracts	20,038	32,359	32,613	29,049	44,192	42,224	54,451	17,884		
Utilities	23,830	29,541	48,390	37,012	15,711	24,646	24,877	16,545	Undisclosed (Note)	Undisclosed (Note)
Property Taxes	53,116	59,380	72,282	51,990	41,755	63,011	61,374	26,175		
Insurance	836	962	1,202	1,410	1,107	1,389	1,466	524		
Repair & Maintenance	7,735	6,198	17,698	7,005	25,013	20,721	34,107	9,352		
Depreciation	75,309	68,590	94,932	130,340	62,389	75,231	93,532	41,824		
Other Expenses	10,417	12,490	4,900	3,966	2,399	1,640	1,392	9,070		
③ RE Business P&L (=①−②)	428,849	506,755	496,132	502,031	414,750	436,328	493,150	221,027	191,142	120,264
④ NOI (=③+Depreciation)	504,159	575,345	591,064	632,371	477,139	511,559	586,682	262,852	227,181	141,188

	Higashi Ogishima (Leasehold Land)	LP Kawasaki Bay	LP Shinmoriya	LP Sakai Minamijimacho	LP Sakai Chikko Shinmachi	LP Osaka Taisho	Suminoe (Leasehold Land)	LP Amagasaki	LP Sakai
10th Fiscal Period Operating # of Days	181	178	178	181	181	181	2	181	178
① RE Leasing Business Income		779,578				476,472		1,614,895	355,532
Leasing Income		751,423				453,897		1,526,013	340,184
Other Income		28,155				22,574		88,882	15,348
② RE Leasing Business Expenses		162,370				169,824		480,694	88,341
Outsourced Contracts		23,673				18,940		53,875	16,151
Utilities	Undisclosed (Note)	25,755	Undisclosed (Note)	Undisclosed (Note)	Undisclosed (Note)	15,729	Undisclosed (Note)	61,003	12,705
Property Taxes		-				55,621		93,052	-
Insurance		1,446				1,285		1,498	1,006
Repair & Maintenance		500				1,450		21,293	163
Depreciation		107,296				71,708		223,270	53,617
Other Expenses		3,697				5,088		26,699	4,697
③ RE Business P&L (=①−②)	22,254	617,208	174,218	144,577	85,670	306,647	△1,460	1,134,200	267,191
④ NOI (=③+Depreciation)	22,254	724,505	208,974	175,565	109,974	378,355	△1,460	1,357,470	320,808

For those assets denoted with a (Note), consent for disclosure from an end tenant has not been approved, thus the Undisclosed status.

Income statement & balance sheet

Income Statement

(units: thousand yen)

Item	9th FP Actuals 8/31/2020	10th FP Actuals 2/28/2021
Operating revenues	7,430,967	9,504,012
Rental revenues	6,865,424	8,836,520
Other rental revenues	565,543	625,892
Gain on sales of real estate properties	-	41,599
Operating expenses	3,364,271	4,187,687
Property-related expenses	2,404,952	2,901,472
Asset management fee	877,040	1,147,746
Asset custody and administrative fee	32,996	37,439
Directors' compensations	3,600	3,600
Audit fee	12,000	12,000
Other operating expenses	33,682	85,428
Operating profit	4,066,696	5,316,324
Non-operating income	4,055	2,760
Interest income	72	115
Reversal of distributions payable	3,608	549
Surrender value of insurance policies	-	2,094
Interest on refund	375	-
Non-operating expenses	406,197	650,923
Interest expenses	277,674	347,220
Interest expenses on investment corporation bonds	35,589	35,167
Amortization of deferred organization expenses	3,656	609
Amortization of investment unit issuance expenses	7,280	19,344
Amortization of investment corporation bond	6,612	6,695
Investment unit public offering expenses	-	81,965
Borrowing related expenses	75,384	159,919
Ordinary income	3,664,554	4,668,161
Income before income taxes	3,664,554	4,668,161
Total income taxes	859	1,076
Net income	3,663,695	4,667,085
Retained earnings brought forward	277	229
Unappropriated retained earnings	3,663,973	4,667,314

Balance Sheet

(units: thousand yen)

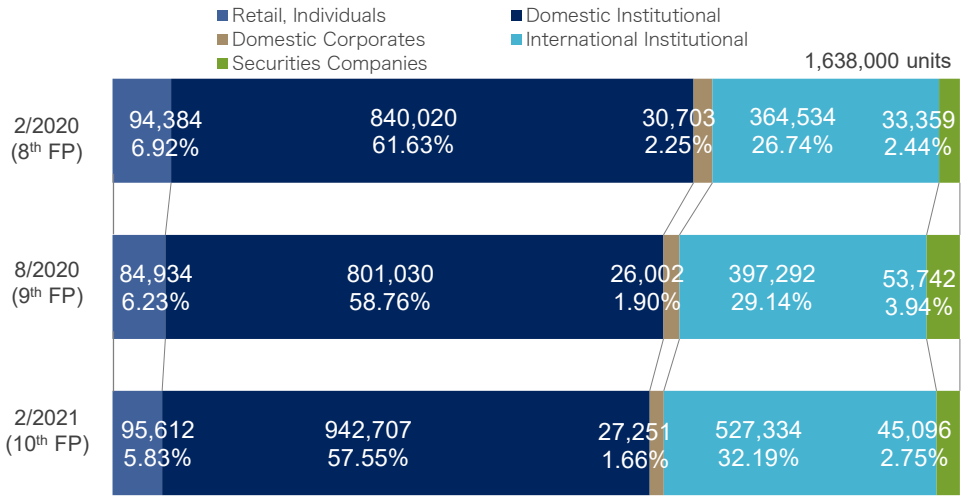
Item	9th FP Actuals 8/31/2020	10th FP Actuals 2/28/2021
Current assets	16,000,555	26,916,425
Cash and deposits	10,141,366	17,259,071
Cash and deposits in trust	5,337,272	6,458,138
Other	521,916	3,199,214
Non-current assets	246,348,204	318,465,858
Total property, plant and equipment	244,714,698	316,463,289
Investments and other assets	1,633,505	2,002,569
Deferred assets	86,389	147,220
Establishment Costs	609	-
Investment Unit Issuance Costs	27,068	80,110
Corporate Bond Issuance Costs	58,712	67,109
TOTAL ASSETS	262,435,148	345,529,503
Current Liabilities	17,067,850	10,421,947
Operating accounts payable	230,297	303,928
Short-term loans payable	-	800,000
Current portion of investment corporation bonds payable	-	5,000,000
Current portion of long-term loans payable	13,390,000	550,000
Accounts payable	1,225,438	1,523,733
Accrued consumption tax, etc.	478,631	-
Advances received	1,327,702	1,683,103
Other	415,779	561,181
Non-current liabilities	102,164,849	144,233,193
Investment corporation bonds payable	14,500,000	11,500,000
Long-term loans payable	84,354,000	128,494,000
Tenant leasehold and security deposits in trust	3,310,849	4,239,193
TOTAL LIABILITIES	119,232,699	154,655,140
Unitholders' equity	143,202,449	190,874,363
Unitholders' capital, net (1)	139,538,476	186,207,049
Unappropriated retained earnings/ Total surplus	3,663,973	4,667,314
TOTAL NET ASSETS	143,202,449	190,874,363
TOTAL LIABILITIES + NET ASSETS	262,435,148	345,529,503

(1) Unitholders' Capital is equal to the equity raised at IPO and PO's, less any distributions made through Distributions in Excess of Retained Earnings

Unitholders summary

（As of February 28, 2021）

Change in Number of Investment Units by Investor Type



Number of Investors by Ownership Type

	10th FP (As of 2/28/2021)			
	# of investors	% of total investors	# of Units	% of total units
Retail, Individuals	9,341	92.69%	95,612	5.83%
Domestic Institutional	153	1.51%	942,707	57.55%
Domestic Corporates	276	2.73%	27,251	1.66%
International Institutional	285	2.82%	527,334	32.19%
Securities Companies	22	0.21%	45,096	2.75%
Totals	10,077	100.0%	1,638,000	100.0%

Major Unitholders (Top 10 Rankings)

	Name of Accounts	# of units	% Ratio
1	Japan Trustee Services Bank, Ltd., (Trust Account)	296,989	18.13%
2	Custody Bank of Japan, Ltd. (Trust Account)	279,181	17.04%
3	The Nomura Trust and Banking Co., Ltd. (Investment Trust Account)	79,167	4.83%
4	Custody Bank of Japan, Ltd. (Securities Investment Trust Account)	51,696	3.15%
5	NSI CUSTOMER SECURED 30.7. OMNIBUS(NOTE)	46,200	2.82%
6	BNYM AS AGT/CLTS 10 PERCENT	33,859	2.06%
7	Mitsubishi UFJ Trust and Banking Corporation	23,572	1.43%
8	STATE STREET BANK WEST CLIENT-TREATY 505234	23,286	1.42%
9	SSBTC CLIENT OMNIBUS ACCOUNT	19,881	1.21%
10	SMBC Nikko Securities Inc.	18,401	1.12%
	Total	872,232	53.24%

(1) Ratios are rounded to the nearest hundredth
(2) Includes Sponsor owned investment units of 47,700
(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.

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