Japan Logistics Fund, Inc.

June 15, 2017

For Immediate Release

Real Estate Investment Trust
Japan Logistics Fund, Inc.
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Notice Concerning the Amendment of Asset Management Guideline

Mitsui & Co., Logistics Partners Ltd. (hereafter referred to as "MLP"), the asset management company of Japan Logistics Fund Inc. (hereafter referred to as "JLF"), announced today that the board of directors of MLP has decided to amend its Asset Management Guideline as described below.

1. Main Contents of the Change

   Competition in purchasing logistics facilities is intensifying. To expand opportunities to acquire logistics facilities in this environment, MLP has decided to amend its investment stance for co-ownership properties and clarify its investment criteria related to development projects, based on the achievements and knowledge that it possesses as a pioneer of logistics REIT. MLP also clarifies its investment criteria related to the selection and execution of OBR (Own Book Redevelopment: the redevelopment of properties owned by JLF; the same applies hereinafter) properties to continue promoting OBR, based on its track records. (Please see details in the Appendix.)

   JLF will stabilize and grow dividend per unit sustainably through creating acquisition opportunities and expanding acquisition methods by leveraging MLP's expertise, promoting the acquisition of prime logistics facilities and execution of OBR, and building portfolio which generates stable earnings over the medium to long term.

2. Date of the Change

   June 15, 2017

[Appendix]

(End)

*JLF's website: http://8967.jp/eng/

This notice is the English translation of the announcement in Japanese on our website. However, no assurance or warranties are given for the completeness or accuracy of this English translation.

Appendix

Main contents of the changes (Underlined parts have been changed)

Before	After
2. Investment policy 1) (Omitted) 2) Investment stance B) Acquisition policy b. Key evaluation items (vii) Rights	2. Investment policy 1) (Omitted) 2) Investment stance B) Acquisition policy b. Key evaluation items (vii) Rights
▪ Co-ownership properties and unit-ownership properties In principle, these properties shall be outside the scope of acquisition. However, decisions shall be made in consideration of the disposition of the entire property, the degree of involvement in the use of the property and the proportion of rights, and the situation of other co-owners and unit owners, among other conditions.	▪ Co-ownership properties Decisions shall be made in consideration of the disposition of the entire property, the degree of involvement in the use of the property and the proportion of rights, and the situation of other co-owners, among other conditions. ▪ Unit-ownership properties In principle, these properties shall be outside the scope of acquisition. However, decisions shall be made in consideration of the disposition of the entire property, the degree of involvement in the use of the property and the proportion of rights, and situation of other unit owners, among other conditions.
▪ Properties with trust beneficiary rights owned by co-owners In principle, these properties shall be outside the scope of acquisition. However, decisions shall be made in consideration of the disposition of the entire property in trust, the degree of involvement in the use of the property in trust and the proportion of rights, and the situation of other co-owners and trustees, among other conditions.	▪ Properties with trust beneficiary rights owned by co-owners Decisions shall be made in consideration of the disposition of the entire property in trust, the degree of involvement in the use of the property in trust and the proportion of rights, and the situation of other co-owners and trustees, among other conditions.
d. (Omitted) (Added)	d. (No change) e. Investment in development projects ▪ Whether to acquire a property under development or a property to be developed (hereinafter “Development Property”) shall be decided in careful, comprehensive consideration of the risk associated with the completion and delivery of properties, risk associated with securing tenants after completion, and other risk associated with the Development Property. In principle, the completion of the building shall be a condition for the acquisition of the Development Property. If JFL invests in the Development Property in collaboration with a third party as a business

Before	After
	partner (including a case where JFL acquires land for development and acquires a building that the third party builds on the land; hereinafter “Collaborative Development Investment”), the difficulty of the development of the Development Property, the period and cost for the development, profitability after the completion of the development, and the third party’s creditworthiness, track record in the development of logistics facilities, expertise, and technical capabilities (including accuracy in construction, management capability, and design capacity) shall be checked, and whether to acquire the Development Property based on Collaborative Development Investment shall be decided in careful, comprehensive consideration of risk associated with completion and delivery, risk associated with securing tenants after completion, the credit risk of the third party, and other risk associated with Collaborative Development Investment.
C) (Omitted)	C) (No change)
D) Operation management policy d. Value enhancement (iii) Expansion, addition, and rebuilding ▪ Improvement in the profitability of the property shall be pursued through expansion or addition of floors in consideration of requests from tenants, needs for leasing, and the use of capacity in accordance with the specified floor-area ratio, among other conditions. The property shall be rebuilt as needed if its location has an advantage in the leasing market and an improvement in competitiveness is expected through the renewal of the building and facilities or if the property is believed to lack economic rationality due to its aging degradation and maintenance cost.	D)Operation management policy d. Value enhancement (iii) Expansion, addition, and rebuilding ▪ Improvement in the profitability of the property shall be pursued through expansion or addition of floors in consideration of requests from tenants, needs for leasing, and the use of capacity in accordance with the specified floor-area ratio, among other conditions. The property shall be rebuilt as needed if its location has an advantage in the leasing market and an improvement in competitiveness is expected through the renewal of the building and facilities or if the property is believed to lack economic rationality due to its aging degradation and maintenance cost. Whether JLF should rebuild properties (Own Book Redevelopment: the redevelopment of properties on JLF’s balance sheet; hereinafter “OBR”) shall be decided in comprehensive consideration of conditions, including the locations of properties and profitability expected after OBR, in the selection and redevelopment of OBR properties.