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For Immediate Release

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Notice Regarding the Conclusion of a Memorandum of Understanding Concerning the Purchase of a Property

Mitsui Fudosan Logistics Park Inc. ("MFLP-REIT") and Mitsui Fudosan Logistics REIT Management Co., Ltd. (the "Asset Management Company"), an Asset Management Company to which MFLP-REIT entrusts the management of its properties, have entered into a memorandum of understanding (the "memorandum of understanding") with Mitsui Fudosan Co., Ltd. ("Mitsui Fudosan") on September 16, 2020 to initiate negotiation to acquire a property as follows.

1. Summary of the memorandum of understanding

MFLP-REIT and the Asset Management Company today entered into the memorandum of understanding with Mitsui Fudosan, the current owner of MFIP Inzai II (the "acquisition under negotiation"), to initiate discussions on the purchase of the acquisition under negotiation by MFLP-REIT. The memorandum of understanding targets an acquisition date of March 16, 2021.

The construction of the acquisition under negotiation has not been completed as of today, and no certificate of completion required by laws and regulations have been acquired. MFLP-REIT expects that the construction of the acquisition under negotiation will be completed by December 2020 (Note 1). After the completion of the construction, MFLP-REIT will obtain various assessment reports and reports from third-party experts (e.g., lawyers, facilities appraisers, first-class architects, etc.). After MFLP-REIT conducts and completes economic surveys, property surveys, and legal due diligence that are commonly conducted in acquiring properties, and after it confirms the acquisition under negotiation's compliance with the laws, MFLP-REIT will acquire the acquisition under negotiation only if it agrees with Mitsui Fudosan on the anticipated acquisition price, timing and other conditions for the acquisition by entering into the binding purchase agreement (Note 2).

(Note 1) MFLP-REIT expects that the construction of the acquisition under negotiation to be completed by December 2020, but the actual construction may not be completed by that time due to construction progress and other factors.

(Note 2) As of today, MFLP-REIT has not decided to acquire the acquisition under negotiation and has not entered into any binding purchase agreement for the acquisition under negotiation. There is no assurance that MFLP-REIT will acquire the acquisition

Note: This document is a press release that is to be made publicly available regarding the conclusion of a memorandum of understanding, and has not been prepared for the purpose of solicitation of investment. Prospective investors should make investment decisions only after they review the prospectus for the issuance of new investment units and secondary offering of investment units as well as amendments thereto (if any) prepared by MFLP-REIT, and that the investment decisions are made at their discretion and responsibility. In addition, this document does not constitute an offer of securities in the U.S. The securities referred to above have not been, and will not be, registered under the U.S. Securities Act of 1933, as amended ("Securities Act"). The securities referred to above may not be offered or sold in the United States absent registration or an exemption from registration under the Securities Act. The securities referred to above will not be publicly offered or sold in the United States.

under negotiation. In addition, MFLP-REIT is not obliged to acquire the acquisition under negotiation.

2. Acquisition under negotiation

(1) Summary

The acquisition under negotiation will be used as a data center and is classified as industrial properties in the classification of MFLP-REIT. The planned land area of the property is 18,274 m², and the planned gross floor area of the building is 30,906 m² of the floor area as disclosed in the certificate of verification of building construction.

MFLP-REIT has obtained a preliminary evaluation report (mishunko tatemono tou kantei hyouka) in respect of the acquisition under negotiation from CBRE K.K., and the preliminary value of the acquisition under negotiation as disclosed in the preliminary evaluation report is 15,200 million yen (Note).

For other items of the property summary, please refer to "Overview of the acquisition under negotiation" below.

(Note) "Preliminary evaluation report" refers to an evaluation based on the assumption that the building subject to the evaluation, which is uncompleted at the time of the evaluation, is in a state where construction work has been completed and is possible to generate profits from its use. "Preliminary value" refers to preliminary value based on the preliminary evaluation report. The results of the preliminary evaluation report are based on the assumption that the buildings will be completed in accordance with the plan drawings presented by the Asset Management Company, and therefore, the results of the preliminary evaluation report may differ from the actual appraisal in the appraisal report, which will be commissioned after the completion of the building, due to changes in the structure, use, or scale, etc. of the building and changes in the results of the investigation in the engineering report, etc. obtained after the completion of the buildings. As a result, the plan drawings may differ from actual result.

(2) Location

The acquisition under negotiation is located approximately 1 hour away from central Tokyo by car, and is outside the area of traffic restrictions in the event of a major earthquake, so that the facility should remain accessible during emergencies. The ground surrounding the acquisition under negotiation is a hard alluvium (total basement) that is 22.5m above the sea level, more than 20 km away from the coast. It is not subject to risk of tsunamis, and it is outside the scope of liquefaction risk. MFLP-REIT believes that the acquisition under negotiation is located at a site optimal for data centers.

A substation is located near the acquisition under negotiation, which better allows the acquisition under negotiation to receive special high-voltage power. Because of its advantages in infrastructure, there are many computer centers of financial institutions etc. in surrounding area.

Generally, the potential for data center users to use, including data center of neighboring companies, is expected to increase interconnectedness, operational efficiencies, and scalability, which is expected to increase the importance of data center as a base. In this regard, Inzai-shi is the place where a lot of data center are located and MFLP-REIT believes that a lot of new data centers are being developed in the vicinity of the acquisition under negotiation, and that the location is advantageous from the perspective of making operations more efficient through multi-vendor operations.

(3) Features of the building

Since the acquisition under negotiation has a seismic isolation structure, MFLP-REIT believes that it is an excellent earthquake-resistant performance facility, which is one of the key factors tenants consider in the selection of data center buildings.

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(4) Form of investment

If the acquisition under negotiation is acquired, MFLP-REIT assumes that it will hold only the land and the buildings and receive a certain amount of rent under the lease agreement.

(5) Conditions surrounding data center

In Japan, while data centers are becoming increasingly large-scale and electric power density is increasing, cloud services are expected to expand further in the data center service market.


The acquisition under negotiation is the latest large-scale data center developed by Mitsui Fudosan, and MFLP-REIT believes that demand for such large-scale data center will continue to grow and that high growth potential is expected.

End

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* MFLP-REIT's corporate website: <https://www.mflp-r.co.jp/en/>

<Overview of the acquisition under negotiation>

Property name	MFIP Inzai II
Use	Industrial properties (Data center)
Location	101-11, Izumino 2-chome, Inzai-shi, Chiba, and other 2 lots of land
Property type	Data center
Planned land area	18,274 m ² (Note)
Planned gross floor area	30,906 m ² (Note)
Planned number of floors	4 stories above ground (Note)
Date of completion	Scheduled to be completed by December 2020 (Note)
Map of property	

(Note) Based on the construction plan and construction verification certificates as of today.

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