

REIT Financial Report for the six-month period ended January 31, 2023 (The 35th Period)

March 14, 2023

Name of REIT issuer: Japan Logistics Fund, Inc. Stock exchange listing: Tokyo Stock Exchange
Security code: 8967 URL: <https://8967.jp/en/>
Representative: Naohiro Kameoka, Executive Director

Name of asset management company: Mitsui & Co., Logistics Partners Ltd.
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Scheduled date for submission of Securities Report: April 27, 2023
Scheduled date for commencing dividend payments: April 6, 2023
IR Material: Will be posted on the website
IR Meeting: Will be held for institutional investors and security analysts

(Figures are rounded down to the nearest million yen)

1. Performance for the six-month period ended January 31, 2023 (The 35th Period from August 1, 2022 to January 31, 2023)

(1) Operating Results (% represents change from the previous period)

Period ended	Operating Revenue		Operating Income		Ordinary Income		Net Income	
	Millions of	%	Millions of	%	Millions of	%	Millions of	%
January 31, 2023	10,156	5.6	5,324	4.6	4,890	5.7	4,889	5.7
July 31, 2022	9,613	3.7	5,090	5.6	4,628	5.0	4,627	5.0

Period ended	Net Income per Unit	Net Income to Net Assets	Ordinary Income to Total Assets	Ordinary Income to Operating Revenue
	Yen	%	%	%
January 31, 2023	5,235	3.4	1.8	48.2
July 31, 2022	4,971	3.3	1.7	48.1

(2) Dividends

Period ended	Dividends per Unit (excluding Distributions in excess of earnings)	Total Dividends (excluding Distributions in excess of earnings)	Distributions in excess of earnings per Unit	Total Distributions in excess of earnings	Payout Ratio	Distributions to Net Assets
	Yen	Millions of yen	Yen	Millions of yen	%	%
January 31, 2023	5,235	4,889	—	—	99.9	3.4
July 31, 2022	4,955	4,627	—	—	100.0	3.3

(Note) Payout Ratio = Total Dividends/Net Income x 100 (figures are rounded down to the nearest decimal place)

(3) Financial Position

Period ended	Total Assets	Net Assets	Net Assets to Total Assets	Net Assets per Unit
	Millions of yen	Millions of yen	%	Yen
January 31, 2023	274,670	143,427	52.2	153,562
July 31, 2022	273,789	143,074	52.3	153,185

(4) Cash Flows

Period ended	Net Cash Provided by (Used in) Operating Activities	Net Cash Provided by (Used in) Investing Activities	Net Cash Provided by (Used in) Financing Activities	Cash and Cash Equivalents at End of Period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
January 31, 2023	7,349	-2,305	-4,630	12,803
July 31, 2022	5,857	-15,846	8,865	12,389

2. Forecasts for the six-month period ending July 2023 (the 36th Period from February 1, 2023 to July 31, 2023) and the six-month period ending January 2024 (the 37th Period from August 1, 2023 to January 31, 2024)

(% represents change from the previous period)

	Operating Revenue		Operating Income		Ordinary Income		Net Income		Dividends per Unit (excluding distributions in excess of earnings)	Distributions in Excess of Earnings per Unit
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen	Yen
Period ended										
July 31, 2023	10,211	0.5	5,220	-2.0	4,792	-2.0	4,791	-2.0	5,130	-
January 31, 2024	10,325	1.1	5,268	0.9	4,830	0.8	4,829	0.8	5,170	-

(Reference) Forecast for net income per unit July 31, 2023: 5,130 yen January 31, 2024: 5,170 yen

* Other

(1) Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements after error corrections

- | | |
|---|------|
| (i) Changes in accounting policies due to revisions to accounting standards | None |
| (ii) Changes in accounting policies other than (i) | None |
| (iii) Changes in accounting estimates | None |
| (iv) Restatement of prior period financial statements after error corrections | None |

(2) Number of investment units issued and outstanding

(i) Number of investment units (including treasury investment units) issued and outstanding at the end of each period

January 31, 2023: 934,000 units July 31, 2022: 934,000 units

(ii) Number of treasury investment units issued and outstanding at end of period

January 31, 2023: 0 unit July 31, 2022: 0 unit

(Note) For the number of investment units serving as the basis of calculation of net income per unit, please refer to "Per Unit Information" on page 29.

* This Financial Report is outside the scope of audit by a certified public accountant or an audit corporation.

* Remarks:

(Note to forward-looking statements)

This document contains forecasts and other forward-looking statements based on the information currently available and on certain assumptions judged as rational by Japan Logistics Fund, Inc. (hereafter referred to as "JLF"), and the actual operating results, etc. may differ significantly from that anticipated by JLF due to various factors. Moreover, the forecasts are not intended to guarantee any amount of dividend distribution and distribution in excess of earnings. For notes regarding assumptions underlying these forecasts, please refer to "1. Management Discussions and Analysis (1) Asset Management Status (ii) Outlook for the Next Six-month Period D. Forecasts" on page 9.

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1. Management Discussions and Analysis

(1) Asset Management Status

(i) Summary of Results for the six-month period ended January 31, 2023 (The 35th Period)

A. Background of JLF

JLF is the first J- REIT dedicated to “logistics properties” with real estate and other assets used for logistic facilities primarily in the Tokyo Metropolitan, Osaka, Nagoya and Fukuoka areas as investment targets. Based on the Act on Investment Trusts and Investment Corporations (Act No. 198 of 1951; including revisions enforced thereafter) (hereinafter, “the Investment Trust Act”), JLF was founded on February 22, 2005 with Mitsui & Co., Logistics Partners Ltd. as the founding planner, and was listed on the REIT section of the Tokyo Stock Exchange, Inc. (hereinafter, “Tokyo Stock Exchange”) on May 9 of the same year (security code: 8967).

As of January 31, 2023 (the end of the 35th period), JLF owns 52 properties under management with a total acquisition price of 290,590 million yen and total assets of 274,670 million yen.

B. Investment Environment and Management Performance

During the six-month period under review, the Japanese economy gained recovery momentum, striking a balance between containing the spread of COVID-19 and promoting economic activity in the face of rising prices for natural resources. Corporate earnings continued at high levels, and business sentiment remained stable. Against this backdrop, capital expenditures rose modestly. Furthermore, the projected inflation rate is rising as consumer prices (excluding fresh foods) rose in the low 3% range compared to last year, driven mainly by higher energy, food and durable goods prices. In terms of the financial environment, overseas countries continue to raise interest rates to head off rising prices. In December 2022, the Bank of Japan decided to review some of its yield curve control operations. As a result, Japanese interest rates rose compared to the previous period. In response, the TSE REIT Index has fluctuated. In the logistics leasing market, the Tokyo Metropolitan Area has seen bottom support for demand for logistics space, mainly from e-commerce players, manufacturers bolstering online sales and drug stores. Nevertheless, new supply in areas along National Route 16 and the Metropolitan Intercity Expressway, in particular, has dampened the pace of absorption, creating more slack in the relationship between supply and demand than in the previous period. Meanwhile, in other parts of Japan including Osaka, Nagoya and Fukuoka, the supply and demand environment remains unchanged from the previous period. In the Nagoya area in particular, the manufacturing industry is driving demand while, overall, tenants have been active. The broader tenant base across industries has contributed to a lower vacancy rate compared to the previous period.

Amid this environment, JLF continues to pursue stability and sustainable growth in DPU and NAVPU. In terms of external growth in the six-month period under review and beyond, JLF took delivery on the building of the Urayasu Logistics Center (Acquisition price: 8,745 million yen. Appraisal NOI yield: 6.9% (Note 1)) in August 2022, following the July 2022 completion of construction on the OBR (Own Book Redevelopment) (Note 2) project that had been in progress since September 2020. Meanwhile, portfolio operations remained favorable as the occupancy rate posted 100.0% as of the end of the period under review. Furthermore, strong internal growth was achieved as multiple existing properties had leases that were renewed at higher rents.

Moreover, JLF made more progress on the ESG front following the acquisition of GRESB’s highest 5-star rating in the 2022 GRESB (Note 3) Real Estate Evaluation. JLF acquired an AA rating, the highest rating among J-REITs for the MSCI ESG ratings (Note 4), and was included in the MSCI Japan ESG Select Leaders Index (Note 5).

JLF expects to achieve its past run-rate DPU target of 5,000 yen under its ACTIVE Asset Management strategy, thanks to initiatives aimed at external growth and strength in internal growth.

(Note 1) Appraisal NOI yield = Appraisal NOI* /acquisition price
(rounded to the first decimal point)

*“Appraisal NOI” refers to the net operating income (i.e., the amount obtained by deducting operating expenses from operating revenues) using the direct capitalization approach as stated in each real estate appraisal report, and is the income before depreciation is deducted. Appraisal NOI differs from NCF, which is the amount after adding investment gain such as security deposits and deducting capital expenditures. The same applies hereinafter.

(Note 2) “OBR” (Own Book Redevelopment) is the redevelopment of properties owned by JLF itself.

“Redevelopment” refers to the act of JLF building a new building on land that JLF owns after the existing building has been demolished. JLF collaborates with players such as construction companies, who build the new building on land JLF owns. After the building is complete, JLF acquires said building at a timing of its discretion. The same applies hereinafter.

(Note 3) GRESB is an annual benchmarking assessment to measure ESG (Environmental, Social and Governance) integration of real estate companies and funds, as well as the name of organization which runs the assessment. It was founded in 2009 by a group of major European pension funds who played leading roles in launching Principles for Responsible Investment (PRI).

- (Note 4) The MSCI ESG Rating is a global evaluation metric for ESG investing that comprehensively evaluates environmental, social and governance (ESG) efforts at more than 8,500 companies worldwide and grades companies in comparison to industry peers on a seven-point scale from CCC (lowest) to AAA (highest).
- (Note 5) The MSCI Japan ESG Select Leaders Index is an index where MSCI selects from among names included in the MSCI Japan IMI Index those companies that excel in ESG. It is used as an investment benchmark by Japan's Government Pension Investment Fund (GPIF).

C. Overview of Financial Strategy

During the six-month period under review, JLF refinanced 4,000 million yen in long-term loans that matured in August 2022, 4,000 million yen in long-term loans that matured in September 2022, and 1,500 million yen in long-term loans that matured in November 2022. Through these efforts, JLF has diversified its sources of funding and increased its resistance to rising interest rates by fixing interest rates and diversifying repayment dates.

As a result, as of the end of the period under review, total interest-bearing liabilities stood at 119,700 million yen, and LTV (loan to value) was 43.6% based on total assets (Note1) and 29.3% based on appraisal value (Note2), maintaining stable financial operations.

(Note 1) Total assets-based LTV (%) = Interest-bearing debt / total assets x 100 (figures are rounded off to one decimal place)

(Note 2) Appraisal value-based LTV (%) = Interest-bearing debt / appraisal value at the end of the six-month period x 100 (figures are rounded off to one decimal place)

Credit rating of JLF as of January 31, 2023

Credit Rating Agency	Rating	
Rating and Investment Information, Inc. (R&I)	Issuer rating	AA- (Outlook: Stable)
	Long-term bond rating	#2 nd unsecured investment corporation bonds #3 rd unsecured investment corporation bonds #5 th unsecured investment corporation bonds
		AA-
Japan Credit Rating Agency, Ltd. (JCR)	Long-term Issuer rating	AA (Outlook: Stable)
	Bond rating	#6 th unsecured investment corporation bonds AA
		#7 th unsecured investment corporation bonds (Green Bonds) AA

D. Performance and Distributions

As a result of the above, JLF posted operating revenue of 10,156 million yen, operating income of 5,324 million yen, ordinary income of 4,890 million yen and net income of 4,889 million yen.

Distributions are subject to special taxation provisions (Special Taxation Measures Law (Act No. 26 of 1957, including subsequent amendments, hereinafter referred to as "Special Taxation Measures Law"), JLF decided to distribute the entire amount of unappropriated retained earnings for the fiscal period, excluding fractions of less than one yen per unit, in an attempt to make the maximum amount of profit distribution deductible for tax purposes, resulting in a distribution per unit of 5,235 yen.

(ii) Outlook for the Next Six-month Period

A. Recognition of the Environment

Looking forward, the Japanese economy is expected to recover as the dissipating effects of COVID-19 and supply constraints set the stage for a loose financial environment and economic support from the government. Together, these factors should overcome downward pressures from rising prices for natural resources and decelerating economies overseas. However, aside from COVID-19 trends inside and outside of Japan, there are uncertainties that require attention. As inflation continues to rise mainly in advanced economies, central banks sustaining rate hikes may struggle to balance economic growth with inflation-fighting efforts. Additionally, depending on events in Ukraine, there is risk that prices for resources and grains could rise and stay high for a prolonged period of time. In the logistics leasing market, the spread of e-commerce, the expansion of logistics networks, and the shift among manufacturers and retailers from just-in-time to just-in-case have combined to feed healthy demand for logistics space. However, in 2023 and beyond, high levels of new supply are planned for mainly the Tokyo and Osaka metropolitan areas, giving tenants more choice. As a result, uptake of this new space may decelerate, leading to prolonged slack in the relationship between supply and demand.

In the logistics acquisition market, the environment is expected to remain harsh, backed by demand from many investors for the

defensive nature of cash flows from logistics properties. Meanwhile, the impact on transaction prices for logistics properties from volatile interest rate trends needs to be watched closely.

Amid this environment, JLF has put forth its new strategy, “Develop the Value”, following up on its “ACTIVE Asset Management” strategy. The new strategy builds on past operational strategies to target more stability and growth in DPU and NAVPU and aims to achieve a DPU target of 5,600 to 5,700 yen.

Moving forward, we will continue to maintain stability and increase resilience against changes in external environments such as real estate and financial markets.

B. Future Asset Management Policies and Issues to be Addressed

In such an investment environment, JLF will pursue asset management aimed at achieving stable earnings over the medium to long term based on the following policies.

(a) Operational management of portfolio properties

- Leasing management

When renewing leases, we strive to stabilize and grow revenues. We advance long-term leases to stabilize revenues and conduct rent negotiations with an eye on the market environment and tenant circumstances to grow revenues. When a tenant decides to move out, JLF will perform leasing activities based on this policy so that leases are maintained without any discontinuity and revenues are secured by leveraging its sponsor network, intermediary companies well versed in logistics properties and in tenant information for respective regions, as well as the network of the asset management company.

The properties currently held by JLF have an average leasing period of 4.6 years when calculated on a weighted average basis using annual rent, indicating that JLF will continue to earn stable income.

- Strengthening of tenant relations

JLF will promote the improvement of the overall satisfaction level of tenants by maintaining close contact with existing tenants. Specifically, JLF responds to tenant’s needs for expanding rental space and improving the property conditions of existing logistics facilities, making functional improvements in line with the needs of tenants and the industry and implementing renewals.

- Appropriate property maintenance and additional investment

JLF conducts repairs and renovations of properties owned by keeping related costs at a certain level. In addition, JLF strives to maintain an optimal level of maintenance management of its properties by selecting appropriate property management companies that can provide efficient management in line with the characteristics of each property, improving the management quality of the asset management company, and standardizing various procedures.

Furthermore, JLF considers OBR, disposition, and asset reshuffle if necessary, taking into consideration tenant requests, the leasing needs of facilities, floor area ratios, and other factors in determining portfolio properties that have locational advantages in the leasing market and those that can gain higher competitiveness through building/facility renewal while identifying properties that no longer offer economic benefits due to the increased maintenance cost burden caused by deterioration over time.

(b) Acquisition of new properties

- Sourcing of property information

Unlike other asset types, logistics properties have limited transaction volumes in the market. Therefore, JLF believes that collecting a broad range of information and making precise investment decisions based on the information gathered lead to achieve high competitiveness. In order to avoid unnecessary price competition, JLF will work to obtain early access to property information and promote negotiated transactions by leveraging the extensive networks of sponsors and the information sourcing channels of the asset management company.

- Specifications of properties for acquisition

When acquiring properties, JLF will make investment decisions with a focus on the location and versatility of properties which are essential factors in pursuing stable and long-term management of logistics properties. As a general rule, JLF avoids acquiring, in particular, properties with unique structural and facility features that suit only certain types of tenants in certain industries. Rather, JLF’s most important criterion for making investment decisions is versatility of specifications that can satisfy broad

logistical demand.

- Diversification of portfolio

To minimize fluctuations in revenue arising from factors such as a tenant's request to lower rent or a tenant moving out of a property, JLF acquires properties that will help reduce risk of over-concentration of tenants by avoiding excessive dependency on single tenant or industry of tenants and diversifying lease period expirations.

(c) Financial strategy

- JLF sets its highest priority on the stability and growth of dividends per unit while making sure to maintain a conservative interest-bearing debt ratio in pursuing financial activities, including raising funds through bank borrowings and increasing capital through public offerings. When pursuing interest-bearing debt financing, JLF will diversify funding sources and repayment due dates. Furthermore, with regard to tenant leasehold and security deposits, JLF will use such deposits to partially fund property acquisitions to exercise efficient cash management.

In addition, JLF will consider the buyback and cancellation of its own investment units as required as part of its capital policy in order to improve capital efficiency and the return to unitholders.

C. Significant Subsequent Events

Not applicable

[Reference Information]

<Borrowings>

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

Lender	Sumitomo Mitsui Banking Corporation	Nippon Life Insurance Company (Green Loan)	MUFG Bank, Ltd.	The Norinchukin Bank (Green Loan)
Amount borrowed	4,000 million yen	500 million yen	2,000 million yen	1,000 million yen
Interest rate	0.68250%	1.13000%	0.99250%	1.17625%
Date of borrowing	February 28, 2023			
Repayment date	February 28, 2026	August 31, 2032	February 28, 2029	February 29, 2032
Borrowing method/security	Unsecured/non-guaranteed			
Repayment method	Lump-sum repayment on due date			
Use of funds	To pay existing loans			
Assets to be appropriated	-	Kashiwa Logistics Center	-	Kashiwa Logistics Center

D. Forecasts

Forecasts for the six-month period ending July 2023 (from February 1, 2023 to July 31, 2023) and the six-month period ending January 2024 (from August 1, 2023 to January 31, 2024) are as follows. Please refer to "Assumptions Underlying the Forecasts for the six-month period ending July 31, 2023 and the six-month period ending January 31, 2024" for the assumptions underlying these forecasts.

(% represents change from the previous period)

Period ended	Operating Revenue		Operating Income		Ordinary Income		Net Income		Dividends per Unit (excluding distributions in excess of earnings)	Distributions in Excess of Earnings per Unit
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen	Yen
July 31, 2023	10,211	0.5	5,220	-2.0	4,792	-2.0	4,791	-2.0	5,130	-
January 31, 2024	10,325	1.1	5,268	0.9	4,830	0.8	4,829	0.8	5,170	-

(Note) The figures above were computed under certain assumptions, and the actual net income, dividends, etc. may differ depending on various factors. In addition, the forecasts are not intended to guarantee any amount of dividends per unit.

Assumptions Underlying the Forecasts for the six-month period ending July 31, 2023 and the six-month period ending January 31, 2024

Item	Assumptions																					
Calculation period	<ul style="list-style-type: none">For the six-month period ending July 31, 2023: February 1, 2023 to July 31, 2023For the six-month period ending January 31, 2024: August 1, 2023 to January 31, 2024																					
Properties owned	<ul style="list-style-type: none">Forecasts assume a total of 52 properties in the portfolio. No acquisitions (including Amagasaki Logistics Center for which a trust beneficiary right purchase agreement is executed) or sales of properties by January 31, 2024, are assumed.The trust beneficiary rights purchase agreement associated with the acquisition of the Amagasaki Logistics Center qualifies as a forward commitment as stipulated by the Comprehensive Guidelines for the Supervision of Financial Instruments Operators, etc., set forth by the Financial Services Agency. The scheduled date of acquisition of the property has not yet been determined, but it is scheduled to be the date designated by JLF by April 2, 2026.There may be fluctuations, mainly due to the transfer of assets under management.																					
Total number of investment units issued	<ul style="list-style-type: none">The forecasts assume 934,000 units outstanding, the total number of investment units issued and outstanding as of the publication of this document.																					
Interest-bearing debt	<ul style="list-style-type: none">Among the interest-bearing debt of 119,700 million yen outstanding as of the publication of this document, JLF will repay long-term borrowings of 9,000 million yen due in the six-month period ending January 2024 by using new borrowings. There will be no borrowings that are due for repayment in the six-month period ending July 31, 2023.The interest-bearing debt outstanding is expected to be 119,700 million yen as of July 31, 2023 and January 31, 2024.																					
Operating revenue	<ul style="list-style-type: none">The rent revenue is estimated based on the lease contracts in effect as of the publication of this document and considering the fluctuation factors such as the market environment and rent levels based on negotiations with lessees.																					
Operating expenses	<ul style="list-style-type: none">When acquiring real estate, etc., JLF will include in the acquisition cost the amount equivalent to the fixed asset tax and city planning tax (“Property tax, etc.”) for the fiscal year of acquisition.Breakdown of expenses related to the rent business, which comprise the core part of operating expenses, is as follows.<table><tr><td></td><td>For the six-month period ending July 31, 2023</td><td>For the six-month period ending January 31, 2024</td></tr><tr><td>Taxes and dues:</td><td>895 million yen</td><td>896 million yen</td></tr><tr><td>Outsourcing services:</td><td>309 million yen</td><td>287 million yen</td></tr><tr><td>Repair expenses:</td><td>311 million yen</td><td>311 million yen</td></tr><tr><td>Depreciation:</td><td>1,899 million yen</td><td>1,884 million yen</td></tr><tr><td>Loss on write-offs of noncurrent assets:</td><td>20 million yen</td><td>10 million yen</td></tr><tr><td>Other:</td><td>500 million yen</td><td>604 million yen</td></tr></table>Expenses other than depreciation and loss on write-offs of noncurrent assets are calculated based on past track records with expense fluctuation factors taken into account.Actual repair expenses for each operating period may differ considerably from forecasts, mainly because unexpected repair expenses may be incurred due to building damage and other unforeseeable factors, the amount of repair expenses generally differs considerably from one six-month period to another, and repair expense, by nature, are not incurred on a regular basis.		For the six-month period ending July 31, 2023	For the six-month period ending January 31, 2024	Taxes and dues:	895 million yen	896 million yen	Outsourcing services:	309 million yen	287 million yen	Repair expenses:	311 million yen	311 million yen	Depreciation:	1,899 million yen	1,884 million yen	Loss on write-offs of noncurrent assets:	20 million yen	10 million yen	Other:	500 million yen	604 million yen
	For the six-month period ending July 31, 2023	For the six-month period ending January 31, 2024																				
Taxes and dues:	895 million yen	896 million yen																				
Outsourcing services:	309 million yen	287 million yen																				
Repair expenses:	311 million yen	311 million yen																				
Depreciation:	1,899 million yen	1,884 million yen																				
Loss on write-offs of noncurrent assets:	20 million yen	10 million yen																				
Other:	500 million yen	604 million yen																				

Item	Assumptions
	<ul style="list-style-type: none"> • Depreciation is calculated using the straight-line method, with considering incidental expenses and additional capital expenditure for the future. • Among operating expenses other than real estate leasing business, asset management fees are expected to be 893 million yen for the six-month period ending July 31, 2023 and 888 million yen for the six-month period ending January 31, 2024.
Non-Operating Expenses	<ul style="list-style-type: none"> • As non-operating expenses, JLF assumes 428 million yen for the six-month period ending July 31, 2023 and 438 million for the six-month period ending January 31, 2024. Regarding the interest expenses and interest expenses on investment corporation bonds among the non-operating expenses, JLF assumes 371 million yen for the six-month period ending July 31, 2023 and 378 million yen for the six-month period ending January 31, 2024. Regarding financing fees, JLF assumes 52 million yen for the six-month period ending July 31, 2023 and 53 million yen for the six-month period ending January 31, 2024.
Dividends per Unit (Excluding distributions in Excess of earnings)	<ul style="list-style-type: none"> • Dividends per unit are calculated based on the cash distribution policy defined under the Articles of Incorporation of JLF. • Dividends per unit for the six-month period ending July 31, 2023 are calculated based on the assumption of the unappropriated retained earnings of 4,791 million yen for the said six-month period. • Dividends per unit for the six-month period ending January 31, 2024 are calculated based on the assumption of the unappropriated retained earnings of 4,829 million yen for the said six-month period. • Dividends per unit may fluctuate, due to various factors such as acquisitions and sales of assets, fluctuations in rent income caused by tenant movements, unforeseeable repairs incurred, interest rate fluctuations and the issuance of new investment units.
Distributions in Excess of Earnings per Unit	<ul style="list-style-type: none"> • JLF does not plan any distributions in excess of earnings at this moment.
Other	<ul style="list-style-type: none"> • The forecasts assume that no revisions that impact the above projections are made to laws, regulations, tax rules, accounting standards, listing rules, the rules of The Investment Trust Association, Japan, or others. • The forecasts assume that no material unforeseeable changes occur with regard to the general economic trends and real estate market conditions.

(2) Investment risks

For details of risks related to repayment of the borrowings, please refer to “Investment Risks” described on a Securities Report (Japanese) submitted on October 28, 2022.

2. Financial Statements

(1) Balance Sheet

(Thousands of yen)

	As of January 31, 2023	As of July 31, 2022
Assets		
Current assets		
Cash and deposits	8,120,116	7,924,035
Cash and deposits in trust	4,878,672	4,658,980
Operating accounts receivable	647,485	580,387
Prepaid expenses	6,832	5,226
Consumption taxes refund receivable	84,489	192,760
Other	158	632
Total current assets	13,737,754	13,362,022
Non-current assets		
Property, plant and equipment		
Buildings	19,858,063	19,767,958
Accumulated depreciation	-4,095,461	-3,840,607
Buildings, net	15,762,601	15,927,351
Structures	613,888	613,888
Accumulated depreciation	-181,621	-168,813
Structures, net	432,267	445,075
Tools, furniture and fixtures	19,516	19,516
Accumulated depreciation	-5,950	-4,534
Tools, furniture and fixtures, net	13,565	14,982
Land	13,486,139	13,486,139
Construction in progress	3,343	4,492,754
Buildings in trust	134,212,301	127,726,155
Accumulated depreciation	-36,439,486	-34,921,549
Buildings in trust, net	97,772,814	92,804,605
Structures in trust	3,801,025	3,641,408
Accumulated depreciation	-1,648,440	-1,581,821
Structures in trust, net	2,152,585	2,059,587
Tools, furniture and fixtures in trust	52,577	37,714
Accumulated depreciation	-27,165	-25,420
Tools, furniture and fixtures in trust, net	25,412	12,294
Land in trust	130,875,705	130,769,705
Construction in progress in trust	—	50,515
Total property, plant and equipment	260,524,437	260,063,012
Intangible assets		
Other	4,670	5,558
Total intangible assets	4,670	5,558
Investments and other assets		
Investment securities	7,550	7,550
Long-term prepaid expenses	243,414	275,486
Deferred tax assets	20	8
Guarantee deposits	10,020	10,020
Derivatives	93,005	11,348
Other	2,000	2,000
Total investments and other assets	356,009	306,414
Total non-current assets	260,885,117	260,374,985
Deferred assets		
Investment corporation bond issuance costs	47,676	52,030
Total deferred assets	47,676	52,030
Total assets	274,670,548	273,789,038

(Thousands of yen)

	As of January 31, 2023	As of July 31, 2022
Liabilities		
Current liabilities		
Operating accounts payable	979,012	664,346
Current portion of long-term borrowings	16,500,000	17,000,000
Distributions payable	5,966	8,782
Accrued expenses	1,285,098	1,210,475
Income taxes payable	1,019	784
Advances received	1,785,786	1,740,231
Deposits received	4,675	—
Total current liabilities	20,561,558	20,624,620
Non-current liabilities		
Investment corporation bonds	13,700,000	13,700,000
Long-term borrowings	89,500,000	89,000,000
Leasehold and guarantee deposits received	1,413,207	1,364,875
Leasehold and guarantee deposits received in trust	5,818,854	5,767,369
Long-term deposits received	249,568	248,274
Derivatives liabilities	—	9,073
Total non-current liabilities	110,681,630	110,089,593
Total liabilities	131,243,189	130,714,213
Net assets		
Unitholders' equity		
Unitholders' capital		
Unitholders' capital, gross	140,559,170	140,559,170
Deduction from unitholders' capital (Note (ii))	-4,900,686	-4,900,686
Unitholders' capital, net	135,658,483	135,658,483
Surplus		
Voluntary retained earnings		
Reserve for reduction entry of special provisions of replaced property (Note (iii))	2,219,363	2,219,363
Reserve for tax purpose reduction entry	566,543	566,543
Total voluntary retained earnings	2,785,907	2,785,907
Unappropriated retained earnings (undisposed loss)	4,889,963	4,628,158
Total surplus	7,675,870	7,414,066
Total unitholders' equity	143,334,354	143,072,549
Valuation and translation adjustments		
Deferred gains or losses on hedges	93,005	2,275
Total valuation and translation adjustments	93,005	2,275
Total net assets (Note (iv))	143,427,359	143,074,825
Total liabilities and net assets	274,670,548	273,789,038

(2) Statement of Income and Retained Earnings

(Thousands of yen)

	Fiscal period ended January 31, 2023	Fiscal period ended July 31, 2022
Operating revenue		
Leasing business revenue (Note)	9,763,626	9,329,196
Other leasing business revenue (Note)	392,521	283,971
Total operating revenue	10,156,148	9,613,167
Operating expenses		
Expenses related to leasing business (Note)	3,797,885	3,550,436
Asset management fees	876,970	820,683
Asset custody fees	26,406	26,240
Administrative service fees	37,908	38,517
Remuneration for directors (and other officers)	7,500	7,200
Other operating expenses	85,191	79,886
Total operating expenses	4,831,863	4,522,963
Operating profit	5,324,285	5,090,203
Non-operating income		
Interest income	24	23
Interest on tax refund	743	1,471
Gain on forfeiture of unclaimed distributions	305	394
Property tax adjustment at settlement	—	943
Other	33	0
Total non-operating income	1,107	2,834
Non-operating expenses		
Interest expenses	316,401	305,130
Financing fees	48,107	48,724
Investment unit issuance expenses	—	42,952
Interest expenses on investment corporation bonds	63,742	62,352
Amortization of investment corporation bond issuance costs	4,353	4,282
Other	2,000	1,000
Total non-operating expenses	434,605	464,442
Ordinary profit	4,890,786	4,628,595
Profit before income taxes	4,890,786	4,628,595
Income taxes - current	1,023	788
Income taxes - deferred	-11	12
Total income taxes	1,012	801
Profit	4,889,774	4,627,793
Retained earnings brought forward	188	364
Unappropriated retained earnings (undisposed loss)	4,889,963	4,628,158

(3) Statement of Changes in Net Assets

For the six-month period ended January 31, 2023

(Thousands of yen)

	Unitholders' equity								
	Unitholders' capital			Surplus					Total unitholders' equity
	Unitholders' capital, gross	Deduction from unitholders' capital	Unitholders' capital	Voluntary retained earnings			Unappropriated retained earnings (undisposed loss)	Total surplus	
				Reserve for reduction entry of special provisions of replaced property	Reserve for tax purpose reduction entry	Voluntary retained earnings			
Balance at beginning of period	140,559,170	-4,900,686	135,658,483	2,219,363	566,543	2,785,907	4,628,158	7,414,066	143,072,549
Changes during period									
Dividends of surplus							-4,627,970	-4,627,970	-4,627,970
Profit							4,889,774	4,889,774	4,889,774
Net changes in items other than unitholders' equity									
Total changes during period	—	—	—	—	—	—	261,804	261,804	261,804
Balance at end of period	140,559,170	-4,900,686	135,658,483	2,219,363	566,543	2,785,907	4,889,963	7,675,870	143,334,354

	Valuation and translation adjustments		Total net assets
	Deferred gains or losses on hedges	Total valuation and translation adjustments	
Balance at beginning of period	2,275	2,275	143,074,825
Changes during period			
Dividends of surplus			-4,627,970
Profit			4,889,774
Net changes in items other than unitholders' equity	90,730	90,730	90,730
Total changes during period	90,730	90,730	352,534
Balance at end of period	93,005	93,005	143,427,359

For the six-month period ended July 31, 2022

(Thousands of yen)

	Unitholders' equity								
	Unitholders' capital			Surplus					Total unitholders' equity
	Unitholders' capital, gross	Deduction from unitholders' capital	Unitholders' capital	Voluntary retained earnings			Unappropriated retained earnings (undisposed loss)	Total surplus	
				Reserve for reduction entry of special provisions of replaced property	Reserve for tax purpose reduction entry	Voluntary retained earnings			
Balance at beginning of period	132,245,145	-4,900,686	127,344,458	2,219,363	566,543	2,785,907	4,408,975	7,194,883	134,539,341
Changes during period									
Issuance of new investment units	8,314,024		8,314,024						8,314,024
Dividends of surplus							-4,408,610	-4,408,610	-4,408,610
Profit							4,627,793	4,627,793	4,627,793
Net changes in items other than unitholders' equity									
Total changes during period	8,314,024	—	8,314,024	—	—	—	219,183	219,183	8,533,208
Balance at end of period	140,559,170	-4,900,686	135,658,483	2,219,363	566,543	2,785,907	4,628,158	7,414,066	143,072,549

	Valuation and translation adjustments		Total net assets
	Deferred gains or losses on hedges	Total valuation and translation adjustments	
Balance at beginning of period	-16,859	-16,859	134,522,482
Changes during period			
Issuance of new investment units			8,314,024
Dividends of surplus			-4,408,610
Profit			4,627,793
Net changes in items other than unitholders' equity	19,134	19,134	19,134
Total changes during period	19,134	19,134	8,552,342
Balance at end of period	2,275	2,275	143,074,825

(4) Distribution Information

		(Yen)
	For the six-month period ended January 31, 2023	For the six-month period ended July 31, 2022
I. Unappropriated retained earnings	4,889,963,096	4,628,158,863
II. Distributions	4,889,490,000	4,627,970,000
(Distributions per unit)	(5,235)	(4,955)
III. Retained earnings to be carried forward	473,096	188,863
Method of calculation of distributions	<p>The amount of distribution is limited to the amount of income in accordance with the cash distribution policy stipulated in Article 39 (1) of the Articles of Incorporation of JLF, and shall exceed the amount equivalent to 90% of the distributable dividend amount of JLF provided in Article 67.15 of the Act on Special Measures Concerning Taxation. Based on this policy, JLF decided to distribute 4,889,490,000 yen, which is the maximum integral multiple of the total number of investment units issued and outstanding (934,000 units) within the amount of unappropriated retained earnings.</p> <p>JLF does not make distributions in excess of earnings as stipulated in Article 39 (2) of the Articles of Incorporation of JLF.</p>	<p>The amount of distribution is limited to the amount of income in accordance with the cash distribution policy stipulated in Article 39 (1) of the Articles of Incorporation of JLF, and shall exceed the amount equivalent to 90% of the distributable dividend amount of JLF provided in Article 67.15 of the Act on Special Measures Concerning Taxation. Based on this policy, JLF decided to distribute 4,627,970,000 yen, which is the maximum integral multiple of the total number of investment units issued and outstanding (934,000 units) within the amount of unappropriated retained earnings.</p> <p>JLF does not make distributions in excess of earnings as stipulated in Article 39 (2) of the Articles of Incorporation of JLF.</p>

(5) Statement of Cash Flows

(Thousands of yen)

	Fiscal period ended January 31, 2023	Fiscal period ended July 31, 2022
Cash flows from operating activities		
Profit before income taxes	4,890,786	4,628,595
Depreciation	1,938,515	1,880,053
Investment unit issuance expenses	—	42,952
Amortization of investment corporation bond issuance costs	4,353	4,282
Interest income	-24	-23
Interest expenses	380,144	367,482
Loss on retirement of non-current assets	14,590	7,804
Decrease (increase) in operating accounts receivable	-67,098	-34,066
Decrease (increase) in consumption taxes refund receivable	108,270	-192,760
Increase (decrease) in accrued consumption taxes	—	-395,314
Decrease (increase) in prepaid expenses	-1,606	1,995
Decrease (increase) in long-term prepaid expenses	32,072	-1,460
Increase (decrease) in operating accounts payable	305,856	-228,281
Increase (decrease) in accrued expenses	69,371	30,621
Increase (decrease) in advances received	45,555	108,814
Other, net	4,844	-738
Subtotal	7,725,631	6,219,955
Interest received	24	23
Interest expenses paid	-374,892	-360,980
Income taxes (paid) refund	-788	-1,058
Net cash provided by (used in) operating activities	7,349,976	5,857,940
Cash flows from investing activities		
Purchase of property, plant and equipment	-2,047,393	-3,026,304
Purchase of property, plant and equipment in trust	-357,439	-13,217,595
Proceeds from leasehold and guarantee deposits received	48,331	5,193
Proceeds from leasehold and guarantee deposits received in trust	68,722	573,424
Refund of leasehold and guarantee deposits received in trust	-17,237	-173,548
Purchase of investment securities	—	-7,550
Net cash provided by (used in) investing activities	-2,305,016	-15,846,380
Cash flows from financing activities		
Proceeds from long-term borrowings	9,500,000	14,500,000
Repayments of long-term borrowings	-9,500,000	-9,500,000
Proceeds from issuance of investment units	—	8,314,024
Payments of investment unit issuance expenses	—	-42,952
Distributions paid	-4,630,481	-4,405,595
Net cash provided by (used in) financing activities	-4,630,481	8,865,476
Net increase (decrease) in cash and cash equivalents	414,478	-1,122,963
Cash and cash equivalents at beginning of period	12,389,364	13,512,327
Cash and cash equivalents at end of period (Note)	12,803,843	12,389,364

(6) Notes on Assumption of Going Concern

Not applicable to the six-month period ended January 31, 2023.

(7) Summary of Significant Accounting Policies

(i) Valuation standard and method for assets

Investment securities

Other Securities

Stocks without market quotations

Valued at cost accounting method based on the moving average method.

(ii) Depreciation method for non-current assets

A. Property, plant, and equipment (including trust assets)

The straight-line method is used.

The useful lives of property, plant and equipment are listed below.

Buildings	2 to 75 years
Structures	2 to 58 years
Tools, furniture, and fixtures	2 to 15 years

B. Intangible assets

The straight-line method is used.

(iii) Accounting for deferred assets

A. Investment unit issuance expenses

All expensed at time of cash out.

B. Investment corporation bond issuance costs

Investment corporation bond issuance costs are amortized by the straight-line method over the period through redemption.

(iv) Accounting for income and expenses

A. Accounting for property taxes

Concerning fixed property tax, city planning tax, depreciated asset tax, etc. on real estate, etc. owned, of the tax amount levied and determined, the method of accounting for the amount corresponding to the concerned fiscal period as expenses related to real estate leasing business is adopted.

In acquiring real estate or trust beneficiary rights that have real estate as assets in trust, the amount equivalent to fixed property taxes, etc. for the year of acquisition is included in the acquisition cost. The amount equivalent to fixed property tax, etc. included in the cost of acquisition of real estate, etc. is not applicable in current period and 53,292 thousand yen in the previous period.

B. Revenue recognition policy

The following is a description of JLF'S principal performance obligations with respect to revenue arising from contracts with customers and the normal point in time at which such performance obligations are satisfied (the normal point in time at which revenue is recognized).

(a) Sales of real estate and other assets

Revenue from sales of real estate and other assets is recognized when the customer, the buyer, obtains control of the real estate and other assets by fulfilling delivery obligations stipulated in the contract for the sale of real estate and other assets.

(b) Utility revenues

Utility revenues are recognized based on the electricity, water, and other supplies to the lessee, which is the customer, in accordance with the real estate lease contract and related agreements.

For those utilities revenues for which JLF is determined to be an agent, JLF recognizes revenues at the net amount received as charges for electricity, water, etc. supplied by another party, less the amount paid to such other party.

(v) Hedge accounting method

A. Hedge accounting method

Deferred hedge accounting is applied.

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

B. Hedging instruments and hedged items

Hedging instruments: Interest rate swap transactions

Hedged items: Interest on borrowings

C. Hedging policy

JLF utilizes derivative transactions to hedge the risks specified in the Articles of Incorporation of the Investment Corporation based on its risk management policy.

D. Method of assessing hedge effectiveness

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

(vi) Scope of cash and cash equivalents in the statement of cash flows

Cash and cash equivalents consist of cash on hand, cash in trust, deposits and deposits in trust withdrawable on demand, and short-term

investments, which are easily convertible into cash, with low risk of price fluctuation and with a maturity of less than three months.

(vii) Other significant basis for preparation of financial statements

Accounting for trust beneficiary right for real estate, etc. as trust asset

Regarding trust beneficiary right for real estate, etc. held as trust asset, all assets and liabilities as well as all revenue and expense items associated with trust assets are accounted for under the respective account items of the Balance Sheet and Statement of Income and Retained Earnings.

Of the trust assets accounted for under the respective account items, the following items with significance are separately indicated on the Balance Sheet.

(a) Cash and deposits in trust

(b) Buildings in trust, Structures in trust, Tools, furniture and fixtures in trust, Land, and Construction in progress in trust

(c) Tenant leasehold and security deposits in trust

(8) Notes to Financial Statements

[Notes to Balance Sheet]

(i) Commitment line contracts

JLF has the commitment line contracts with the banks.

	(Thousands of yen)	
	As of January 31, 2023	As of July 31, 2022
Total amount specified in the commitment line contracts	31,900,000	31,900,000
Loan balance at end of period	-	-
Outstanding loan commitments at end of period	31,900,000	31,900,000

(ii) Status of cancellation of Buybacks

	As of January 31, 2023	As of July 31, 2022
	19,927 units	19,927 units
	4,436,262 thousand yen	4,436,262 thousand yen

(Note) There are no cancelled buybacks during the six-month period under review.

(iii) The breakdown of reserve for reduction entry of special provisions of replaced property prescribed in Article 2, Paragraph 2, Item 28 of the Ordinance on Accounting of Investment Corporations is as follows.

Items	Breakdown	
Corresponding property	Ichikawa Logistics Center II / land	
Reason for recognition and amount	Gain on sales of real estate properties of 2,618,320 thousand yen due to sales of Funabashi Nishiura Logistics Center II and Yokosuka Logistics Center.	
Policy for reversal	Reversal into retained earnings is made in accordance with tax regulations.	
Description of reversal in the period	Not applicable.	
	As of January 31, 2023	As of July 31, 2022
Balance before provision and reversal in the period	2,219,363 thousand yen	2,219,363 thousand yen
Reversal in the statement of income and retained earnings	-	-
Amount on the balance sheet	2,219,363 thousand yen	2,219,363 thousand yen
Provision as disclosed in (4) Distribution Information	-	-
Reversal as disclosed in (4) Distribution Information	-	-
Balance after provision and reversal in the period	2,219,363 thousand yen	2,219,363 thousand yen

(iv) Minimum amount of net assets prescribed in Article 67, Item 4 of the Investment Trusts Act

	(Thousands of yen)	
	As of January 31, 2023	As of July 31, 2022
	50,000	50,000

[Notes to Statement of Income and Retained Earnings]
Breakdown of income from real estate leasing business

	(Thousands of yen)	
	For the six-month period ended January 31, 2023	For the six-month period ended July 31, 2022
(i) Real estate leasing business revenue		
Rent revenue-real estate		
Rent income	9,506,404	9,086,926
Land rents received	600	600
Facility charges	256,622	241,669
Other lease business revenue		
Parking charges	30,660	28,833
Utilities charges	345,864	239,266
Other operating income	15,996	15,870
Total real estate leasing business revenue	10,156,148	9,613,167
(ii) Real estate leasing business expenses		
Expenses related to rent business		
Taxes and dues	827,160	821,463
Outsourcing service expenses	287,328	278,114
Utilities expenses	375,711	250,149
Repair expenses	257,747	172,021
Insurance expenses	26,425	25,247
Other expenses related to rent business	71,294	116,468
Depreciation	1,937,627	1,879,165
Loss on retirement of non-current assets	14,590	7,804
Total real estate leasing business expenses	3,797,885	3,550,436
(iii) Income from real estate leasing business		
((i) - (ii))	6,358,262	6,062,731

[Notes to Statement of Changes in Net Assets]

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

	For the six-month period ended January 31, 2023	For the six-month period ended July 31, 2022
Total number of investment units authorized	10,000,000 units	10,000,000 units
Total number of investment units issued and outstanding	934,000 units	934,000 units

[Notes to Statement of Cash Flows]

Relationship between cash and cash equivalents at end of period and the amount on the balance sheet

	(Thousands of yen)	
	For the six-month period ended January 31, 2023	For the six-month period ended July 31, 2022
Cash and deposits	8,120,116	7,924,035
Cash and deposits in trust	4,878,672	4,658,980
Long-term deposits received (Note)	-194,945	-193,651
Cash and cash equivalents	12,803,843	12,389,364

(Note) "Long-term deposits received" means the deposits for which the withdrawal is restricted based on the co-ownership agreement for the property in trust.

[Lease Transactions]

Operating lease transactions (as a lessor)

	(Thousands of yen)	
	For the six-month period ended January 31, 2023	For the six-month period ended July 31, 2022
Future lease payments receivable		
Due within one year	17,289,231	16,316,725
Due after one year	49,022,353	44,570,192
Total	66,311,585	60,886,917

[Financial Instruments]

(i) Matters concerning the status of financial instruments

A. Policies on financial instruments

JLF procures funds mainly by additionally issuing investment units, borrowing funds, or issuing investment corporation bonds for the purpose of securing funds required for acquisition of assets and repair of assets, payments of dividends, and operation of JLF or repayment of debts.

When procuring funds through interest-bearing debt, JLF comprehensively takes into account the conditions in the capital market and the financial environment, the capital structure of JLF and lease terms with tenants, impact on the existing unitholders, and other factors, expects the future changes in economic and social conditions, and selects an effective means of procuring funds in terms of long or short loan periods and fixed or variable interest rates.

JLF uses derivative transactions for the purpose of hedging interest rate fluctuation risk and other risks and does not enter into derivative transactions for speculative or trading purpose.

JLF invests surplus funds in securities and monetary claims with a focus on safety and liquidity, and does not engage into speculative investment.

B. Description of financial instruments and associated risks, and the risk management system

Deposits are one means of investing the surplus funds of JLF and are exposed to credit risk such as the bankruptcy of deposit financial institutions. JLF works to mitigate credit risk by shortening the period of deposits and dealing with deposit financial institutions with high credit ratings.

Borrowings and investment corporation bonds are used primarily for acquisition of assets and repayments of debts, and are exposed to liquidity risk at the time of repayment/redemption. JLF strives to mitigate liquidity risk by diversifying lenders, repayment periods, and means of funds procurement and by securing liquidity on hand by setting commitment lines and manages liquidity risk by preparing cash flow management sheet and other methods.

Variable interest rate borrowings are exposed to the risk of interest rate fluctuations. Derivative transactions are utilized for certain borrowings as hedges by JLF to mitigate this risk. See "(iv) Hedge accounting method" above under "Summary of Significant Accounting Policies" for details about the hedging instruments, hedged items, hedging policy, and method of assessing hedge effectiveness, etc. in hedge accounting.

C. Description of financial instruments

Fair value of financial instruments comprises value based on market prices or rationally calculated value in the case the market prices are not available. As certain assumptions are applied in performing calculations of such value, the value may differ if different assumptions are used. In addition, the contract amount of derivative transactions, which is presented in the following section entitled "Derivatives," is not indicative of the market risk attributable to derivative transactions.

(ii) Matters concerning fair value, etc. of financial instruments

Carrying amount, fair value and their differences as of January 31, 2023 are as follows. Notes to "Cash and bank deposits" and "Cash and bank deposits in trust" are omitted because the fair value approximates the book value due to cash and short-term settlements.

	(Thousands of yen)		
	Amount on the balance sheet	Fair value	Difference
(1) Current portion of long-term borrowings	16,500,000	16,616,023	116,023
(2) Investment corporation bond	13,700,000	13,646,909	-53,090
(3) Long-term borrowings	89,500,000	90,012,522	512,522
Total liabilities	119,700,000	120,275,455	575,455
Derivative transactions *	93,005	93,005	-

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

Carrying amount, fair value and their differences as of July 31, 2022 are as follows. Notes to "Cash and bank deposits" and "Cash and bank deposits in trust" are omitted because the fair value approximates the book value due to cash and short-term settlements.

(Thousands of yen)

	Amount on the balance sheet	Fair value	Difference
(1) Current portion of long-term borrowings	17,000,000	17,076,703	76,703
(2) Investment corporation bond	13,700,000	13,914,285	214,285
(3) Long-term borrowings	89,000,000	89,923,544	923,544
Total liabilities	119,700,000	120,914,533	1,214,533
Derivative transactions *	2,275	2,275	-

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

(Note 1) Matters concerning the method of calculating the market value of financial instruments and derivative transactions.

(1) Current portion of long-term borrowings, (3) Long-term borrowings

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

(2) Investment corporation bond

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

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

Derivative transactions

See "Notes to Derivatives" below.

(Note 2) Lease and guarantee deposited and lease and guarantee deposited in trust are omitted due to immateriality.

(Note 3) Carrying amount of stocks without market quotation on the balance sheet

(Thousands of yen)

	As of January 31, 2023	As of July 31, 2022
Investment securities	7,550	7,550

Investment securities

The balance sheet amounts shown above are not subject to disclosure of fair value in accordance with Paragraph 5 of the "Guidance on Disclosures about Fair Value of Financial Instruments" (ASBJ Guidance No. 19, March 31, 2020).

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

As of January 31, 2023

(Thousands of yen)

	Within 1 year	1~2 years	2~3 years	3~4 years	4~5 years	After 5 years
Long-term borrowings	16,500,000	6,500,000	12,000,000	9,500,000	17,500,000	44,000,000
Investment corporation bond	—	—	3,000,000	—	2,000,000	8,700,000
Total	16,500,000	6,500,000	15,000,000	9,500,000	19,500,000	52,700,000

As of July 31, 2022

(Thousands of yen)

	Within 1 year	1~2 years	2~3 years	3~4 years	4~5 years	After 5 years
Long-term borrowings	17,000,000	15,500,000	6,500,000	7,500,000	12,500,000	47,000,000
Investment corporation bond	—	—	—	3,000,000	2,000,000	8,700,000
Total	17,000,000	15,500,000	6,500,000	10,500,000	14,500,000	55,700,000

[Notes to Investment Securities]

Not applicable to the six-month period ended January 31, 2023 and the six-month period ended July 31, 2022.

[Notes to Derivatives]

(i) Transactions not applicable to hedge accounting

Not applicable to the six-month period ended January 31, 2023 and the six-month period ended July 31, 2022.

(ii) Transactions applicable to hedge accounting

For the six-month period ended January 31, 2023

The following table shows the contract amount on the closing date for derivative transactions, or the amount corresponding to the principal specified in the contract.

Hedge accounting method	Type of derivative transactions	Primary hedged items	Contract amount (Thousands of yen)		Fair value (Thousands of yen)	Method used to calculate the fair value
				Amount over one year		
Deferred hedge accounting	Interest rate swap transactions Receive variable, pay fixed	Long-term borrowings	7,000,000	7,000,000	93,005	Based on prices and other conditions presented by financial institutions
Special treatment for hedge accounting of interest rate swaps	Interest rate swap transactions Receive variable, pay fixed	Long-term borrowings	6,000,000	4,000,000	*	-

* Because the interest rate swaps accounted for using the special treatment are treated together with the hedged long-term borrowings, their fair value is included in that of the long-term borrowings.

For the six-month period ended July 31, 2022

The following table shows the contract amount on the closing date for derivative transactions, or the amount corresponding to the principal specified in the contract.

Hedge accounting method	Type of derivative transactions	Primary hedged items	Contract amount (Thousands of yen)		Fair value (Thousands of yen)	Method used to calculate the fair value
				Amount over one year		
Deferred hedge accounting	Interest rate swap transactions Receive variable, pay fixed	Long-term borrowings	7,000,000	7,000,000	2,275	Based on prices and other conditions presented by financial institutions
Special treatment for hedge accounting of interest rate swaps	Interest rate swap transactions Receive variable, pay fixed	Long-term borrowings	7,500,000	6,000,000	*	-

* Because the interest rate swaps accounted for using the special treatment are treated together with the hedged long-term borrowings, their fair value is included in that of the long-term borrowings.

[Notes to Retirement Benefits]

Not applicable to the six-month period ended January 31, 2023 and the six-month period ended July 31, 2022.

[Tax Effect Accounting]

(i) Breakdown of major causes of deferred tax assets and deferred tax liabilities

	(Thousands of yen)	
	As of January 31, 2023	As of July 31, 2022
Deferred tax assets, current		
Enterprise tax not deductible	20	8
Deferred gains or losses on hedges	-	-
Subtotal deferred tax, current	20	8
Valuation Allowance	-	-
Total deferred tax assets, current	20	8
Deferred tax assets, net, current	20	8

(ii) Breakdown by major cause of material difference between the effective statutory tax rate and the effective tax rate after applying tax effect accounting

	As of January 31, 2023	As of July 31, 2022
Effective statutory tax rate	31.46%	31.46%
Adjustments		
Deductible cash distributions	-31.45%	-31.46%
Other	0.01%	0.02%
Effective tax rate after applying tax effect accounting	0.02%	0.02%

[Notes to Equity in Earnings of Affiliates]

Not applicable to the six-month period ended January 31, 2023 and the six-month period ended July 31, 2022, for JLF does not have affiliates.

[Transactions with Related Parties]

(i) Parent company and principal corporate unitholders

Not applicable to the six-month period ended January 31, 2023 and the six-month period ended July 31, 2022.

(ii) Subsidiaries and affiliates

Not applicable to the six-month period ended January 31, 2023 and the six-month period ended July 31, 2022.

(iii) Sister companies

Not applicable to the six-month period ended January 31, 2023 and the six-month period ended July 31, 2022.

(iv) Directors and principal individual unitholders

For the six-month period ended January 31, 2023

Classification	Name of company or individual	Address	Paid-in capital or investment	Business description or occupation	Voting rights holding ratio	Nature of transaction	Transaction amount (Thousands of yen)	Account	Balance at end of period (Thousands of yen)
Director or the close relative	Naohiro Kameoka	-	-	Executive Director of Japan Logistics Fund, Inc. and President & CEO of Mitsui & Co., Logistics Partners Ltd.	-	Payment of asset management fee to Mitsui & Co., Logistics Partners Ltd. (Note 1)	921,643 (Note 2)	Accrued expenses	964,667 (Note 2)

(Note 1) This is a transaction executed by Naohiro Kameoka as President & CEO of a third party (Mitsui & Co., Logistics Partners Ltd.), and the fee is in line with the Articles of Incorporation of JLF.

(Note 2) Of the above amounts, the transaction amount does not include consumption taxes while the balance at the end of the six-month period does.

For the six-month period ended July 31, 2022

Classification	Name of company or individual	Address	Paid-in capital or investment	Business description or occupation	Voting rights holding ratio	Nature of transaction	Transaction amount (Thousands of yen)	Account	Balance at end of period (Thousands of yen)
Director or the close relative	Naohiro Kameoka	-	-	Executive Director of Japan Logistics Fund, Inc. and President & CEO of Mitsui & Co., Logistics Partners Ltd.	-	Payment of asset management fee to Mitsui & Co., Logistics Partners Ltd. (Note 1)	909,460 (Note 2)	Accrued expenses	902,751 (Note 2)

(Note 1) This is a transaction executed by Naohiro Kameoka as President of a third party (Mitsui & Co., Logistics Partners Ltd.), and the fee is in line with the Articles of Incorporation of JLF.

(Note 2) Of the above amounts, the transaction amount does not include consumption taxes while the balance at the end of the six-month period does.

[Notes to Asset Write-off Obligations]

Not applicable to the six-month period ended January 31, 2023 and the six-month period ended July 31, 2022.

[Notes to Lease Properties]

JLF holds logistics properties for lease in the Tokyo Metropolitan area and other areas. The amounts on the Balance Sheet changes during the fiscal period, and fair value of lease properties are as follows

(Thousands of yen)

	For the six-month period ended January 31, 2023	For the six-month period ended July 31, 2022
Amount on the balance sheet		
Balance at the beginning of the period	255,519,741	244,174,310
Changes during the period	5,001,351	11,345,431
Balance at the end of the period	260,521,093	255,519,741
Fair value at the end of the period	408,710,000	402,010,000

(Note 1) The amount on the balance sheet is acquisition cost less accumulated depreciation. The amount on the balance sheet does not include the amount of the construction in progress.

(Note 2) The increase of the lease properties in the six-month period ended January 31, 2023 is mainly by construction on the OBR of Urayasu Logistics Center (6,419,881 thousand yen).

(Note 3) The fair value at the end of the six-month period is the appraisal value provided by an outside real estate appraiser.

The income concerning lease properties, etc. for the six-month period ended January 31, 2023 and the six-month period ended July 31, 2022 is indicated under "Notes to Statement of Income and Retained Earnings" above.

[Notes to Revenue Recognition]

(i) Information on the breakdown of revenue from contracts with customers

For the six-month period ended January 31, 2023

(Thousands of yen)

Hedge accounting method	Revenue from contracts with customers (Note)	Sales to external customers
Sale of real estate, etc.	-	-
Utility revenues	345,864	345,864
Other	-	9,810,283
Total	345,864	10,156,148

(Note) Rental business income and other income subject to ASBJ Statement No. 13 "Accounting Standard for Lease Transactions" is not included in "Revenue from Contracts with Customers" because the revenue recognition accounting standard does not apply to such income. Revenues from contracts with customers mainly include revenues from sales of real estate and utilities.

(ii) Information that provides a basis for understanding revenue from contracts with customers.

For the six-month period ended January 31, 2023, as described in the Notes to Significant Accounting Policies.

(iii) Information about the relationship between the satisfaction of performance obligations under contracts with customers and cash flows from such contracts, and the amount and timing of revenue expected to be recognized in subsequent periods from contracts with customers that existed at the end of the current period.

A. Outstanding contract assets and liabilities, etc.

(Thousands of yen)

Hedge accounting method	For the six-month period ended January 31, 2023
Receivables arising from contracts with customers (beginning balance)	63,781
Receivables arising from contracts with customers (ending balance)	74,617
Contract assets (beginning balance)	-
Contract assets (ending balance)	-
Contractual liability (beginning balance)	-
Contract liabilities (ending balance)	-

B. Transaction price allocated to remaining performance obligations

Not applicable.

JLF has the right to receive from the customer the amount of consideration that directly corresponds to the value for the customer, as the lessee, for the portion of the performance completed by the end of the fiscal period, and therefore, in accordance with Paragraph 19 of the Implementation Guidance of the Accounting Standard for Revenue Recognition, JLF has recognized revenue at the amount it has the right to claim. Accordingly, the provisions of paragraph 80-22(2) of the Accounting Standard for Revenue Recognition have been applied and the transaction price allocated to the remaining performance obligations has not been included in the notes to the financial statements.

(i) Information on the breakdown of revenue from contracts with customers

For the six-month period ended July 31, 2022

(Thousands of yen)

Hedge accounting method	Revenue from contracts with customers (Note)	Sales to external customers
Sale of real estate, etc.	-	-
Utility revenues	239,266	239,266
Other	-	9,373,900
Total	239,266	9,613,167

(Note) Rental business income and other income subject to ASBJ Statement No. 13 "Accounting Standard for Lease Transactions" is not included in "Revenue from Contracts with Customers" because the revenue recognition accounting standard does not apply to such income. Revenues from contracts with customers mainly include revenues from sales of real estate and utilities.

(ii) Information that provides a basis for understanding revenue from contracts with customers.

For the six-month period ended July 31, 2022, as described in the Notes to Significant Accounting Policies.

- (iii) Information about the relationship between the satisfaction of performance obligations under contracts with customers and cash flows from such contracts, and the amount and timing of revenue expected to be recognized in subsequent periods from contracts with customers that existed at the end of the current period.

A. Outstanding contract assets and liabilities, etc.

(Thousands of yen)

Hedge accounting method	For the six-month period ended July 31, 2022
Receivables arising from contracts with customers (beginning balance)	51,063
Receivables arising from contracts with customers (ending balance)	63,781
Contract assets (beginning balance)	-
Contract assets (ending balance)	-
Contractual liability (beginning balance)	-
Contract liabilities (ending balance)	-

B. Transaction price allocated to remaining performance obligations

Not applicable.

JLF has the right to receive from the customer the amount of consideration that directly corresponds to the value for the customer, as the lessee, for the portion of the performance completed by the end of the fiscal period, and therefore, in accordance with Paragraph 19 of the Implementation Guidance of the Accounting Standard for Revenue Recognition, JLF has recognized revenue at the amount it has the right to claim. Accordingly, the provisions of paragraph 80-22(2) of the Accounting Standard for Revenue Recognition have been applied and the transaction price allocated to the remaining performance obligations has not been included in the notes to the financial statements.

[Segment Information]

(i) Segment information

Description is omitted as JLF engages in a single segment of the real estate leasing business.

(ii) Related information

For the six-month period ended January 31, 2023

A. Information by product and service

Description is omitted as net sales for external customers in a single product/service category exceed 90% of the operating revenue on Statement of Income and Retained Earnings.

B. Information by region

(a) Net sales

Description is omitted as net sales for external customers in Japan exceed 90% of the operating revenue on the Statement of Income and Retained Earnings.

(b) Property, plant, and equipment

Description is omitted as the amount of property, plant, and equipment located in Japan exceeds 90% of the property, plant, and equipment on the Balance Sheet.

C. Information by major tenant

Description is omitted as net sales for all single external customers are less than 10% of the operating revenue on the Statement of Income and Retained Earnings.

For the six-month period ended July 31, 2022

A. Information by product and service

Description is omitted as net sales for external customers in a single product/service category exceed 90% of the operating revenue on Statement of Income and Retained Earnings.

B. Information by region

(a) Net sales

Description is omitted as net sales for external customers in Japan exceed 90% of the operating revenue on the Statement of Income and Retained Earnings.

(b) Property, plant, and equipment

Description is omitted as the amount of property, plant, and equipment located in Japan exceeds 90% of the property, plant, and equipment on the Balance Sheet.

C. Information by major tenant

Description is omitted as net sales for all single external customers are less than 10% of the operating revenue on the Statement of Income and Retained Earnings.

[Per Unit Information]

	For the six-month period ended January 31, 2023	For the six-month period ended July 31, 2022
Net assets per unit	153,562yen	153,185yen
Profit per unit	5,235yen	4,971yen

(Note 1) Profit per unit was calculated by dividing profit by average number of investment units during period.

Diluted profit per unit is not stated as there are no dilutive investment units.

(Note 2) The calculation of profit per unit is based on the following.

(Thousands of yen)

	For the six-month period ended January 31, 2023	For the six-month period ended July 31, 2022
Profit	4,889,774	4,627,793
Amount not attributable to common unitholders	-	-
Profit pertaining to common investment units	4,889,774	4,627,793
Average number of investment units during period	934,000 units	930,803 units

[Notes to Significant Subsequent Events]

Not applicable.

(9) Changes in the total number of investment units issued and outstanding

Investment Units Issued and Outstanding and Changes of the Unitholders' capital are as follows.

Date	Summary	Total number of investment units issued		Unitholders' capital (Millions of yen)		Remarks
		Change	Balance	Change	Balance	
February 22, 2005	Private placement offering	1,000	1,000	500	500	(Note 1)
May 6, 2005	Capital increase through public offering	55,700	56,700	29,562	30,062	(Note 2)
June 1, 2005	Capital increase through third-party allotment	2,800	59,500	1,486	31,548	(Note 3)
February 8, 2006	Capital increase through public offering	46,500	106,000	35,668	67,217	(Note 4)
March 8, 2006	Capital increase through third-party allotment	2,800	108,800	2,147	69,365	(Note 5)
August 31, 2007	Capital increase through public offering	13,500	122,300	12,656	82,021	(Note 6)
February 23, 2010	Capital increase through public offering	8,500	130,800	5,123	87,145	(Note 7)
March 25, 2010	Capital increase through third-party allotment	500	131,300	301	87,446	(Note 8)
August 30, 2010	Capital increase through public offering	16,000	147,300	9,689	97,136	(Note 9)
September 24, 2010	Capital increase through third-party allotment	700	148,000	423	97,559	(Note 10)
September 13, 2013	Distribution in Excess of Earnings	-	148,000	-464	97,095	(Note 11)
October 2, 2013	Capital increase through public offering	16,000	164,000	14,634	111,729	(Note 12)
October 28, 2013	Capital increase through third-party allotment	2,000	166,000	1,829	113,559	(Note 13)
February 1, 2014	Investment Unit Split	664,000	830,000	-	113,559	(Note 14)
September 16, 2015	Capital increase through public offering	47,500	877,500	8,801	122,360	(Note 15)
October 15, 2015	Capital increase through third-party allotment	2,500	880,000	463	122,823	(Note 16)
September 27, 2017	Capital increase through public offering	42,750	922,750	8,509	131,332	(Note 17)
October 19, 2017	Capital increase through third-party allotment	2,250	925,000	447	131,780	(Note 18)
July 13, 2018	Cancellation	-11,000	914,000	-2,436	129,344	(Note 19)
January 11, 2019	Cancellation	-8,927	905,073	-1,999	127,344	(Note 20)
February 21, 2022	Capital increase through public offering	28,927	934,000	8,314	135,658	(Note 21)

(Note 1) Upon establishment of JLF, investment units were issued at the price of 500,000 yen per unit.

(Note 2) Investment units were newly issued at the price of 550,000 yen per unit (net proceeds of 530,750 yen) for new properties acquisition.

(Note 3) Investment units were newly issued through third-party allotment at the price of 530,750 yen per unit for new properties acquisition.

(Note 4) Investment units were newly issued at the price of 793,800 yen per unit (net proceeds of 767,070 yen) for new properties acquisition.

- (Note 5) Investment units were newly issued through third-party allotment at the price of 767,070 yen per unit for new properties acquisition.
- (Note 6) Investment units were newly issued at the price of 971,180 yen per unit (net proceeds of 937,486 yen) for new properties acquisition.
- (Note 7) Investment units were newly issued at the price of 624,680 yen per unit (net proceeds of 602,784 yen) for a new property acquisition.
- (Note 8) Investment units were newly issued through third-party allotment at the price of 602,784 yen per unit for partial repayment of bank borrowings.
- (Note 9) Investment units were newly issued at the price of 627,590 yen per unit (net proceeds of 605,592 yen) for a new property acquisition.
- (Note 10) Investment units were newly issued through third-party allotment at the price of 605,592 yen per unit for partial repayment of bank borrowings.
- (Note 11) Distribution in Excess of Earnings was resolved at the price of 3,138 yen per unit in order to level out the loss associated with OBR.
- (Note 12) Investment units were newly issued at the price of 947,700 yen per unit (net proceeds of 914,652 yen) for new properties acquisition and partial repayment of bank borrowings.
- (Note 13) Investment units were newly issued through third-party allotment at the price of 914,652 yen per unit for partial repayment of bank borrowings.
- (Note 14) JLF has implemented a 5 – for – 1 investment unit split.
- (Note 15) Investment units were newly issued at the price of 191,782 yen per unit (net proceeds of 185,290 yen) for partial new properties acquisition and repayment of borrowings with respect to the acquisition of new properties.
- (Note 16) Investment units were newly issued through third-party allotment at the price of 185,290 yen per unit for financing future acquisition of specified assets, partial repayment of the borrowings or partial redemption of the investment corporation bond.
- (Note 17) Investment units were newly issued at the price of 206,017 yen per unit (net proceeds of 199,044 yen) for partial repayment of borrowings with respect to the acquisition of new properties and making up the decline in cash on hand used for the acquisitions.
- (Note 18) Investment units were newly issued through third-party allotment at the price of 199,044 yen per unit for financing future acquisition of specified assets and repayment of the borrowings.
- (Note 19) Investment units were repurchased through open-market transactions on the Tokyo Stock Exchange from March 14, 2018 to May 31, 2018 based on a discretionary transaction contract with a securities broker. All the acquired investment units were cancelled on July 13, 2018 based on a resolution at a meeting of the Board of Directors of JLF held on June 27, 2018.
- (Note 20) Investment units were repurchased through open-market transactions on the Tokyo Stock Exchange from September 13, 2018 to October 31, 2018 based on a discretionary transaction contract with a securities broker. All the acquired investment units were cancelled on January 11, 2019 based on a resolution at a meeting of the Board of Directors of JLF held on November 28, 2018.
- (Note 21) Investment units were newly issued at the price of 297,430 yen per unit (net proceeds of 287,414 yen) for a portion of the acquisition and the construction costs associated with the redevelopment. Additionally, they made up the decline in cash on hand used for the acquisition.

3. Reference Information

(1) Asset composition of JLF

Composition of SLF						
Type of assets	Use of assets	Region (Note 2)	As of January 31, 2023		As of July 31, 2022	
			Total amount owned (Millions of yen) (Note 3)	Percentage to total assets (%) (Note 4)	Total amount owned (Millions of yen) (Note 3)	Percentage to total assets (%) (Note 4)
Real estate	Logistics facility	Tokyo Metropolitan Area	10,982	4.0	11,019	4.0
		Osaka Area, Nagoya Area and Fukuoka Area	17,177	6.3	17,303	6.3
		Other Areas	1,534	0.6	1,550	0.6
	Subtotal		29,694	10.8	29,873	10.9
Real estate in trust	Logistics facility	Tokyo Metropolitan Area	212,668	77.4	207,407	75.8
		Osaka Area, Nagoya Area and Fukuoka Area	17,241	6.3	17,316	6.3
		Other Areas	916	0.3	922	0.3
	Subtotal		230,826	84.0	225,646	82.4
Deposits and other assets (Note 5)			14,149	5.2	18,269	6.7
Total assets			274,670	100.0	273,789	100.0

(Note 1) Descriptions under "3. Reference Information" are effective as of January 31, 2023, as a general rule, unless otherwise indicated.

(Note 2) For region, please refer to "Area classification" below.

(Note 3) The total amount owned is based on the figures posted on the Balance Sheets as of the end of the fiscal period (real estate and real estate in trust are presented in book values after depreciation), and figures below one million yen have been omitted.

(Note 4) Figures are rounded off to the first decimal place.

(Note 5) Deposits and other assets include; deposit in trust assets of 4,878 million yen for the six-month period ended January 31, 2023 and of 4,658 million yen for the six-month period ended July 31, 2022.

<Area classification>

Area classification	Region
Tokyo Metropolitan Area	Tokyo, Kanagawa, Chiba and Saitama
Osaka Area	Osaka, Hyogo and Kyoto
Nagoya Area	Aichi, Gifu and Mie
Fukuoka Area	Fukuoka and Saga
Other Areas	Other than above

	As of January 31, 2023		As of July 31, 2022	
	Amount (Millions of yen) (Note 1)	Percentage to total assets (%) (Note 2)	Amount (Millions of yen) (Note 1)	Percentage to total assets (%) (Note 2)
Total liabilities	131,243	47.8	130,714	47.7
Total net assets	143,427	52.2	143,074	52.3
Total assets	274,670	100.0	273,789	100.0

(Note 1) Figures below one million yen are omitted.

(Note 2) Figures are rounded off to the first decimal place.

(2) Investment Securities

(i) Major investment securities

A. Stocks

Name of stock	Number of shares	Acquisition price (Thousands of yen)		Fair value (Thousands of yen) (Note 2)		Unrealized gain/loss (Thousands of yen)	Remarks
		Per share	Total	Per share	Total		
Kuki Shobu Industrial Park Management Center (Note 1)	7,550	1	7,550	1	7,550	-	-

(Note 1) In connection with the acquisition of the Kuki Logistics Center, JLF acquired shares in accordance with the share handling rules of the industrial park management company in which the property is located, in proportion to the land holding area.

(Note 2) As the shares are unlisted, the book value is shown.

B. Securities other than stocks

Not applicable

(ii) List of portfolio properties

JLF owns the following real estate, etc.

A. The outline of portfolio properties (Acquisition price, etc.)

Property Number	Name of the Logistics Center	Type of Ownership	Acquisition price (Millions of yen) (Note 2)	Book value (Millions of yen) (Note 2)	Appraisal value at end of period (Millions of yen) (Note 3)	% of the portfolio (Note 4)
M-2	Urayasu	Trust beneficiary right of real estate	8,745 (Note 5)	8,960	16,200	3.0
M-3	Hiratsuka	Trust beneficiary right of real estate	1,466	1,216	1,910	0.5
M-4	Shinkiba	Trust beneficiary right of real estate	2,454	2,140	3,940	0.8
M-5	Urayasu Chidori	Trust beneficiary right of real estate	6,000	4,795	11,600	2.1
M-6	Funabashi Nishiura	Trust beneficiary right of real estate	5,700	3,981	8,000	2.0
M-8	Kawasaki	Trust beneficiary right of real estate	10,905	9,164	12,700	3.8
M-9	Narashino	Trust beneficiary right of real estate	1,690	1,399	2,380	0.6
M-11	Yachiyo	Trust beneficiary right of real estate	7,892 (Note 6)	6,893	13,400	2.7
M-12	Yokohama Fukuura	Trust beneficiary right of real estate	9,800	7,551	12,100	3.4
M-13	Yachiyo II	Trust beneficiary right of real estate	5,300	3,638	8,390	1.8
M-14	Urayasu Chidori II	Real estate	1,640	1,379	1,880	0.6
M-15	Ichikawa	Real estate	4,550	3,973	6,190	1.6
M-16	Shinonome (Note 7)	Trust beneficiary right of real estate	11,800	11,128	15,500	4.1

Property Number	Name of the Logistics Center	Type of Ownership	Acquisition price (Millions of yen) (Note 2)	Book value (Millions of yen) (Note 2)	Appraisal value at end of period (Millions of yen) (Note 3)	% of the portfolio (Note 4)
M-17	Narashino II (Note 7)	Trust beneficiary right of real estate	7,875	5,925	11,100	2.7
M-18	Ichikawa II (Note 7)	Trust beneficiary right of real estate	17,415	14,790	25,200	6.0
M-19	Souka	Trust beneficiary right of real estate	14,440 (Note 8)	13,014	18,500	5.0
M-20	Tatsumi	Trust beneficiary right of real estate	9,000	8,077	15,600	3.1
M-21	Kashiwa	Trust beneficiary right of real estate	3,725	3,208	4,980	1.3
M-22	Musashimurayama	Trust beneficiary right of real estate	8,650	7,699	11,700	3.0
M-23	Kashiwa II	Trust beneficiary right of real estate	3,795 (Note 9)	3,539	5,090	1.3
M-24	Shin-Koyasu (Note 7)	Trust beneficiary right of real estate	9,696	8,662	13,200	3.3
M-25	Misato	Trust beneficiary right of real estate	3,873	3,374	5,170	1.3
M-26	Sagamihara	Trust beneficiary right of real estate	8,032	7,039	12,400	2.8
M-27	Chiba Kita	Real estate	1,459	1,757	2,620	0.5
M-28	Chiba Kita II	Trust beneficiary right of real estate	4,608	4,397	6,470	1.6
M-29	Urayasu Chidori III	Trust beneficiary right of real estate	1,053	1,025	1,770	0.4
M-30	Zama	Trust beneficiary right of real estate	1,728	1,708	2,600	0.6
M-31	Shinkiba II	Trust beneficiary right of real estate	15,270	14,768	20,700	5.3
M-32	Yokohama Machida	Trust beneficiary right of real estate	25,452	24,653	28,800	8.8
M-34	Shiroi	Real estate	3,875	3,872	5,400	1.3
M-35	Toda	Trust beneficiary right of real estate	2,052	1,984	2,630	0.7
M-36	Ichikawa III	Trust beneficiary right of real estate	3,850	3,754	5,920	1.3
M-37	Fujisawa	Trust beneficiary right of real estate	4,305	4,139	4,550	1.5
M-38	Hanyu	Trust beneficiary right of real estate	1,705	1,330	2,030	0.6

Property Number	Name of the Logistics Center	Type of Ownership	Acquisition price (Millions of yen) (Note 2)	Book value (Millions of yen) (Note 2)	Appraisal value at end of period (Millions of yen) (Note 3)	% of the portfolio (Note 4)
M-39	Saitama Kisai	Trust beneficiary right of real estate	4,010	3,065	5,220	1.4
M-40	Kazo	Trust beneficiary right of real estate	3,790	2,882	5,140	1.3
M-41	Kuki (Note 7)	Trust beneficiary right of real estate	8,577	8,620	9,170	3.0
M-42	Itabashi	Trust beneficiary right of real estate	4,105	4,132	4,370	1.4
Subtotal for the Tokyo Metropolitan Area			250,284	223,650	344,520	86.1
T-1	Daito	Trust beneficiary right of real estate	9,762 (Note 10)	9,032	21,000	3.4
T-2	Osaka Fukuzaki	Trust beneficiary right of real estate	4,096	3,252	7,170	1.4
T-3	Kiyosu	Real estate	3,010 (Note 11)	2,735	6,200	1.0
T-4	Kadoma	Real estate	989	989	1,900	0.3
T-5	Komaki	Real estate	2,100	1,754	2,200	0.7
T-6	Komaki II	Real estate	1,800	1,666	1,700	0.6
T-7	Fukuoka Hakozaki Futo	Trust beneficiary right of real estate	2,797	2,551	3,950	1.0
T-9	Fukuoka Kashiihama	Trust beneficiary right of real estate	2,750	2,405	3,930	0.9
T-10	Kasugai	Real estate	3,500 (Note 12)	3,328	5,040	1.2
T-11	Takatsuki	Real estate	1,560	1,541	1,840	0.5
T-12	Aisai	Real estate	2,510	2,604	3,010	0.9
T-13	Osaka Nishiyodogawa	Real estate	2,600	2,556	2,840	0.9
Subtotal for Osaka Area, Nagoya Area and Fukuoka Area			37,475	34,619	34,419	12.9
O-1	Maebashi	Trust beneficiary right of real estate	1,230	916	1,360	0.4
O-5	Sendaiko-kita	Real estate	1,600	1,534	2,050	0.6
Subtotal for other Areas			2,830	2,450	3,410	1.0
Portfolio total			290,590	260,521	408,710	100.0

(Properties to be acquired, etc.)

Property Number	Name of the properties (Note 13)	Type of Ownership	Acquisition price (Millions of yen) (Note 2)	Book value (Millions of yen) (Note 2)	Appraisal value at end of period (Millions of yen) (Note 3)	% of the portfolio (Note 4)
T-14	Amagasaki	Trust beneficiary right of real estate	TBD (Note 14)	—	4,970 (Note 15)	—

(Note 1) Listed properties are primarily used as logistics facilities.

(Note 2) Acquisition price and book value are rounded down to the nearest million yen. The book value does not include the construction in progress.

(Note 3) Appraisal value, as a general rule, at end of period indicates appraisal value calculated based on the balance sheet date defined by Tanizawa Sōgō Appraisal Co., Ltd., Daiwa Real Estate Appraisal Co., Ltd. Japan Real Estate Institute, CBRE, Inc., JLL Mori Valuation & Advisory K.K. and Japan Valuers Co., Ltd. as the date of value estimate in accordance with the asset evaluation methods and standards specified under the Articles of Incorporation of JLF as well as the rules set forth by the Investment Trusts Association, Japan.

(Note 4) % of the portfolio represents the ratio of the acquisition price of each piece of real estate, etc. to the total acquisition price of real estate, etc. owned by JLF, and is indicated by rounding off to the first decimal place.

(Note 5) The amount is calculated by subtracting 432 million yen, the amount equivalent to the building that was demolished in December 2020, from the acquisition price of 2,902 million yen stated in the original purchase agreement, adding 6,275 million yen, the construction price for the redevelopment of the building.

(Note 6) The amount is calculated by subtracting 603 million yen, the amount equivalent to the building that was demolished in July 2013, from the acquisition price of 2,266 million yen stated in the original purchase agreement, and adding 6,230 million yen, the construction price for the redevelopment of the building.

(Note 7) Figures for co-ownership are indicated.
Shinonome Logistics Center: 47%
Narashino Logistics Center II: 90%
Ichikawa Logistics Center II: 90%
Shin-Koyasu Logistics Center: 51%
Kuki Logistics Center: 44.5%

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

(Note 9) The figure is the sum of the acquisition prices on September 20, 2013 and March 1, 2018.

(Note 10) The amount is calculated by subtracting 291 million yen, the amount equivalent to the building that was demolished in July 2009, from the acquisition price of 7,617 million yen stated in the original purchase agreement, and adding 2,437 million yen, the construction price of the redeveloped Warehouse III.

(Note 11) The amount is the sum of the acquisition price of 685 million yen stated in the original purchase agreement and the construction price of 2,325 million yen for the redevelopment of the building.

(Note 12) The amount is calculated by adding the acquisition price of 2,670 million yen for the building newly constructed through the redevelopment project to the acquisition price of 830 million yen stated in the original purchase agreement.

(Note 13) Purchase contracts for real estate, etc. fall under forward commitments, etc. as defined in the "Comprehensive Supervisory Guidelines for Financial Instruments Business Operators, etc." established by the Financial Services Agency.

(Note 14) The trust beneficiary right purchase agreement to be executed between RICOH LEASING COMPANY, LTD. (hereinafter referred to as "RL") and JLF in relation to the acquisition of the Amagasaki Logistics Center shall make the following stipulations in the event the planned date of delivery falls under any of the following scenarios (1), (2), or (3).

(1) Day before any date that would fall within the first year from the date that RL acquired the trust beneficiary rights associated with the property. As of the publication of this document, that would be April 3, 2023, through April 2, 2024.

JPY 4,384 million

However, a price shall be calculated and decided that achieves a predetermined IRR for the period of time RL owns the property.

(2) Day before any date that would fall within the second year from the date that RL acquired the trust beneficiary rights associated with the property. As of the publication of this document, that would be April 3, 2024, through April 2, 2025.

JPY 4,302 million

However, a price shall be calculated and decided that achieves a predetermined IRR for the period of time RL owns the property.

(3) Day before any date that would fall within the third year from the date that RL acquired the trust beneficiary rights associated with the property. As of the publication of this document, that would be April 3, 2025, through April 2, 2026.

JPY 4,222 million

However, a price shall be calculated and decided that achieves a predetermined IRR for the period of time RL owns the property.

(Note 15) Appraisal value as of January 10, 2023 by Japan Valuers Co., Ltd. is indicated.

B. The outline of portfolio properties (The status of leasing of real estate properties, etc.)

Property Number	Name of the Logistics Center	Total leasable area (m ²) (Note 1)	Leased area (m ²) (Note 2)	Total number of tenants	Occupancy rate (%)	PML value (%) (Note 3)
M-2	Urayasu	37,378.68	37,378.68	1	100.0	11.3
M-3	Hiratsuka	11,418.57	11,418.57	1	100.0	(Note 4) 21.1
M-4	Shinkiba	11,595.40	11,595.40	1	100.0	17.6
M-5	Urayasu Chidori	31,829.55	31,829.55	1	100.0	13.8
M-6	Funabashi Nishiura	34,723.80	34,723.80	3	100.0	7.1
M-8	Kawasaki	46,667.00	46,667.00	1	100.0	14.6
M-9	Narashino	4,123.60	4,123.60	1	100.0	11.3
M-11	Yachiyo	56,882.98	56,882.98	2	100.0	1.7
M-12	Yokohama Fukuura	40,160.35	40,160.35	3	100.0	16.3
M-13	Yachiyo II	32,389.75	32,389.75	1	100.0	7.6
M-14	Urayasu Chidori II	6,192.80	6,192.80	1	100.0	13.1
M-15	Ichikawa	18,735.76	18,735.76	1	100.0	11.8
M-16	Shinonome (Note 5)	24,380.84	24,380.84	1	100.0	14.4
M-17	Narashino II (Note 5)	43,508.54	43,508.54	1	100.0	11.1
M-18	Ichikawa II (Note 5)	67,065.02	67,065.02	2	100.0	4.2
M-19	Souka	55,300.10	55,300.10	3	100.0	12.7
M-20	Tatsumi	29,810.84	29,810.84	1	100.0	14.6
M-21	Kashiwa	20,550.73	20,550.73	1	100.0	9.7
M-22	Musashimurayama	40,884.25	40,884.25	1	100.0	11.9
M-23	Kashiwa II	50,159.55	50,159.55	1	100.0	7.1
M-24	Shin-Koyasu (Note 5)	36,251.63	36,251.63	2	100.0	11.4
M-25	Misato	19,405.45	19,405.45	1	100.0	10.9
M-26	Sagamihara	42,733.37	42,733.37	1	100.0	12.3
M-27	Chiba Kita	13,865.11	13,865.11	1	0.0	8.4
M-28	Chiba Kita II	25,595.13	25,595.13	1	100.0	6.8
M-29	Urayasu Chidori III	5,587.80	5,587.80	1	100.0	10.9
M-30	Zama	9,352.06	9,352.06	1	100.0	11.8
M-31	Shinkiba II	41,270.00	41,270.00	3	100.0	11.3
M-32	Yokohama Machida	65,657.14	65,657.14	6	100.0	12.2

Property Number	Name of the Logistics Center	Total leasable area (m ²) (Note 1)	Leased area (m ²) (Note 2)	Total number of tenants	Occupancy rate (%)	PML value (%) (Note 3)
M-34	Shiroi	25,653.79	25,653.79	1	100.0	9.4
M-35	Toda	7,219.40	7,219.40	1	100.0	11.7
M-36	Ichikawa III	24,740.88	24,740.88	1	100.0	10.9
M-37	Fujisawa	16,443.72	16,443.72	1	100.0	12.3
M-38	Hanyu	5,919.53	5,919.53	1	100.0	11.6
M-39	Saitama Kisai	24,574.14	24,574.14	1	100.0	10.5
M-40	Kazo	25,189.47	25,189.47	1	100.0	9.5
M-41	Kuki (Note 5)	28,888.33	28,888.33	3	100.0	9.0
M-42	Itabashi	9,357.16	9,357.16	1	100.0	12.4
Subtotal for the Tokyo Metropolitan Area		1,091,462.22	1,091,462.22	56	100.0	-
T-1	Daito	97,391.00	97,391.00	1	100.0	12.8
T-2	Osaka Fukuzaki	23,736.68	23,736.68	1	100.0	14.1
T-3	Kiyosu	20,438.09	20,438.09	1	100.0	10.0
T-4	Kadoma	7,416.19	7,416.19	1	100.0	13.3
T-5	Komaki	9,486.45	9,486.45	1	100.0	8.7
T-6	Komaki II	11,104.45	11,104.45	1	100.0	8.3
T-7	Fukuoka Hakozaki Futo	24,463.69	24,463.69	1	100.0	1.0
T-9	Fukuoka Kashiihama	21,217.48	21,217.48	2	100.0	1.0
T-10	Kasugai	22,246.29	22,246.29	1	100.0	8.9
T-11	Takatsuki	7,305.33	7,305.33	1	100.0	9.5
T-12	Aisai	13,852.46	13,852.46	1	100.0	11.5
T-13	Osaka Nishiyodogawa	10,213.81	10,213.81	1	100.0	10.2
Subtotal for Osaka Area, Nagoya Area and Fukuoka Area		268,871.92	268,871.92	13	100.0	-
O-1	Maebashi	5,416.42	5,416.42	1	100.0	9.0
O-5	Sendaiko-kita	10,634.24	10,634.24	1	100.0	10.6
Subtotal for other Areas		16,050.66	16,050.66	2	100.0	-
Portfolio total		1,376,384.80	1,376,384.80	71	100.0	8.5

(Note 1) The total leasable area is calculated based on the leased area for the building described in the lease agreement for each property. The same applies to the information provided in “3. Reference Information” here.

(Note 2) The leased area is the sum of the leased floor area of the building as stated in the lease agreement for each property. The same applies to the information provided in “3. Reference Information” here.

(Note 3) As for the PML (Probable Maximum Loss) figures, Shimizu Corporation has prepared an earthquake risk research report with regard to portfolio properties owned by JLF. Such report, however, does not guarantee the contents provided and simply reflects the opinion of the research institution. PML is the projected loss ratio in an earthquake. While no consistent, clear definition of PML is available, it is the ratio of projected loss amount against building replacement cost for which the loss value and the probability rate against large and small earthquakes that could possibly occur in a period of 475 years were computed and statistically applied. The calculations are performed based on onsite research on each respective property, assessment of building status, checking consistency with the floor plan, ground conditions at each site, regional factors, and structural conditions. Loss herein refers to physical damage only, and does not take into consideration secondary damage to people's lives and other facilities in the vicinity. Damage factors include structural damage and internal and external physical damage, and do not consider fire on site caused by an earthquake or fire spreading from another facility.

(Note 4) Earthquake insurance is secured as the PML value exceeds 20%.

(Note 5) Figures for co-ownership are indicated.

Shinonome Logistics Center: 47%
 Narashino Logistics Center II: 90%
 Ichikawa Logistics Center II: 90%
 Shin-Koyasu Logistics Center: 51%
 Kuki Logistics Center: 44.5%

(iii) Diversification of portfolio

Diversification of portfolio properties owned by JLF is described below.

A. Ratio by region

Region	Total leasable area (m ²)	Ratio (%) (Note)	Acquisition price (Millions of yen)	Ratio (%) (Note)
Tokyo Metropolitan Area	1,091,462.22	79.3	250,284	86.1
Osaka Area, Nagoya Area and Fukuoka Area	268,871.92	19.5	37,475	12.9
Other Areas	16,050.66	1.2	2,830	1.0
Total	1,376,384.80	100.0	290,590	100.0

(Note) Figures are rounded off to the first decimal place.

B. Ratio by total rentable area (Note 1)

Total rentable area (m ²)	Number of properties	Ratio (%) (Note 2)	Acquisition price (Millions of yen)	Ratio (%) (Note 2)
Over 30,000 m ²	19	36.5	195,108	67.1
Over 10,000 m ² but 30,000 m ² or less	22	42.3	75,629	26.0
10,000 m ² or less	11	21.2	19,852	6.8
Total	52	100.0	290,590	100.0

(Note 1) Properties are classified based on total rentable area (100% of total leasable area with respect to co-owned properties) and their portfolio proportions are indicated.

(Note 2) Figures are rounded off to the first decimal place.

C. Ratio by leasehold period

Leasehold period (Residual period)	Leased area (m ²)	Ratio (%) (Note 1)	Annual rent (Millions of Yen) (Note 2)	Ratio (%) (Note 1)
Over 10 years	92,260.39	6.7	1,346	7.1
Over 5 years but within 10 years	319,047.98	23.2	4,502	23.6
Over 3 years but within 5 years	92,191.99	6.7	1,811	9.5
Within 3 years	872,884.44	63.4	11,384	59.8
Total	1,376,384.80	100.0	19,044	100.0

(Note 1) Figures are rounded off to the first decimal place.

(Note 2) Annual rent represents either annual rent in the lease contract or monthly rent in the lease contract times 12. If the property has multiple tenants, the number is the sum of the all contracts.

(iv) Performance of portfolio properties

The following provides a summary of performance for the six-month period ended January 31, 2023 of real estate, etc. owned by JLF.

The "performance data" for each piece of real estate, etc. provide the following.

- The amounts indicated under "Performance data" are not intended to provide or guarantee future values.
- Amounts are presented with figures below one million yen omitted, and are posted on an accrual basis in principle.
- "Real estate leasing business revenue" includes rent, common area maintenance fees, and income from parking charges, utilities expenses, and other.
- "Taxes and public dues" includes property tax and city planning tax. As a general rule, the obligation to pay property tax and city planning tax comes into effect on January 1 of each year. Such tax payments, however, are not posted as real estate leasing business expenses, as JLF, when settling property and city planning taxes incurred at the time of property acquisition, includes the amount settled as part of the acquisition cost.
- "Repair expenses" may vary when JLF holds properties for a long period of time as such expenses differ from period to period, and, by nature, do not arise on a regular basis.
- "Insurance expenses" posted represents the portion of casualty insurance corresponding to the respective period.
- "Other expenses" includes trust fees.

(Millions of yen)

Property No.	M-2	M-3	M-4	M-5	M-6
Name of real estate, etc.	Urayasu Logistics Center	Hiratsuka Logistics Center	Shinkiba Logistics Center	Urayasu Chidori Logistics Center	Funabashi Nishiura Logistics Center
Number of days under management	184	184	184	184	184
(i) Total real estate leasing business revenue	Not disclosed (Note)	Not disclosed (Note)	Not disclosed (Note)	Not disclosed (Note)	Not disclosed (Note)
Rent revenue - real estate					
Other lease business revenue					
(ii) Total real estate leasing business expenses					
Taxes and dues					
Outsourcing service expenses					
Utilities expenses					
Repair expenses					
Insurance expenses					
Other expenses related to rent business					
Depreciation and amortization	63	9	14	34	38
Loss on write-off of noncurrent assets	-	-	-	-	-
(iii) Income from real estate leasing business (= (i) - (ii))	278	37	39	205	111
(iv) NOI from leasing business (= (iii) + depreciation and amortization + loss on write-off of noncurrent assets)	341	46	54	239	150
(v) Capital expenditure	-	-	10	1	-
(vi) NCF (= (iv) - (v))	341	46	43	237	150

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

(Millions of yen)

Property No.	M-8	M-9	M-11	M-12	M-13
Name of real estate, etc.	Kawasaki Logistics Center	Narashino Logistics Center	Yachiyo Logistics Center	Yokohama Fukuura Logistics Center	Yachiyo Logistics Center II
Number of days under management	184	184	184	184	184
(i) Total real estate leasing business revenue	Not disclosed (Note)	60	Not disclosed (Note)	Not disclosed (Note)	193
Rent revenue - real estate		60			193
Other lease business revenue		0			-
(ii) Total real estate leasing business expenses		15			58
Taxes and dues		4			13
Outsourcing service expenses		0			0
Utilities expenses		-			0
Repair expenses		1			0
Insurance expenses		0			0
Other expenses related to rent business		0			0
Depreciation and amortization	79	8	75	55	42
Loss on write-off of noncurrent assets	0	0	-	5	0
(iii) Income from real estate leasing business (= (i) - (ii))	201	45	204	208	135
(iv) NOI from leasing business (= (iii) + depreciation and amortization + loss on write-off of noncurrent assets)	280	53	279	270	178
(v) Capital expenditure	3	0	1	54	4
(vi) NCF (= (iv) - (v))	276	52	278	216	173

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

(Millions of yen)

Property No.	M-14	M-15	M-16	M-17	M-18
Name of real estate, etc.	Urayasu Chidori Logistics Center II	Ichikawa Logistics Center	Shinonome Logistics Center (Note 1)	Narashino Logistics Center II (Note 1)	Ichikawa Logistics Center II (Note 1)
Number of days under management	184	184	184	184	184
(i) Total real estate leasing business revenue	Not disclosed (Note 2)	Not disclosed (Note 2)	355	Not disclosed (Note 2)	Not disclosed (Note 2)
Rent revenue - real estate			354		
Other lease business revenue			0		
(ii) Total real estate leasing business expenses			72		
Taxes and dues			28		
Outsourcing service expenses			0		
Utilities expenses			-		
Repair expenses			5		
Insurance expenses			0		
Other expenses related to rent business			0		
Depreciation and amortization	11	27	37	77	107
Loss on write-off of noncurrent assets	1	0	-	-	0
(iii) Income from real estate leasing business (= (i) - (ii))	13	94	282	153	377
(iv) NOI from leasing business (= (iii) + depreciation and amortization + loss on write-off of noncurrent assets)	26	121	319	231	486
(v) Capital expenditure	12	0	47	-	-
(vi) NCF (= (iv) - (v))	13	121	272	231	478

(Note 1) Figures for joint ownership are indicated.

Shinonome Logistics Center: 47%

Narashino Logistics Center II: 90%

Ichikawa Logistics Center II: 90%

(Note 2) Not disclosed as the tenant did not agree to disclosure.

(Millions of yen)

Property No.	M-19	M-20	M-21	M-22	M-23
Name of real estate, etc.	Souka Logistics Center	Tatsumi Logistics Center	Kashiwa Logistics Center	Musashi murayama Logistics Center	Kashiwa Logistics Center II
Number of days under management	184	184	184	184	184
(i) Total real estate leasing business revenue	Not disclosed (Note)	Not disclosed (Note)	Not disclosed (Note)	Not disclosed (Note)	Not disclosed (Note)
Rent revenue - real estate					
Other lease business revenue					
(ii) Total real estate leasing business expenses					
Taxes and dues					
Outsourcing service expenses					
Utilities expenses					
Repair expenses					
Insurance expenses					
Other expenses related to rent business					
Depreciation and amortization	118	45	26	43	36
Loss on write-off of noncurrent assets	-	0	-	-	-
(iii) Income from real estate leasing business (= (i) - (ii))	253	227	80	208	107
(iv) NOI from leasing business (= (iii) + depreciation and amortization + loss on write-off of noncurrent assets)	372	274	107	252	144
(v) Capital expenditure	12	1	-	-	-
(vi) NCF (= (iv) - (v))	359	272	107	252	144

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

(Millions of yen)

Property No.	M-24	M-25	M-26	M-27	M-28
Name of real estate, etc.	Shin-Koyasu Logistics Center (Note 1)	Misato Logistics Center	Sagamihara Logistics Center	Chiba Kita Logistics Center	Chiba Kita Logistics Center II
Number of days under management	184	184	184	184	184
(i) Total real estate leasing business revenue	Not disclosed (Note 2)	Not disclosed (Note 2)	Not disclosed (Note 2)	Not disclosed (Note 2)	Not disclosed (Note 2)
Rent revenue - real estate					
Other lease business revenue					
(ii) Total real estate leasing business expenses					
Taxes and dues					
Outsourcing service expenses					
Utilities expenses					
Repair expenses					
Insurance expenses					
Other expenses related to rent business					
Depreciation and amortization	58	29	62	24	31
Loss on write-off of noncurrent assets	0	-	0	0	-
(iii) Income from real estate leasing business (= (i) - (ii))	173	81	158	38	106
(iv) NOI from leasing business (= (iii) + depreciation and amortization + loss on write-off of noncurrent assets)	232	111	221	63	138
(v) Capital expenditure	1	-	32	59	5
(vi) NCF (= (iv) - (v))	230	111	189	4	132

(Note 1) Figures for joint ownership are indicated. Shin-Koyasu Logistics Center: 51%

(Note 2) Not disclosed as the tenant did not agree to disclosure.

(Millions of yen)

Property No.	M-29	M-30	M-31	M-32	M-34
Name of real estate, etc.	Urayasu Chidori Logistics Center III	Zama Logistics Center	Shinkiba Logistics Center II	Yokohama Machida Logistics Center	Shiroi Logistics Center
Number of days under management	184	184	184	184	184
(i) Total real estate leasing business revenue	Not disclosed (Note)	Not disclosed (Note)	Not disclosed (Note)	Not disclosed (Note)	Not disclosed (Note)
Rent revenue - real estate					
Other lease business revenue					
(ii) Total real estate leasing business expenses					
Taxes and dues					
Outsourcing service expenses					
Utilities expenses					
Repair expenses					
Insurance expenses					
Other expenses related to rent business					
Depreciation and amortization	5	8	84	93	44
Loss on write-off of noncurrent assets	0	-	0	2	-
(iii) Income from real estate leasing business (= (i) - (ii))	8	49	313	361	61
(iv) NOI from leasing business (= (iii) + depreciation and amortization + loss on write-off of noncurrent assets)	14	58	398	457	106
(v) Capital expenditure	3	2	7	22	-
(vi) NCF (= (iv) - (v))	10	55	391	434	106

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

(Millions of yen)

Property No.	M-35	M-36	M-37	M-38	M-39
Name of real estate, etc.	Toda Logistics Center	Ichikawa Logistics Center III	Fujisawa Logistics Center	Hanyu Logistics Center	Saitama Kisai Logistics Center
Number of days under management	184	184	184	184	184
(i) Total real estate leasing business revenue	Not disclosed (Note)	Not disclosed (Note)	Not disclosed (Note)	59	Not disclosed (Note)
Rent revenue – real estate				59	
Other lease business revenue				-	
(ii) Total real estate leasing business expenses				16	
Taxes and dues				3	
Outsourcing service expenses				0	
-Utilities expenses				-	
Repair expenses				1	
Insurance expenses				0	
Other expenses related to rent business				0	
Depreciation and amortization	14	22	30	8	23
Loss on write-off of noncurrent assets	-	-	-	1	-
(iii) Income from real estate leasing business (= (i) – (ii))	34	105	64	43	98
(iv) NOI from leasing business (= (iii) + depreciation and amortization + loss on write-off of noncurrent assets)	49	127	94	52	122
(v) Capital expenditure	-	-	-	4	1
(vi) NCF (= (iv) – (v))	49	127	94	48	120

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

(Millions of yen)

Property No.	M-40	M-41	M-42	T-1	T-2
Name of real estate, etc.	Kazo Logistics Center	Kuki Logistics Center (Note 1)	Itabashi Logistics Center	Daito Logistics Center	Osaka Fukuzaki Logistics Center
Number of days under management	184	184	184	184	184
(i) Total real estate leasing business revenue	Not disclosed (Note 2)	Not disclosed (Note 2)	Not disclosed (Note 2)	Not disclosed (Note 2)	Not disclosed (Note 2)
Rent revenue – real estate					
Other lease business revenue					
(ii) Total real estate leasing business expenses					
Taxes and dues					
Outsourcing service expenses					
Utilities expenses					
Repair expenses					
Insurance expenses					
Other expenses related to rent business					
Depreciation and amortization	43	37	12	98	20
Loss on write-off of noncurrent assets	-	-	-	0	-
(iii) Income from real estate leasing business (= (i) – (ii))	70	158	79	383	127
(iv) NOI from leasing business (= (iii) + depreciation and amortization + loss on write-off of noncurrent assets)	113	195	92	482	147
(v) Capital expenditure	-	-	-	92	-
(vi) NCF (= (iv) – (v))	113	195	92	389	147

(Note 1) Figures for joint ownership are indicated. Kuki Logistics Center: 44.5%

(Note 2) Not disclosed as the tenant did not agree to disclosure.

(Millions of yen)

Property No.	T-3	T-4	T-5	T-6	T-7
Name of real estate, etc.	Kiyosu Logistics Center	Kadoma Logistics Center	Komaki Logistics Center	Komaki II Logistics Center	Fukuoka Hakozaiki Futo Logistics Center
Number of days under management	184	184	184	184	184
(i) Total real estate leasing business revenue	Not disclosed (Note)	Not disclosed (Note)	Not disclosed (Note)	Not disclosed (Note)	Not disclosed (Note)
Rent revenue – real estate					
Other lease business revenue					
(ii) Total real estate leasing business expenses					
Taxes and dues					
Outsourcing service expenses					
Utilities expenses					
Repair expenses					
Insurance expenses					
Other expenses related to rent business					
Depreciation and amortization	33	10	15	18	21
Loss on write-off of noncurrent assets	-	-	-	0	-
(iii) Income from real estate leasing business (= (i) – (ii))	96	35	32	18	65
(iv) NOI from leasing business (= (iii) + depreciation and amortization + loss on write-off of noncurrent assets)	130	45	48	36	86
(v) Capital expenditure	-	1	5	18	-
(vi) NCF (= (iv) – (v))	130	43	42	18	86

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

(Millions of yen)

Property No.	T-9	T-10	T-11	T-12	T-13
Name of real estate, etc.	Fukuoka Kashiihama Logistics Center	Kasugai Logistics Center	Takatsuki Logistics Center	Aisai Logistics Center	Osaka Nishiyodogawa Logistics Center
Number of days under management	184	184	184	184	184
(i) Total real estate leasing business revenue	Not disclosed (Note)	Not disclosed (Note)	Not disclosed (Note)	Not disclosed (Note)	Not disclosed (Note)
Rent revenue – real estate					
Other lease business revenue					
(ii) Total real estate leasing business expenses					
Taxes and dues					
Outsourcing service expenses					
Utilities expenses					
Repair expenses					
Insurance expenses					
Other expenses related to rent business					
Depreciation and amortization	27	36	10	20	12
Loss on write-off of noncurrent assets	-	-	-	-	-
(iii) Income from real estate leasing business (= (i) – (ii))	51	77	28	45	43
(iv) NOI from leasing business (= (iii) + depreciation and amortization + loss on write-off of noncurrent assets)	79	113	38	65	55
(v) Capital expenditure	-	-	-	-	6
(vi) NCF (= (iv) – (v))	79	113	38	65	49

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

(Millions of yen)

Property No.	O-1	O-5
Name of real estate, etc.	Maebashi Logistics Center	Sendaiko-kita Logistics Center
Number of days under management	184	184
(i) Total real estate leasing business revenue	43	Not disclosed (Note)
Rent revenue – real estate	43	
Other lease business revenue	-	
(ii) Total real estate leasing business expenses	12	
Taxes and dues	2	
Outsourcing service expenses	0	
Utilities expenses	-	
Repair expenses	0	
Insurance expenses	0	
Other expenses related to rent business	0	
Depreciation and amortization	7	16
Loss on write-off of noncurrent assets	0	-
(iii) Income from real estate leasing business (= (i) – (ii))	31	42
(iv) NOI from leasing business (= (iii) + depreciation and amortization + loss on write-off of noncurrent assets)	39	59
(v) Capital expenditure	2	-
(vi) NCF (= (iv) – (v))	36	59

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

(3) Capital expenditure for assets under management

(i) Scheduled capital expenditure

Major scheduled capital expenditures associated with the planned repair work for real estate, etc. owned by JLF are listed below. The following scheduled expenditures include those accounted for as expenses.

Name of real estate, etc. (Location)	Purpose	Scheduled period	Estimated construction cost (Millions of yen) (Note)		
			Total amount	Payment for the period	Total amount paid
Urayasu Chidori Logistics Center (Urayasu, Chiba)	Air conditioner renewal work (1st term)	July 2023	91	-	-
Kazo Logistics Center (Kazo, Saitama)	LED lighting installation	July 2023	32	-	-
Urayasu Chidori Logistics Center (Urayasu, Chiba)	Air conditioner renewal work (2nd term)	January 2024	101	-	-
Daito Logistics Center (Daito, Osaka)	Outer wall waterproofing work on north of Warehouse I	January, 2024	62	-	-

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

(ii) Capital expenditure during the six-month period

The following provides a summary of major construction work applicable to capital expenditure performed during the six-month period in connection with the real estate, etc. owned by JLF.

Name of real estate, etc. (Location)	Purpose	Period	Amount of expenditure (Millions of yen) (Note)
Chiba Kita Logistics Center (Chiba, Chiba)	Roof fluorine coating work	January, 2023	51

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

(iii) Reserve for long-term repair plan (reserve for repairs)

Not applicable

(4) Overview of tenants and major real estate and other properties

10 major tenants

The following tenants use the 10 largest areas of real estate owned and leased by JLF as of January 31, 2023.

Name of tenant	Name of real estate, etc.	Leased area (m ²)	Lease ratio (%) (Note 1)
Nakano Shokai co., Ltd.	Kashiwa Logistics Center II	137,615.49	10.0
	Tatsumi Logistics Center		
	Fukuoka Hakozaki Futo Logistics Center		
	Fukuoka Kashiihama Logistics Center		
	Shinkiba Logistics Center		
	Shinkiba Logistics Center II		
SETTSU WAREHOUSE Co., Ltd.	Daito Logistics Center	119,637.29	8.7
	Kasugai Logistics Center		
SBS RICOH LOGISTICS SYSTEM Co., Ltd.	Osaka Fukuzaki Logistics Center	62,333.57	4.5
	Shin-Koyasu Logistics Center (Note 2)		
	Souka Logistics Center		
SAGAWA EXPRESS CO., LTD.	Hanyu Logistics Center	57,376.56	4.2
	Yokohama Fukuura Logistics Center		
	Narashino Logistics Center		
	Shin-Koyasu Logistics Center (Note 2)		
	Maebashi Logistics Center		
	Shinonome Logistics Center (Note 2)		
Sagawa Global Logistics Co., Ltd.	Kawasaki Logistics Center	53,617.90	3.9
	Kuki Logistics Center (Note 2)		
TOMY Company, Ltd.	Ichikawa Logistics Center II (Note 2)	51,874.96	3.8
MITSUI-SOKO LOGISTICS Co., Ltd.	Narashino Logistics Center II (Note 2)	43,508.54	3.2
Hitachi Transport System Metropolitan Co., Ltd.	Yachiyo Logistics Center	43,032.60	3.1
DHL Supply Chain Ltd. (Japan)	Sagamihara Logistics Center	42,733.37	3.1
VANTEC CORPORATION	Musashi Murayama Logistics Center	40,884.25	3.0
Total for all tenants		1,376,384.20	100.0

(Note 1) Figures are rounded off to the first decimal place.

(Note 2) Figures for co-ownership are indicated.

Shinonome Logistics Center II: 47%

Narashino Logistics Center II: 90%

Ichikawa Logistics Center II: 90%

Shin-Koyasu Logistics Center: 51%

Kuki Logistics Center: 44.5%