Financial Results for the 3rd Fiscal Period ("FP") Ending in August 2017

LaSalle LOGIPORT REIT

Oct. 16, 2017

PRIME LOGISTICS × LaSalle

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I. Operational Highlights

Operational Highlights 1/2

External Growth

- Preparation progresses toward acquisition of priority negotiation secured properties
  - Secured 4 assets worth ¥25bn＋ that are currently stabilized
  - All of the properties that are under exclusive control are prime logistics facilities located in the Tokyo or Osaka areas [1]
- Expansion of sponsor pipeline
  - Newly started developments equivalent to ¥60bn are scheduled to be granted to LLR as Preferential Negotiation Rights

Internal Growth

- Maintaining High Occupancies
  - 3rd FP average occupancy was 98.5% (Exceeded underwritten expectations by+0.7%)
- Portfolio rent per tsubo increased
  - Monthly rent per tsubo has increased to ¥3,541
    (+6 yen relative to prior FP)
    (+17 yen relative to IPO)
  - A rental gap of approximately 5.1 % remains

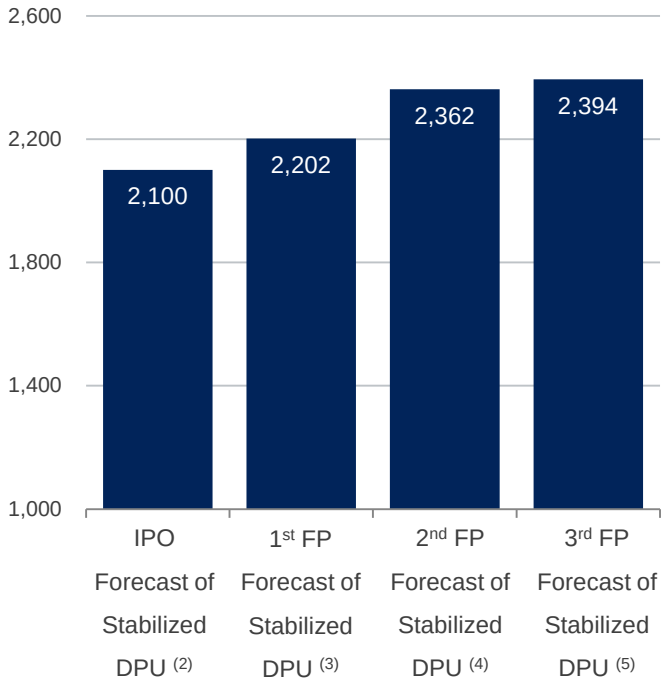
Financial Strategy

- Steadily increasing the LTV[2] level
  - Raised the LTV from 34.2% to 38.6 % via the acquisition of LP Kawagoe
  - Remaining debt capacity of approximately ¥20bn
    （Assuming LTV up to 45%）
- Diversifying procurement channels
  - Issued ¥3.5bn of investment corporation bonds (10yr notes）
- Prolong term・Enhance fixed rate
  - Avg. Remaining Term 5.8yrs
  - Fixed rate ratio 92.2 %
  - Financial institutions 11 banks

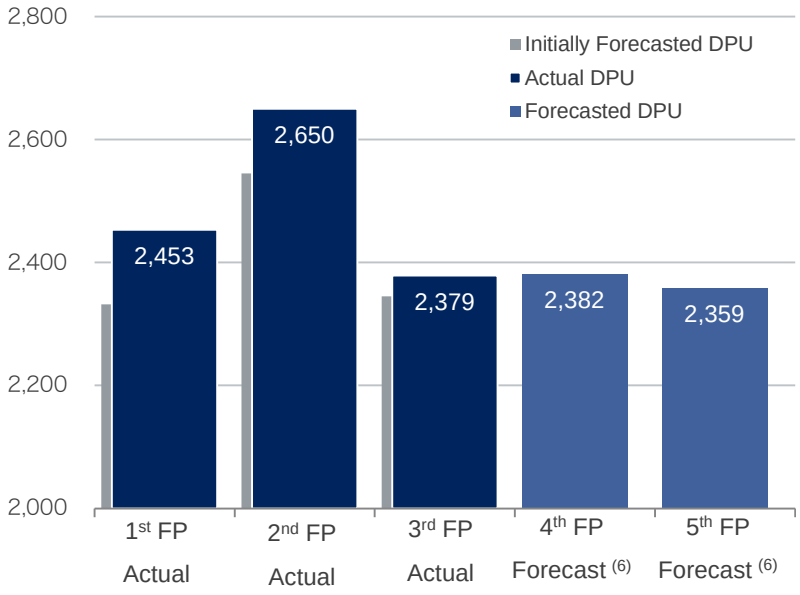
(1) “Tokyo Area” defined as an area within 60km of JR Tokyo Station. “Osaka Area” is defined as an area within 45km from JR Osaka Station.
(2) LTV = Interesting Bearing Debts ÷ Total Assets

Operational Highlights 2/2

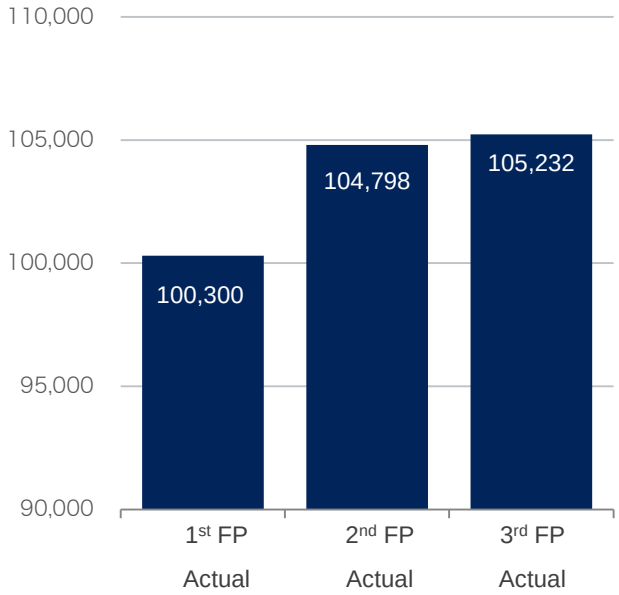
DPU (yen) after temporary effect items are immediately adjusted for in order to arrived upon a forecasted stabilized per unit level



Actual and Forecasted DPU (yen)



NAV per unit (1) (yen)



(1) NAV = (Net Assets – Intended Dividend Distributions + Unrealized Capital Gain/Loss) ÷ Outstanding number of units as of the end of the FP
(2) This was the 3rd FP forecasted DPU based on the business plan announced on 2/17/2016 (i.e. at IPO)
(3) This was the 3rd FP forecasted DPU based on the business plan announced on 10/18/2016.
(4) This was the 3rd FP forecasted DPU based on the business plan announced on 4/14/2017, while bringing forward and adjusting for any temporary P&L effects due to capitalized property taxes and one time financing costs
(5) Calculated by taking 3rd FP Actuals (8/31/2017 actuals) and adjusted for capitalized property taxes and one time financing costs
(6) Announced on 10/13/2017

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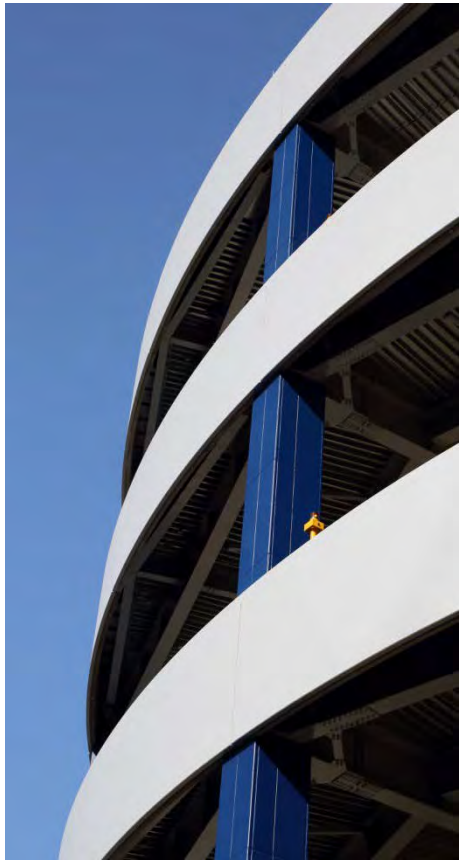
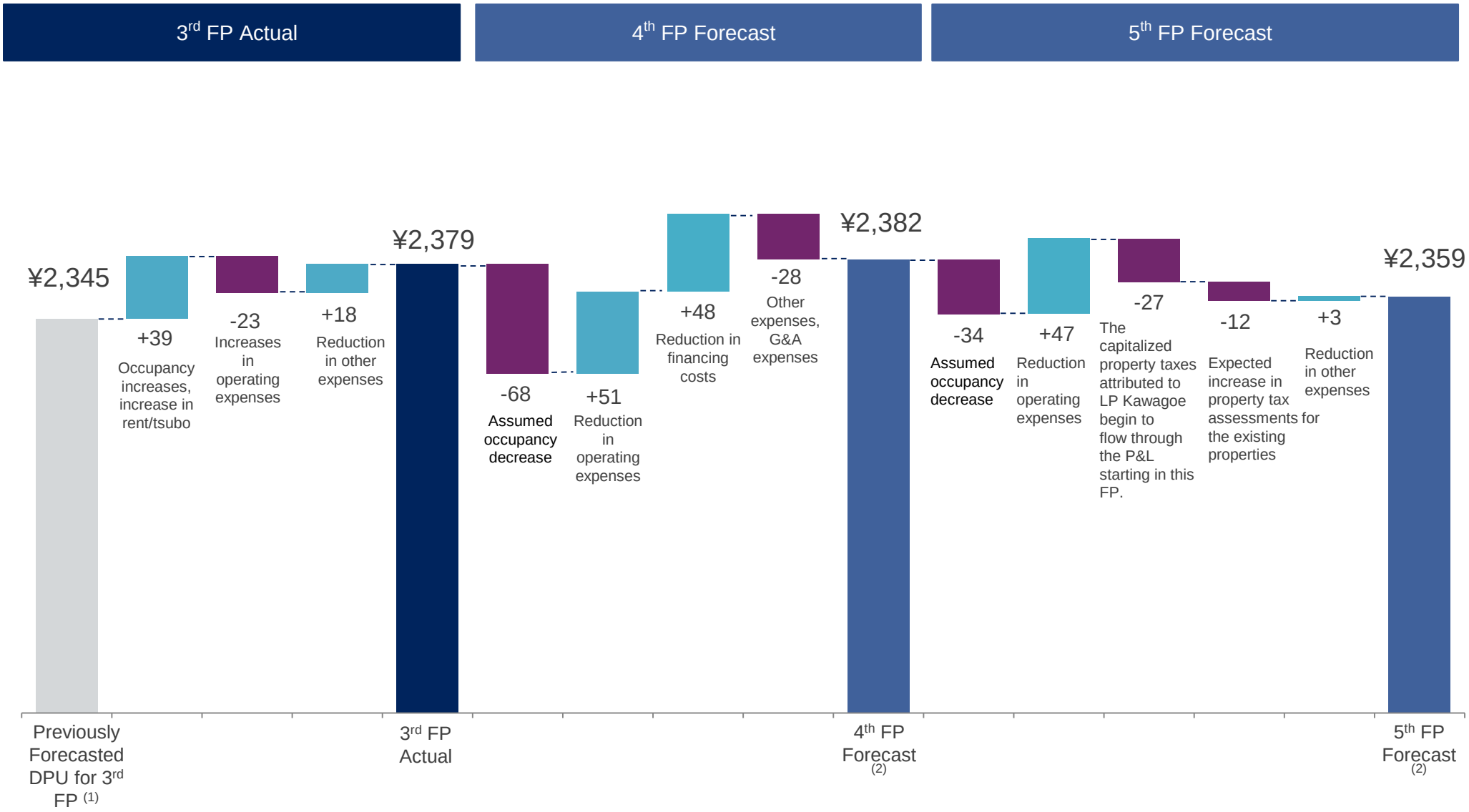
Ⅱ. 3rd Fiscal Period Financial Results



Comparison and Analysis of Actual DPU and Forecast DPU



(1) Announced on 4/14/2017
(2) Announced on 10/13/2017

3rd FP (ending 8/31/2017) Financial Results (Relative to Initial Results)

	units: millions yen	2nd FP Actuals	Beg. 3rd FP Forecasts (a)	3rd FP Actuals (b)	Difference (b) - (a)	Key factors explaining the difference between initial 3rd FP forecasts and 3rd FP Actuals
Property Level	Real Estate Leasing Business Total	4,853	5,191	5,234	43	
	Rent + CAM + Other Income	4,594	4,910	4,939	29	Increase in Occupancy（Beg. of FP assumption 97.8% ⇒ Actual was 98.5%）
	Reimbursable Utilities Income	258	280	295	15	Expansion of existing tenants' material handling equipment ; increased use in air conditioning
	Real Estate Operating Expenses Total	1,172	1,784	1,810	26	
	Outsourced Contract Costs	266	305	342	37	Increase in leasing fees due to contract renewal that was pushed up in timing
	Utilities	232	262	280	18	Expansion of existing tenants' material handling equipment; increased use in air conditioning
	Repair & Maintenance	58	153	127	-26	Contingent repair items that were not implemented. Allocations between R&M and Capital Expenditures.
	Depreciation Expense	583	627	625	-2	
	Real Estate Taxes	-	402	402	-	
	Other Expenses	33	35	34	-1	
	NOI After Depreciation	3,680	3,406	3,424	18	
	NOI	4,263	4,034	4,049	15	
Corporate	Asset Management Fee	633	581	590	9	Increase in AM Fee tied to Ordinary Income fluctuation
	Interest Expense and Other Financing Fees	212	301	304	3	Increase due to issuance of investment corporation bonds
	Other P&L Items	95	132	99	-33	Suppression of SG&A (contingent costs not used）
	Investment Corporation Level P&L	940	1,014	993	-21	
	Net Income	2,739	2,392	2,429	37	

4th FP（2/28/2018）and 5th FP（8/31/2018）Financial Forecasts

	units: millions yen	3rd FP Actuals (a)	4th FP Forecast (b)	Difference (b) - (a)	5th FP Forecast	Key factors influencing the difference between 3rd FP Actuals and 4th FP Forecast
Property Level	Real Estate Leasing Business Total	5,234	5,159	-75	5,122	
	Rent + CAM + Other Income	4,939	4,888	-51	4,839	Conservatively estimated occupancy level（FP average is set at 96.9%）
	Reimbursable Utilities Income	295	271	-24	283	Seasonality factors are attributed to the decrease
	Real Estate Operating Expenses Total	1,810	1,754	-56	1,745	
	Outsourced Contract Costs	342	303	-39	298	Reduction in leasing fees
	Utilities	280	249	-31	266	Seasonality factors
	Repair & Maintenance	127	138	11	74	Conservatively estimated repair & maintenance
	Depreciation Expense	625	629	4	629	
	Real Estate Taxes	402	402	-	446	
	Other Expenses	34	33	-1	32	
	NOI After Depreciation	3,424	3,405	-19	3,376	
	NOI	4,049	4,035	-14	4,005	
Corporate	Asset Management Fee	590	599	9	594	Increase in AUM due to LP Kawagoe acquisition
	Interest Expense and Other Financing Fees	304	252	-52	259	Burn off of temporary expenses
	Other P&L Items	99	120	21	114	Conservative estimate for SG&A
	Investment Corporation Level P&L	993	971	-22	967	
	Net Income	2,429	2,433	4	2,407	

Memo

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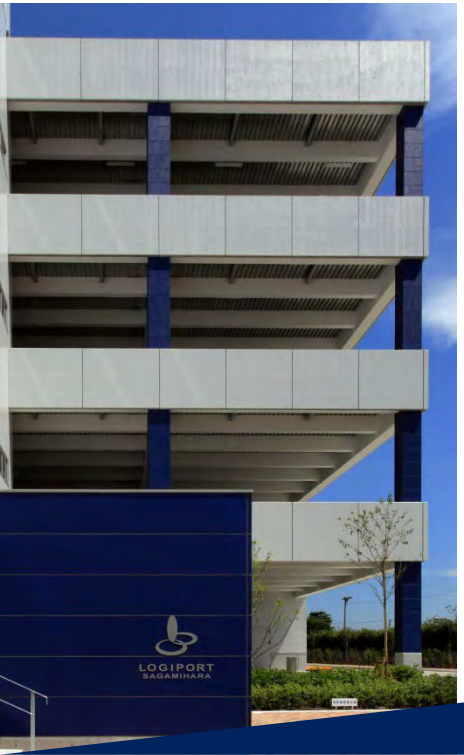
Ⅲ. Efforts for Future Growth



Future Management Strategies

External Growth

- In a market environment where LLR believes that things are overheating, LLR is a carefully selecting investments and looking to acquire at disciplined fair prices

- 3 acquisition channels; LLR will acquire properties at the appropriate time

Existing LaSalle Funds
（JLF 3 Fund）

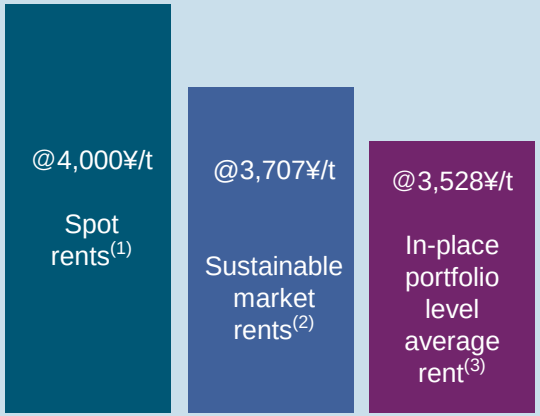
New LaSalle Fund
（JLF 4 Fund）

External Acquisitions

Internal Growth

- Maintain high occupancies despite the excess supply environment that continues

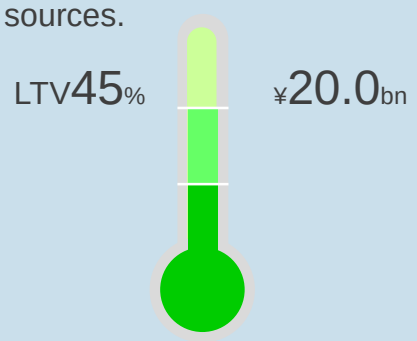
- While we enter a period of significant new supply, LLR's in-place leases are still below sustainable market rent levels



Financial Strategy

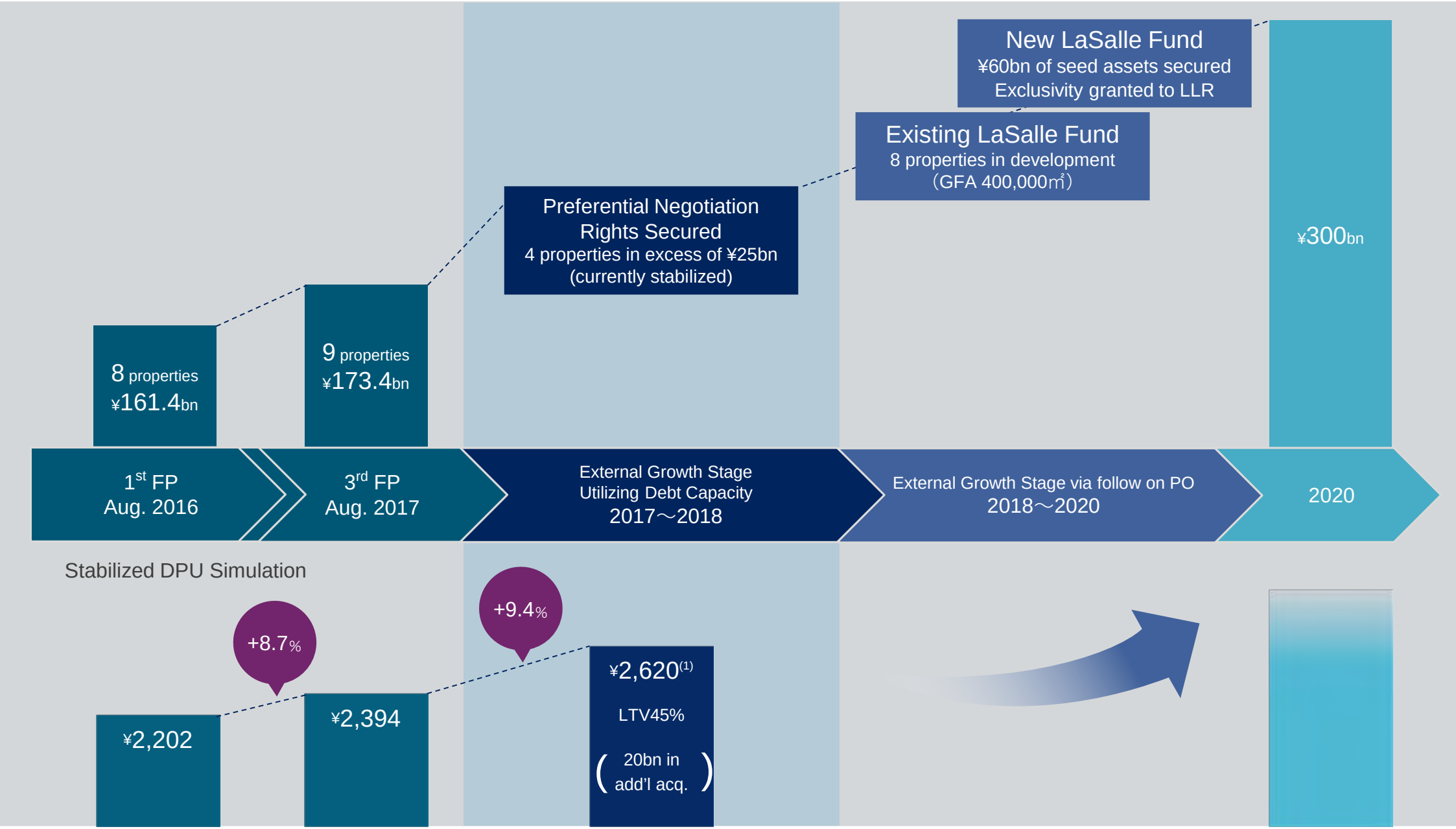
- As lenders' willingness to lend is slowing down, utilize LLR's available debt capacity coupled with extending out the remaining term and increase the fixed rate component comprising LLR's outstanding leverage

- Manage LTV to a stabilized level in the range of 40-45% and continue to acquire assets with the remaining available debt capacity
- Build a position of financial strength via fixed rate ratio, prolong term, diversify debt sources.



(1) New development projects are based on asking per tsubo rent levels (warehouse space only)
(2) Warehouse market rents based on market reports which were relied upon for LRA's market rent levels.
(3) In-place per tsubo rents are inclusive of LP Kawagoe (warehouse space only)

Sustainable DPU growth driven by continued external growth which will improve valuations to lead to a virtuous cycle of growth

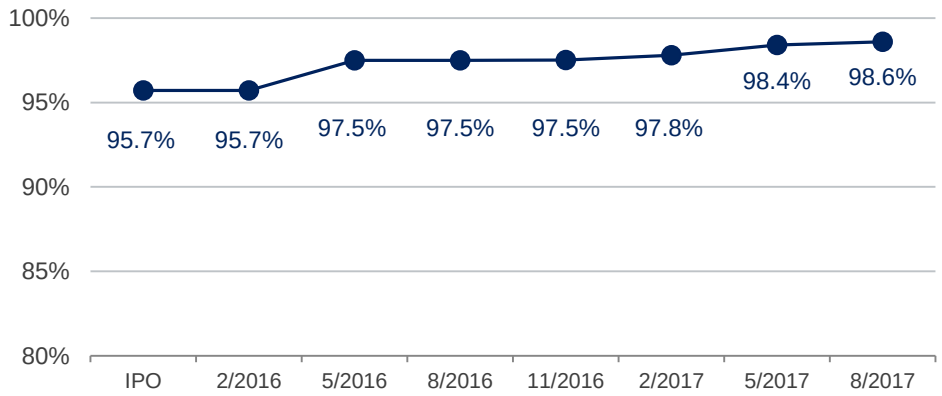


(1) Simulation assumes that additional acquisitions occur while maintaining the same NOI yield as the existing portfolio.

Internal Growth Property Operations Track Record

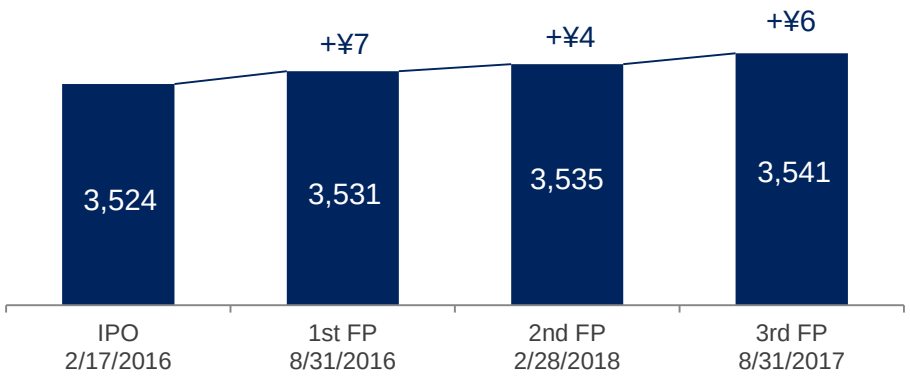
Changes in Occupancy

Increased from 95.7% at IPO to 98.6% at 3rd FP end



Portfolio level avg. per-tsubo rents (1)

Increase of +¥17 from IPO and +6 yen relative to prior FP



(1) Per-tsubo rents are calculated factoring in the initial 8 IPO assets（LP Kawagoe is excluded）
(2) Increase/Decrease rates are relative to the old lease contract（only factoring the warehouse part, temporary leases are excluded）
(3) Percentage change relative to expected per tsubo price

Leasing Track Record

LP Higashi Ogishima

Automatic Renewal among the Japanese standard leases 95%

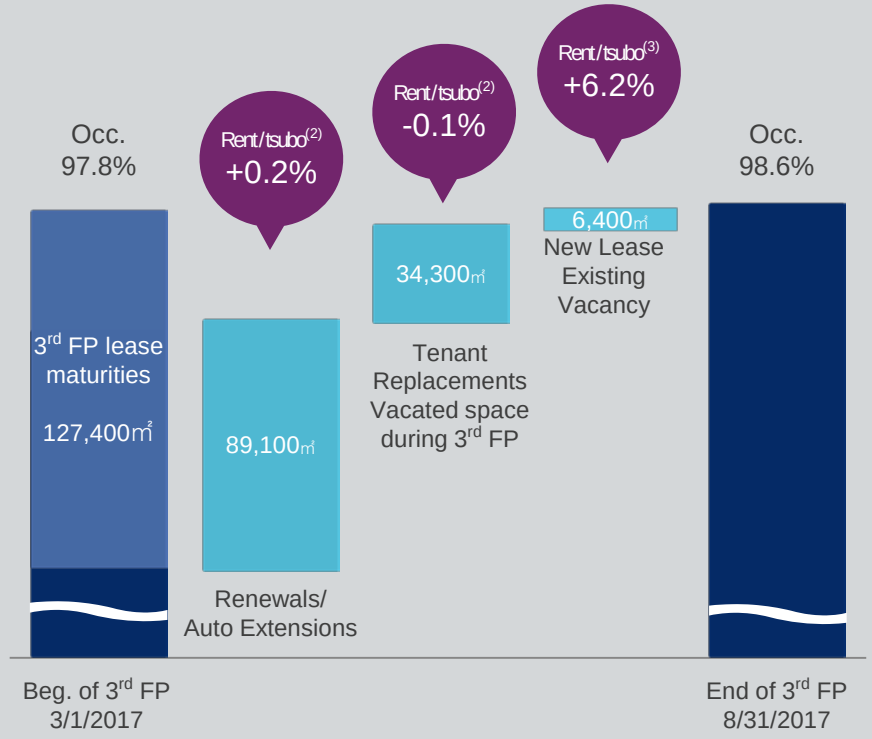
Successfully released those spaces that became vacant with an average downtime of 22 days

LP Hashimoto

100% occupancy achieved as of the end of the FP（+4.8% vs. prior FP end）

LP Kita Kashiwa・LP Nagareyama B

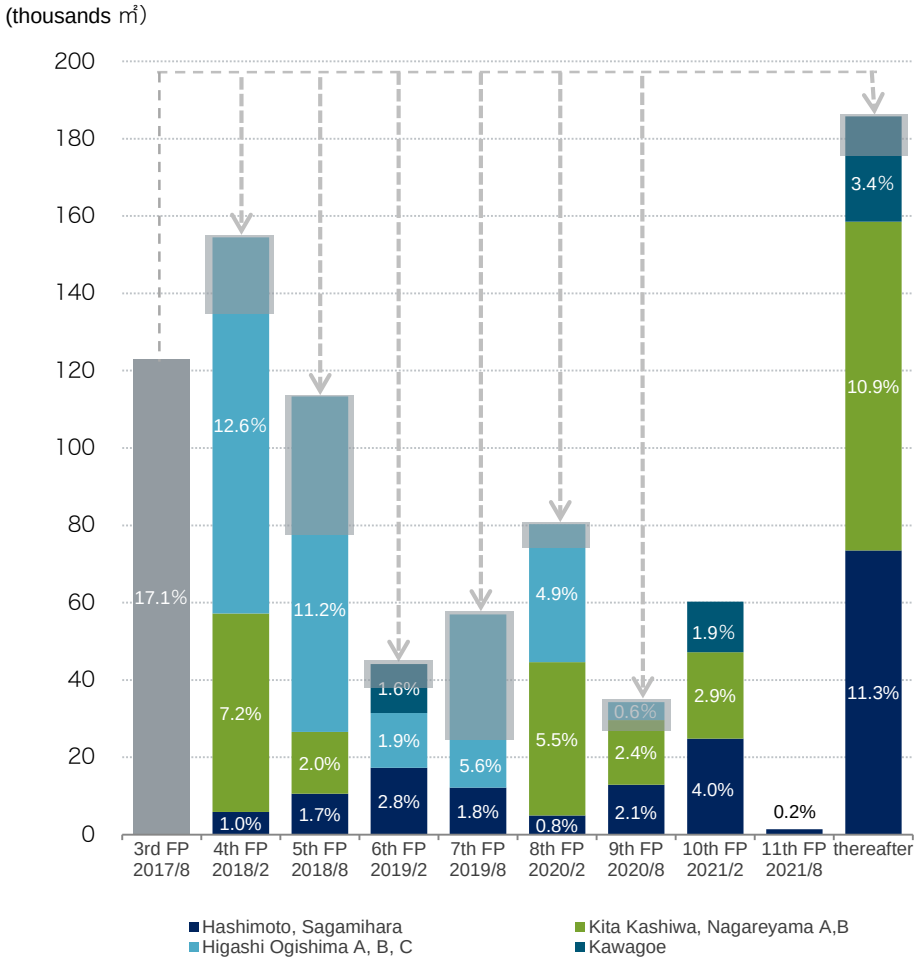
100% of the leases that matured during the 3rd FP were either renewed or released to new tenants



Leasing that takes into account the market conditions

Lease maturity/ Renewal periods

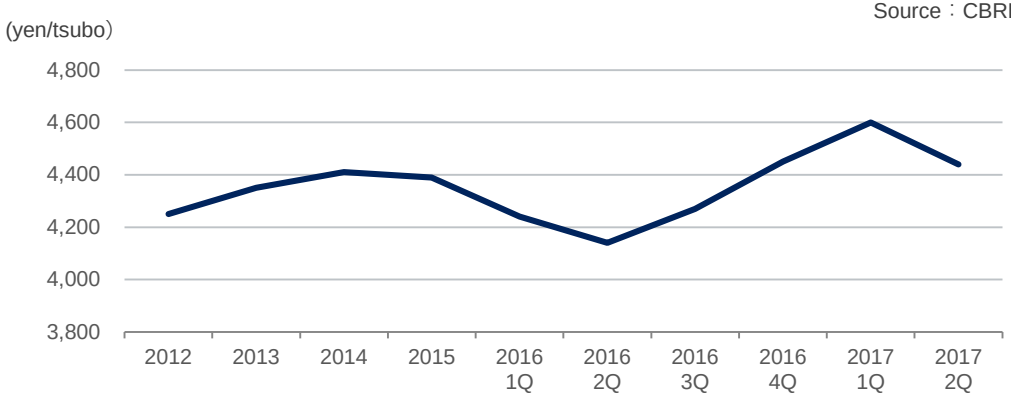
Prioritize occupancy, while aiming to minimize LLR's rent gap



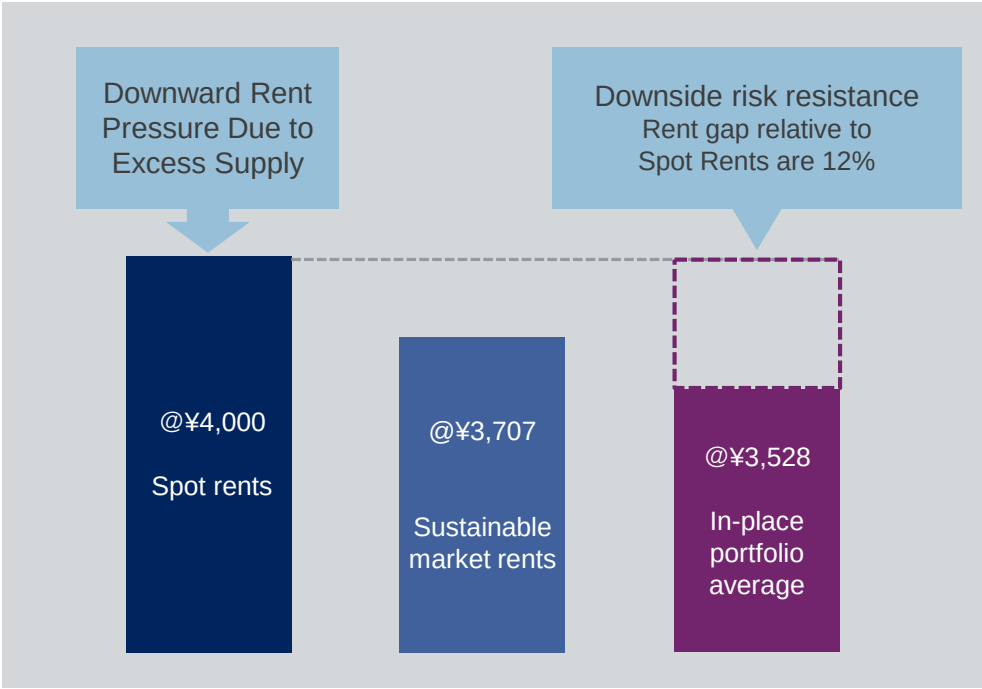
(Note) The percentages represent the ratio relative to total annual rent for the entire portfolio.

Rent trend of mid to large-scale logistics in Tokyo Area

Source：CBRE



The rent dynamics surrounding LLR



Financial Strategy: Track Record from 3rd FP Activities

Build a strong financial structure

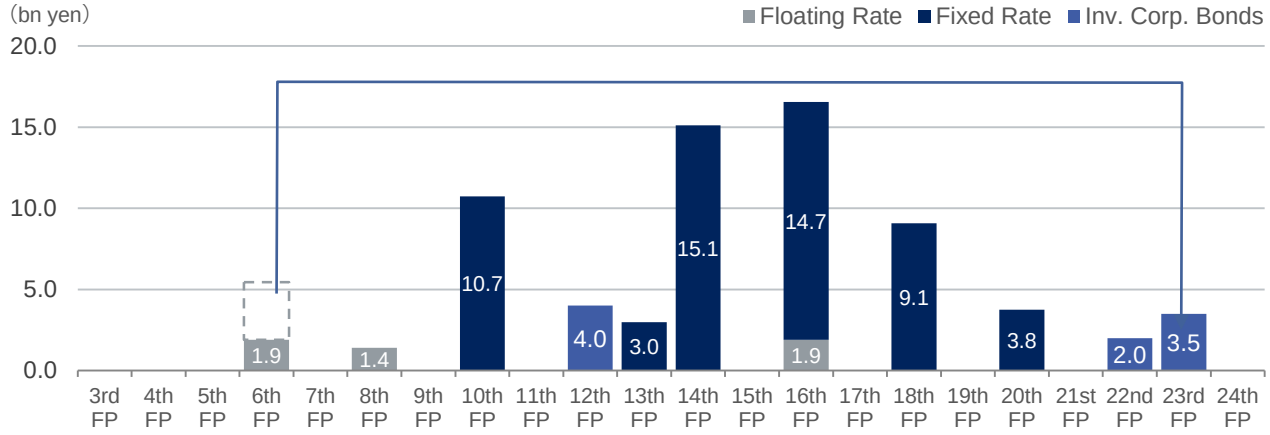
Procure long term debt by fixing the rate, and promote further stability to the balance sheet by suppressing costs

	After LP Kawagoe Acq. 3/1/2017	3rd FP End 8/31/2017
Debt Balance	¥71.07bn	¥71.03bn
Of which are Inv. Corp. Bonds	¥6.0bn	¥9.5bn
LTV of Total Assets	38.7 %	38.6 %
Credit Rating (JCR)	AA-	AA-
Avg. Remain Term	5.9 yrs	5.8 yrs
Avg. Loan Term	6.6 yrs	7.0 yrs
Fixed Rate Ratio	87.7 %	92.7 %
Wtd. Avg. Interest Rate	0.59 %	0.61 %

3rd Investment Corporate Bond issuance completed in July 2017

	Amount	Interest Rate	Issuance Date	Term
1st unsecured issuance	4.0bn	0.26%	2/15/2017	5.0yrs
2nd unsecured issuance	2.0bn	0.58%		10.0yrs
3rd unsecured issuance	3.5bn	0.65%	7/13/2017	10.0yrs
Wtd. Avg.	-	0.47%	-	7.9yrs

Maturity Schedule



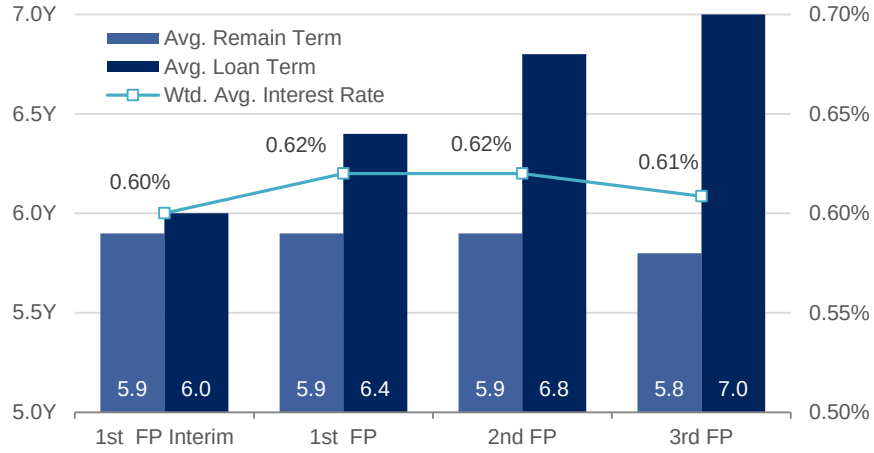
Prolonging Term and Diversification of Debt Sources through Prepayments

- ¥3.54bn (rate：0.28%) of floating rate debt was prepaid by issuing investment corporation bonds
- Given LLR's financial strategies which account for the current financing environment, realization of dispersion of repayment timeline

Financial Strategy: Lengthen out Term, Fix the Rate, Manage LTV

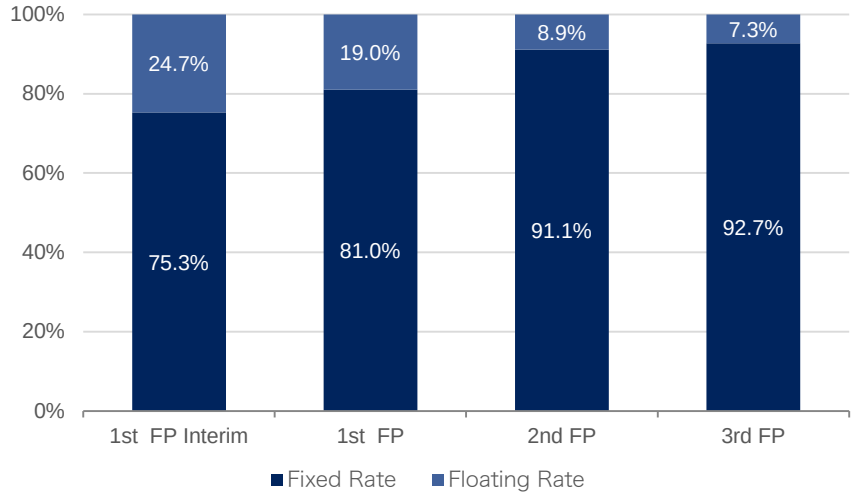
Achieve prolongation of average borrowing years

Take advantage of the interest rate environment, control procurement of interest rate



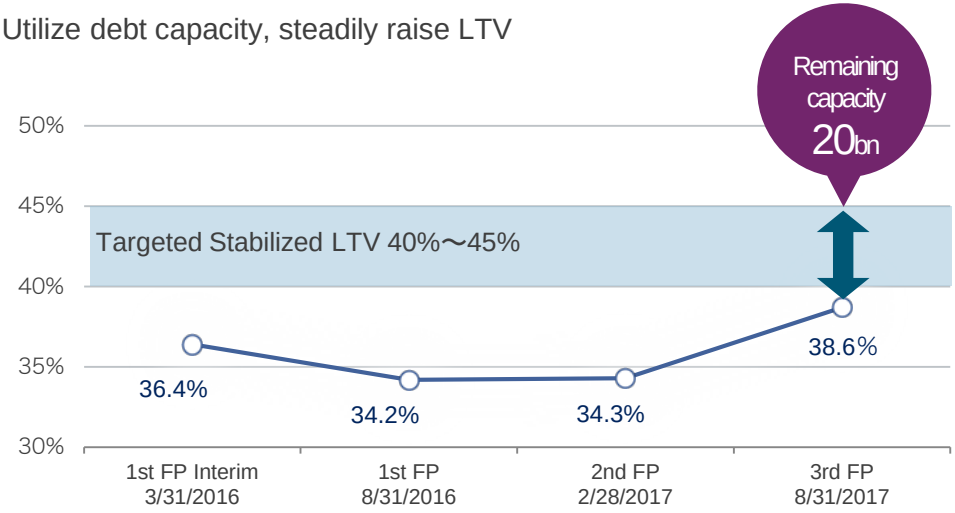
Increasing the Fixed Rate Debt Ratio

De-risks any interest rate fluctuations in the future



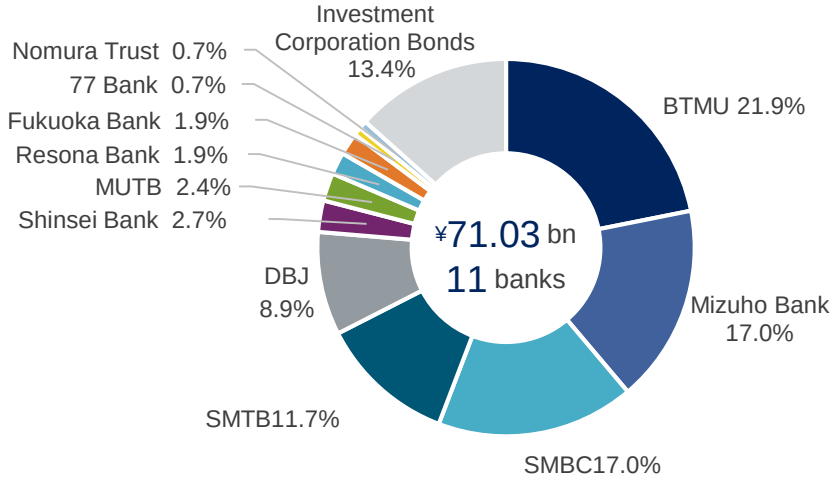
LTV Control

Utilize debt capacity, steadily raise LTV



Increasing the number of syndicate lenders

Establish a syndicate group that factors in LLR's future growth prospects



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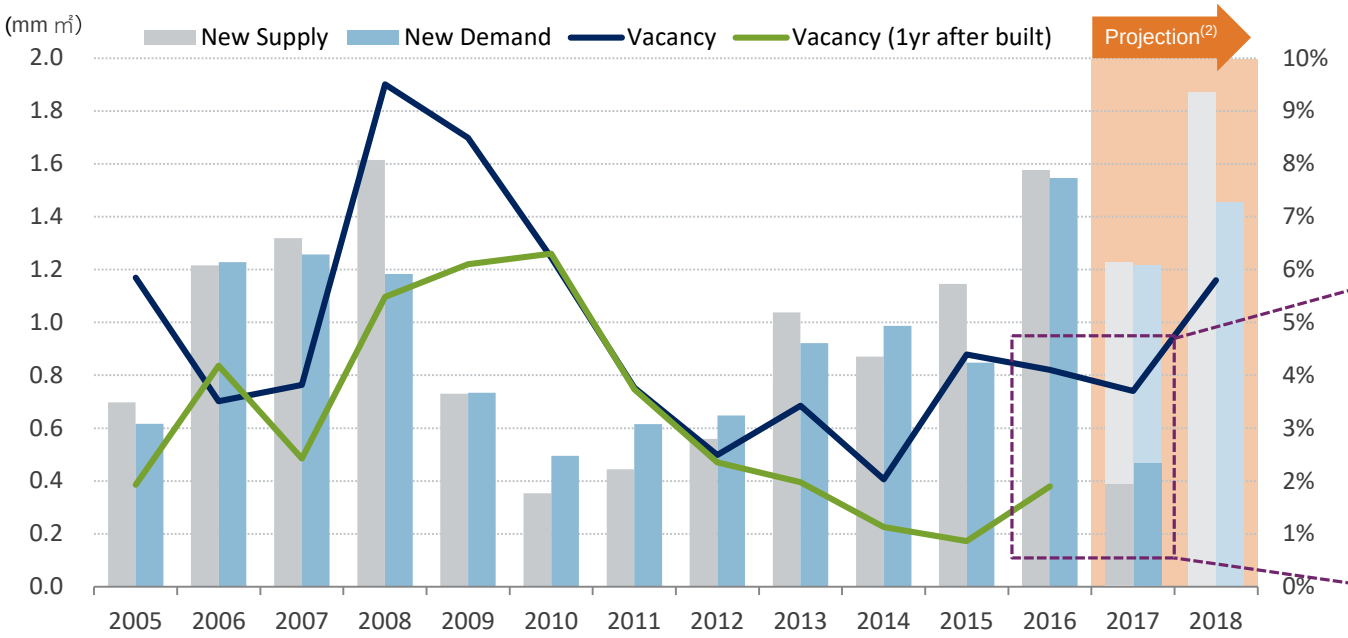
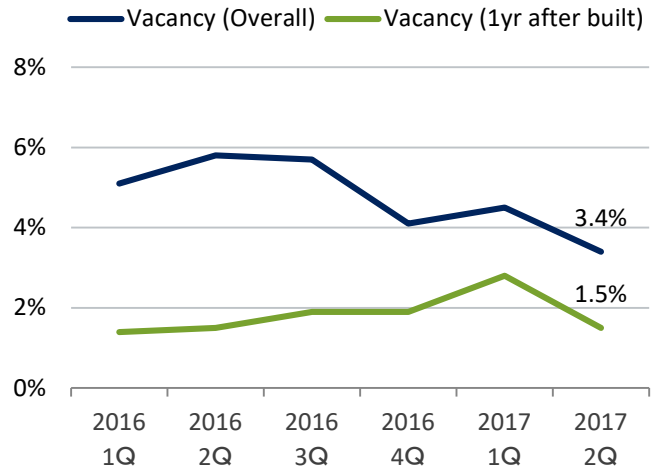
Ⅳ. Logistics Market Outlook

Tokyo Area Logistics Market

Supply/Demand and Mid-term Projections [1]

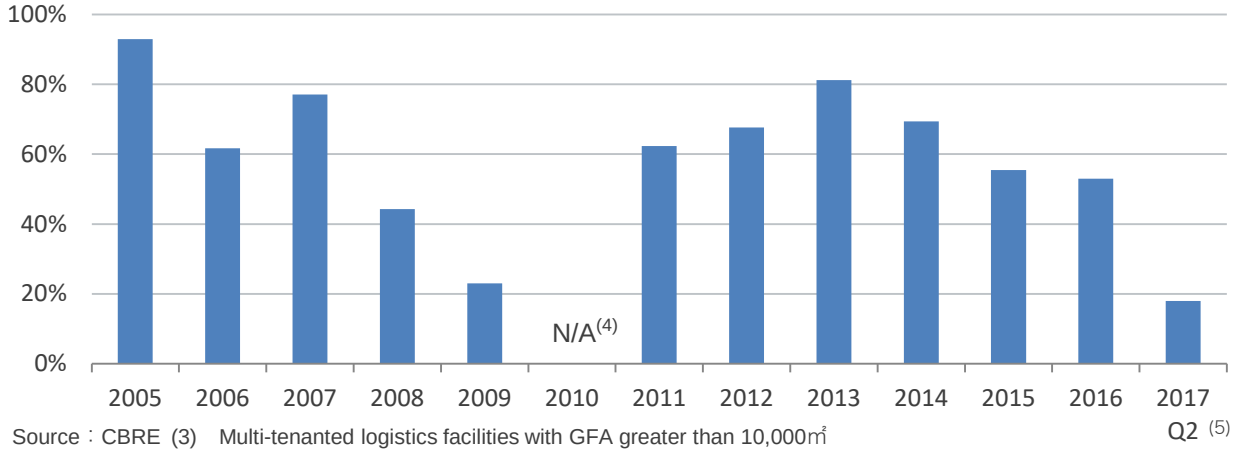


Most recent vacancy change



Source：CBRE (1) Logistics facilities with GFA greater than 5,000㎡
(2) Light colored bar chart represents projected values

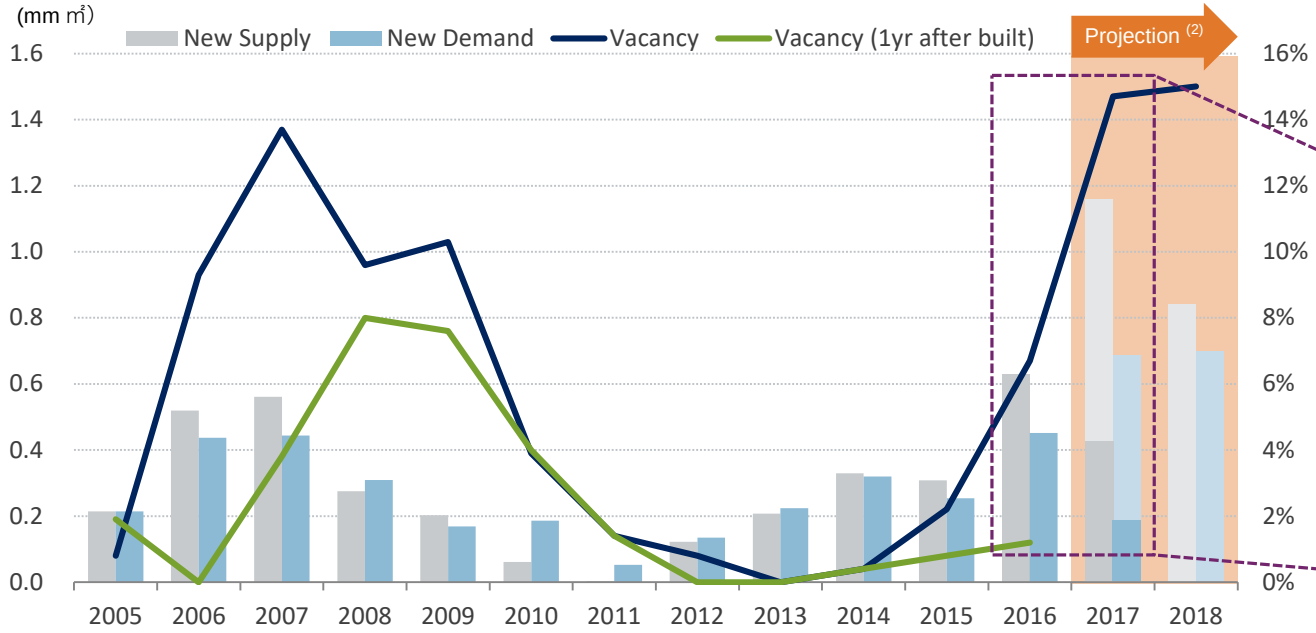
Change in occupancy rate for large scale multi-tenanted facilities [3] at completion



Source：CBRE (3) Multi-tenanted logistics facilities with GFA greater than 10,000㎡
(4) In 2010, there were too few examples of newly supplied product.
(5) Total from Jan – June 2016

Osaka Area Logistics Market

Supply/Demand and Mid-term Projections[1]



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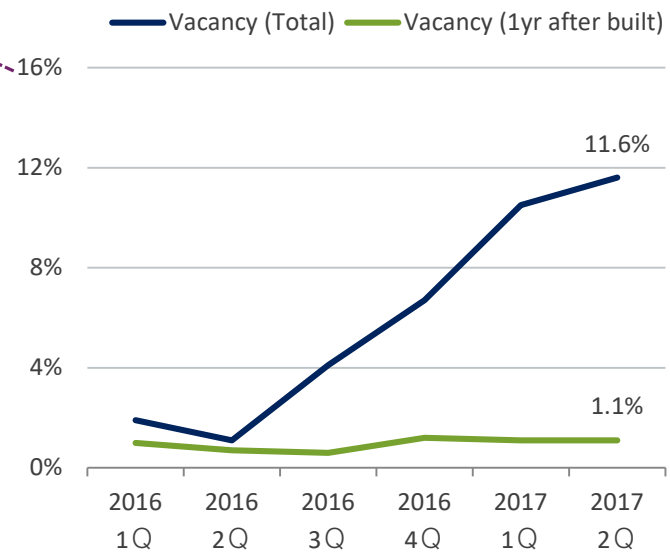

Source：CBRE (1) Logistics facilities with GFA greater than 5,000㎡
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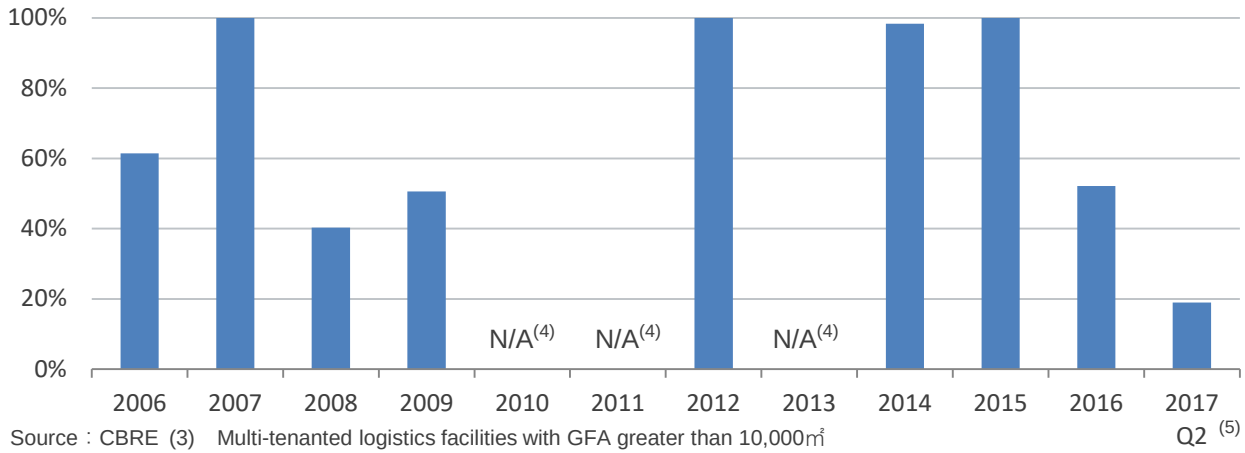
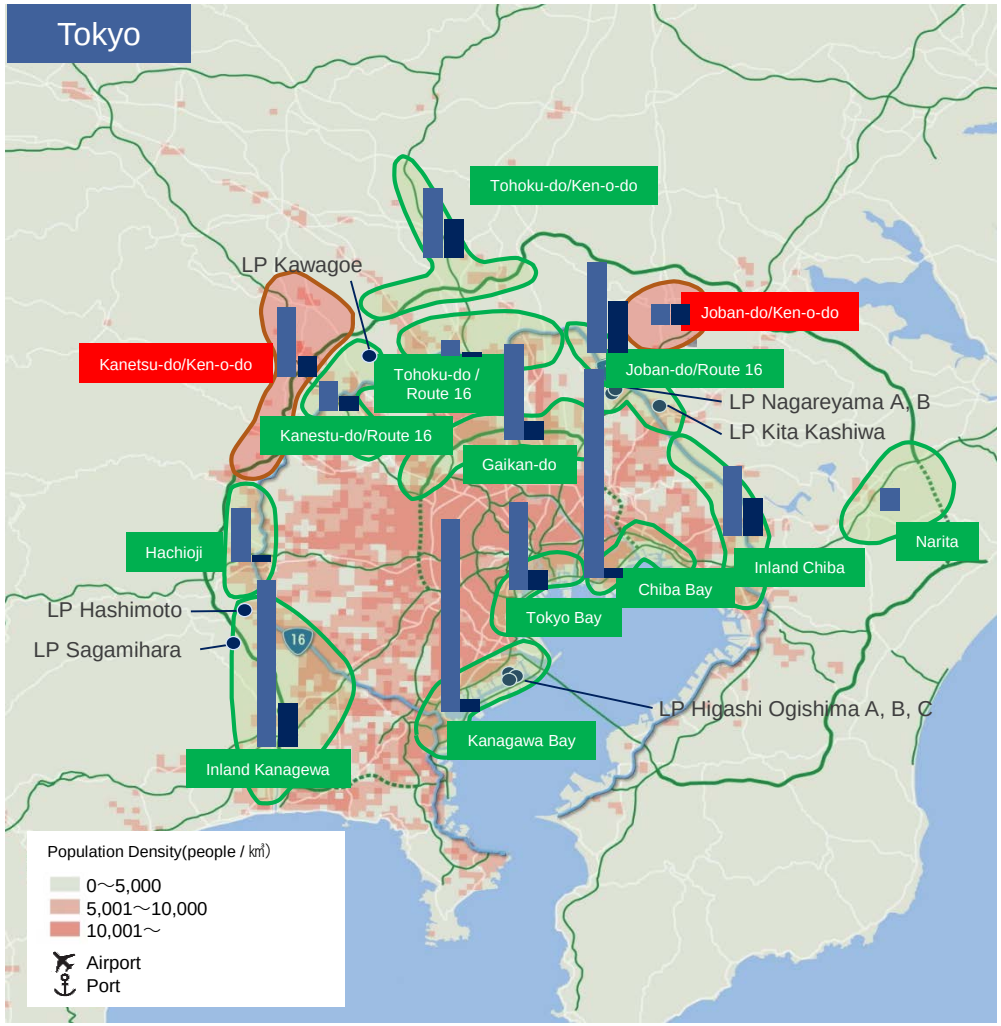
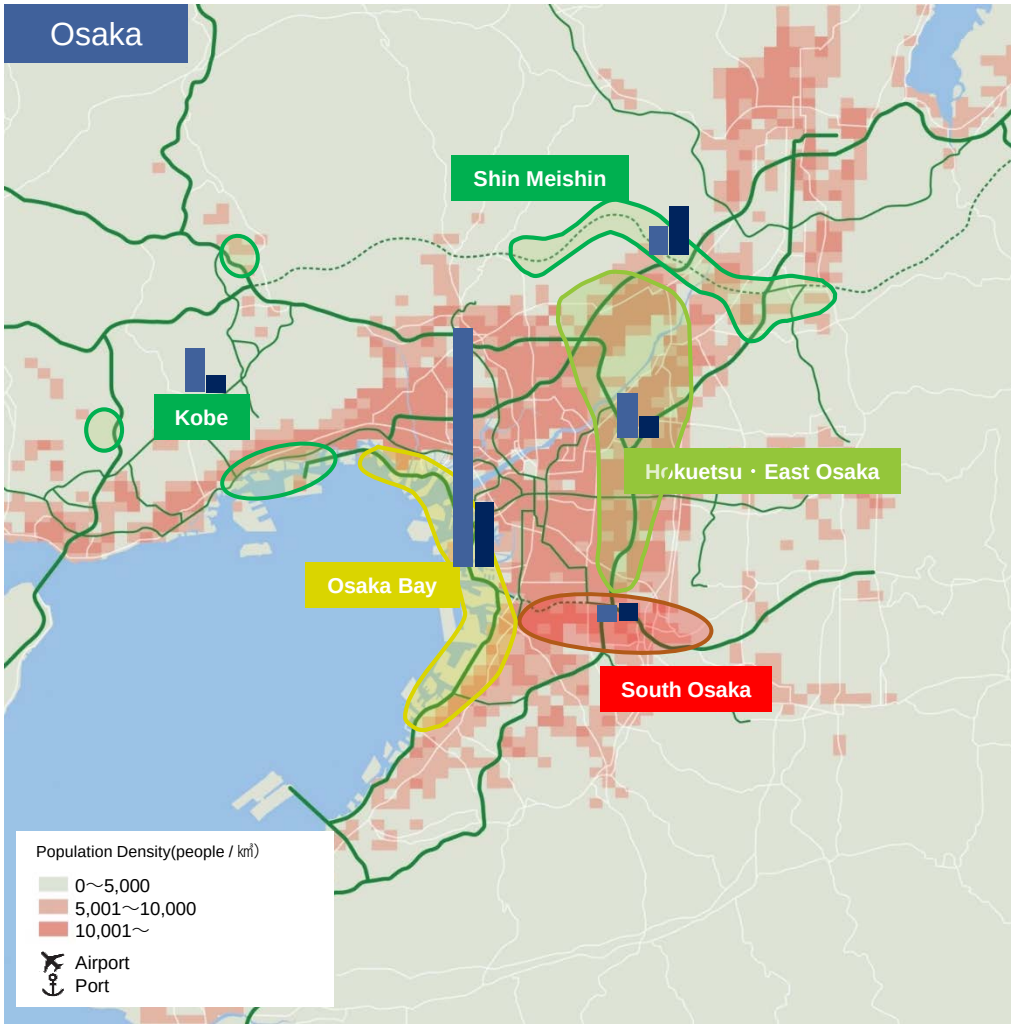
Change in occupancy rate for large scale multi-tenanted facilities[3] at completion



Source：CBRE (3) Multi-tenanted logistics facilities with GFA greater than 10,000㎡
(4) In 2010, 2011, and 2013 there were too few examples of newly supplied product.
(5) Total from Jan – June 2017

Tokyo Area・Osaka Area Submarket Vacancy Rate and Supply Outlook





Vacancy (1) (2Q2017)	Supply/Demand Environment
0～5%	Supply/Demand is tight
5～10%	Supply/Demand is balanced
10～15%	Supply/Demand is softening
15%～	Supply/Demand is deteriorating

Existing Stock as of 2Q 2017
2017 and 2018 projected supply

Source：CBRE data which was compiled by LLR's asset manager.
(1) Logistics facilities with GFA greater than 5,000㎡

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V. Appendix

Features of LaSalle LOGIPORT REIT

1 Focused investments of Prime Logistics located in Tokyo and Osaka

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

2 Utilizing the asset management capabilities of the LaSalle Group

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

The portfolio consists of large scale logistics facilities located in Tokyo

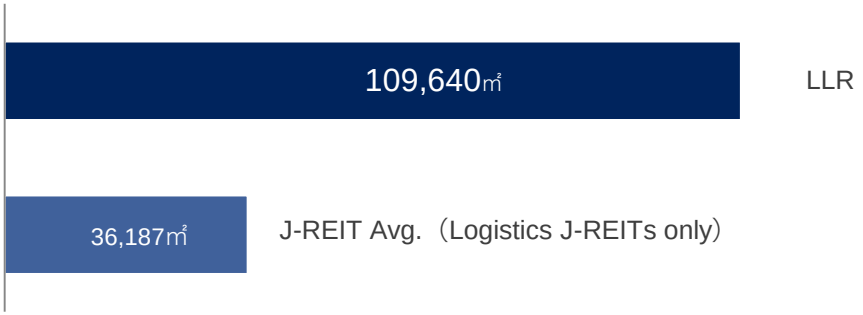
Portfolio Summary[1]

AUM	¥173.4 bn	Tokyo Area[3]	100 %
Avg. GFA	109,640 m²	# of properties	9 properties
NOI Yield[2]	4.9 %	Occupancy	98.6 %

Investment Area Statistics

LLR			J-REIT Avg.（Logistics only）		
Tokyo Area [4]			Tokyo Area	Osaka Area [4]	Other
100%			62.4%	20.9%	16.7%

Avg. GFA[4]



Location of Properties

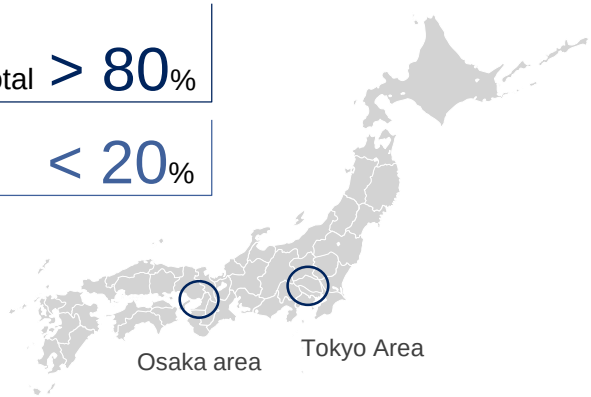
(1) As of 8/31/2017
(2) "NOI Yield" is defined as appraisal NOI at acquisition divided by the acquisition price
(3) "Tokyo Area" is defined as the area within a 60km radius from Tokyo JR station.
(4) "Tokyo Area and Osaka Area ratios" are defined as logistics properties acquired by J-REITs as of 9/30/2017 and the ratio is their respective GA's relative to the total GFA.

Investment policy that focuses on locations and specifications as a source to maintain property competitiveness

■ Tokyo and Osaka Area target markets

Prospective investment ratio

Tokyo and Osaka (1)	Total > 80%
Other areas	< 20%



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

■ Characteristics of "Prime Logistics"

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

Features of “Prime Logistics”

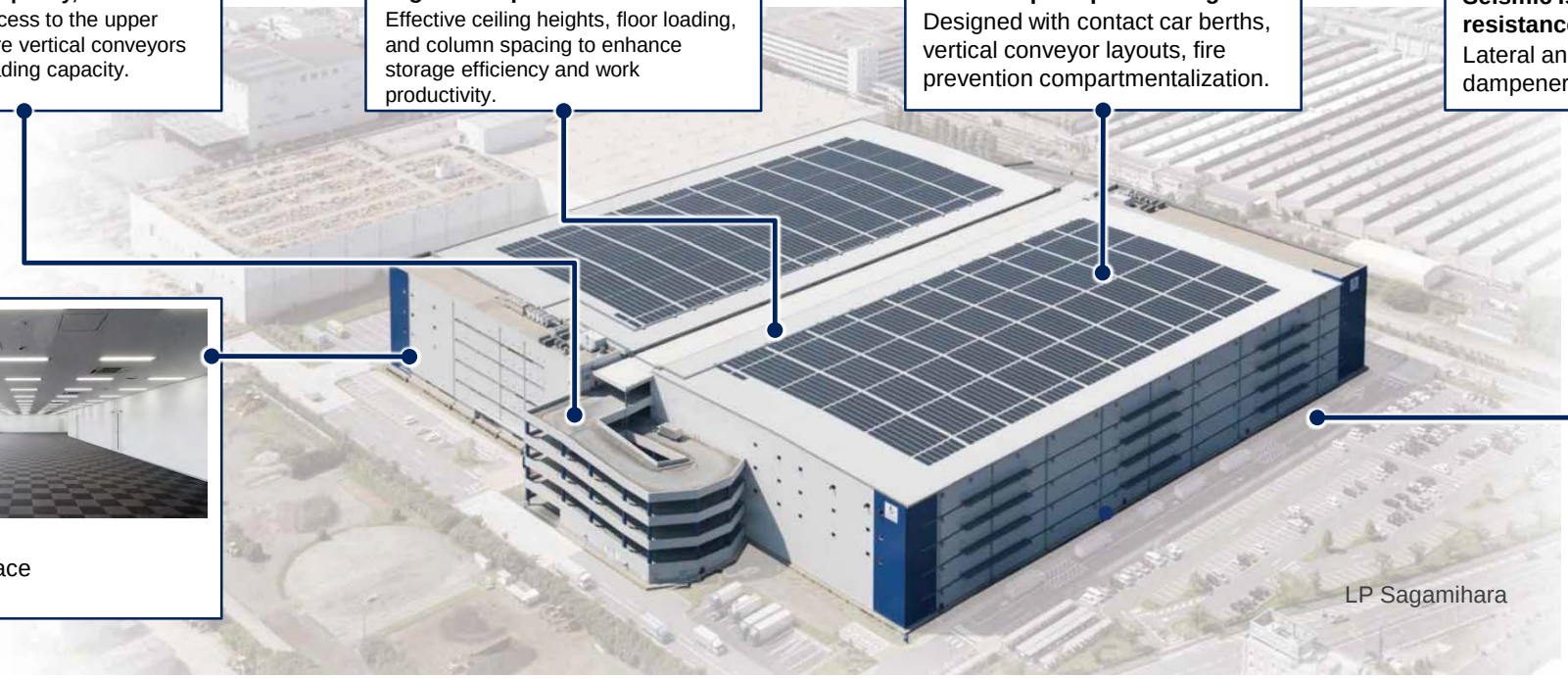
Large Scale Ramp Way, etc.
Enables truck access to the upper floors, or there are vertical conveyors with sufficient loading capacity.

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

Flexible space partitioning
Designed with contact car berths, vertical conveyor layouts, fire prevention compartmentalization.

Seismic Isolation / Earthquake resistance
Lateral and vertical motion dampeners

Office space
Ample office space



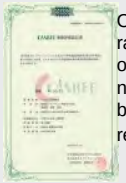
Environmental, Energy Efficiency, Security Measures, Enhanced Amenities

Environmental, Energy efficiency

Solar panels for renewable energy utilization

Exterior walls sandwich panel system for thermal insulation and airtightness.

Automatic lighting sensors for corridors and bathrooms



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

Security

24 hour, 365 day, fire prevention center

Amenities

Cafeteria space for employees during breaks

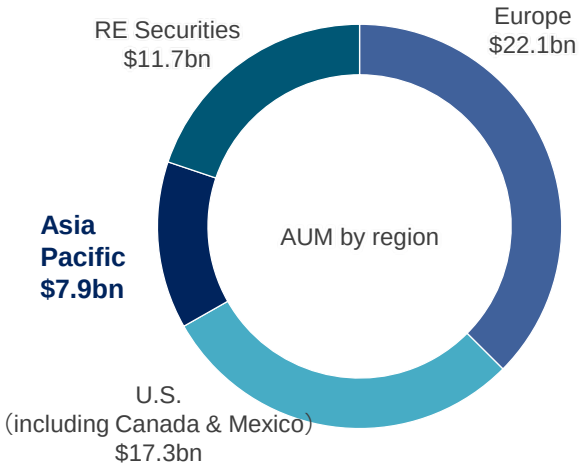
Convenience store for employees

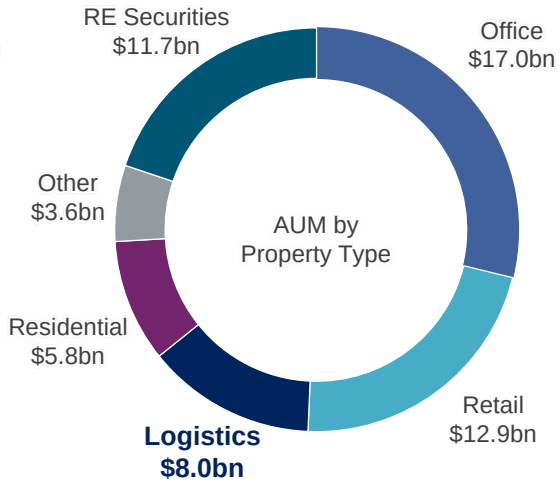
Operation of a commuter bus from the nearest train station

LaSalle Group is a leader in real estate core investments

LaSalle INVESTMENT MANAGEMENT — World leading real estate investment management firm

AUM	Global Network	Trusted by Investors
$59.0bn	17 countries / 24 offices Over 700 employees	400+ institutions Investors from over 30 countries including SWFs, insurance companies, and HNW individuals





(Note) Figures above are as of 6/30/2017

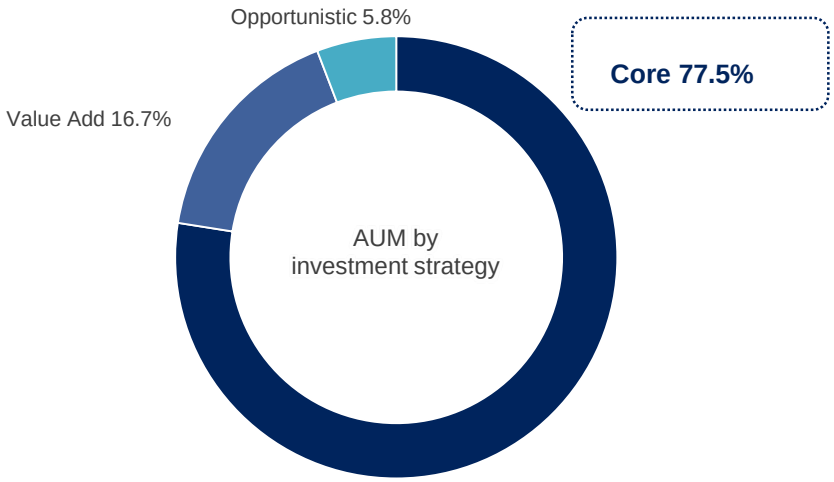
JLL — Global comprehensive real estate services firm

(Parent company of LaSalle Investment Management)

Scale of Operations	Global Network	Market Capitalization
Revenues (2016) Approx. $5.8bn	80 countries 280 offices 77,000 employees	Approx. $4.6bn (listed on the NYSE)

(Note) Above figures are as of 12/31/2016

Core return investment strategies account for 77.5%



(Note) The ratios above are calculated without RE securities AUM in the denominator.

Consistently a recipient of several top industry awards as a leading global investment manager

Award Examples 2013-2017

- Etisphere Institute – World's Most Ethical Companies
- Pensions Age Awards
- EuroMoney's Real Estate Poll
- LAPF Investment Awards
- MSCI European Property Investment Awards
- Pensions & Investments
- Property Week
- Estates Gazette Awards
- Morningstar Fund of the Year

LaSalle Group is a pioneering leader for the development of logistics facilities

■ Development, investment, and leasing track record of logistics properties in Japan

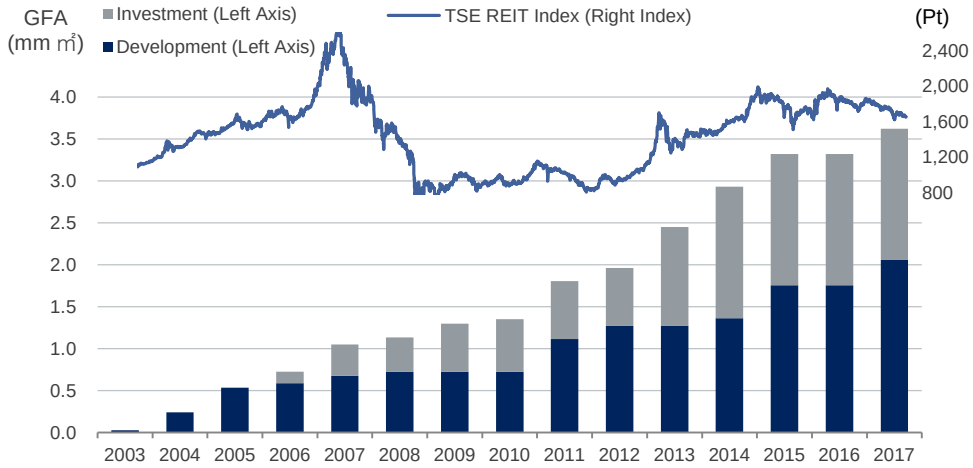
Robust experience in development, investment, and leasing (1)

Cumulative Development (2)	Approx. 2.06 mm m²
Cumulative Acquisitions	Approx. 1.6 mm m²
Leasing Experience	Approx. 2.49 mm m²
Large scale development share within Tokyo (3)	Approx. 18 %

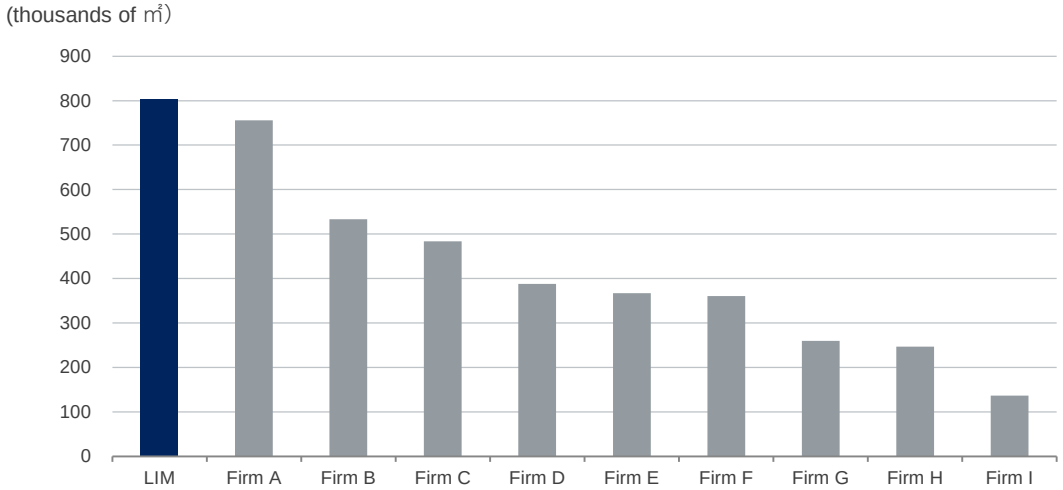
Involved in 4 out of the top 10 largest logistics deals (Tokyo Area) (3)

Rank	Property Name	Developer	GFA (㎡)	Completed
1	A	A	213,435	10/2015
2	LP Sagamihara	LaSalle Investment Management ("LIM")	200,046	8/2013
3	B	A	198,000	9/2016
4	Ex LP Kawasaki	LIM	160,218	1/2008
5	C	B	157,721	6/2011
6	D	C	149,339	3/2014
7	Ex LP Kashiwa	LIM	148,453	6/2006
8	LP Hashimoto	LIM	145,802	1/2015
9	E	D	143,356	9/2008
10	F	B	138,735	10/2008

Development・Investment statistics (Cumulative Basis) (2)



No. 1 Developer of large scale logistics (of GFA >100,000㎡ in Tokyo)



Source: both of the above tables are CBRE

(Note) The figures above aggregate data for properties completed by 6/30/2017.

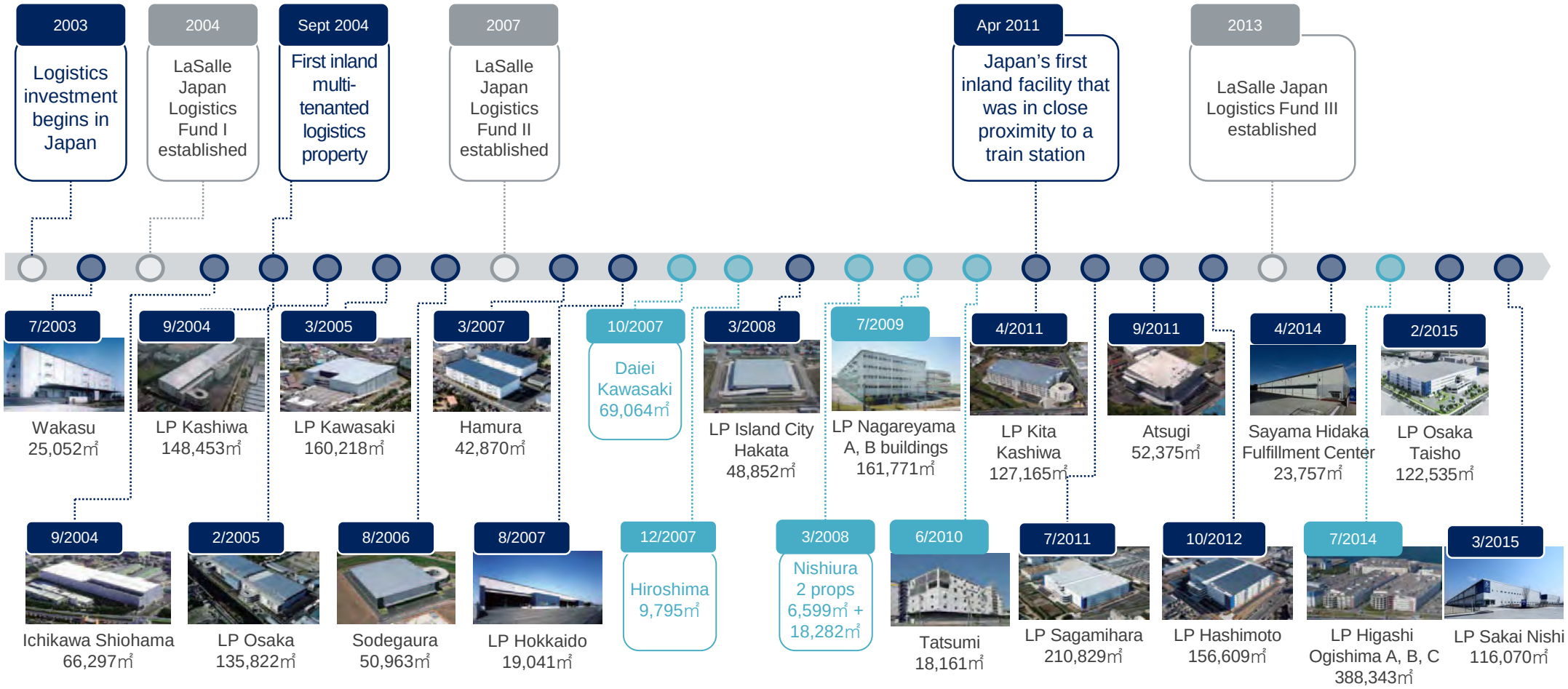
(1) As of 9/30/2017

(2) Includes development pipeline

(3) Source: CBRE. Developed by a private company in Tokyo, where total floor area exceeds GFA of 100,000㎡ of leasable space (As of 6/30/2017)

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

- Fund function + developer function + investor function = development and investment on an ongoing basis for large scale logistics facilities, regardless of the economic environment



Commitment to sustainability

LaSalle Group's commitment

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

- Signed onto the U.N. Principles for Responsible Investment ("PRI") in July 2009

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

- ULI Greenprint: founding member

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

- Founding member of GRESB

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

Efforts made by LLR

The installation of solar panels and more efficient energy usage has been incorporated as environmentally friendly measures in the course of operating properties

- DBJ Green Building certification achieved

  4 of LLR's properties received Green Building certifications.

DBJ Green Building certification

Introduced independently by the Development Bank of Japan ("DBJ"), this certification is a comprehensive scoring model targeting real estate that demonstrates concern for the environment and society. Evaluation is ranked on a 5 scale.

Star rating：★★★★★
LP Hashimoto

Star rating：★★★★★
LP Sagamihara

Star rating：★★★★
LP Kita Kashiwa

Star rating：★★★
LP Nagareyama B

- Participated in GRESB Real Estate Assessment

GRESB Real Estate Assessment

LLR participated in the 2017 GRESB real estate assessment, which is conducted across real estate companies and funds, and was awarded Green Star status for its outstanding performance in ESG matters.

- Received CASBEE's architectural evaluation certification

CASBEE Architectural Evaluation

This is a comprehensive evaluation which measures the environmental performance of buildings, energy saving and resource savings, load reduction and recycling measures taken are measured.

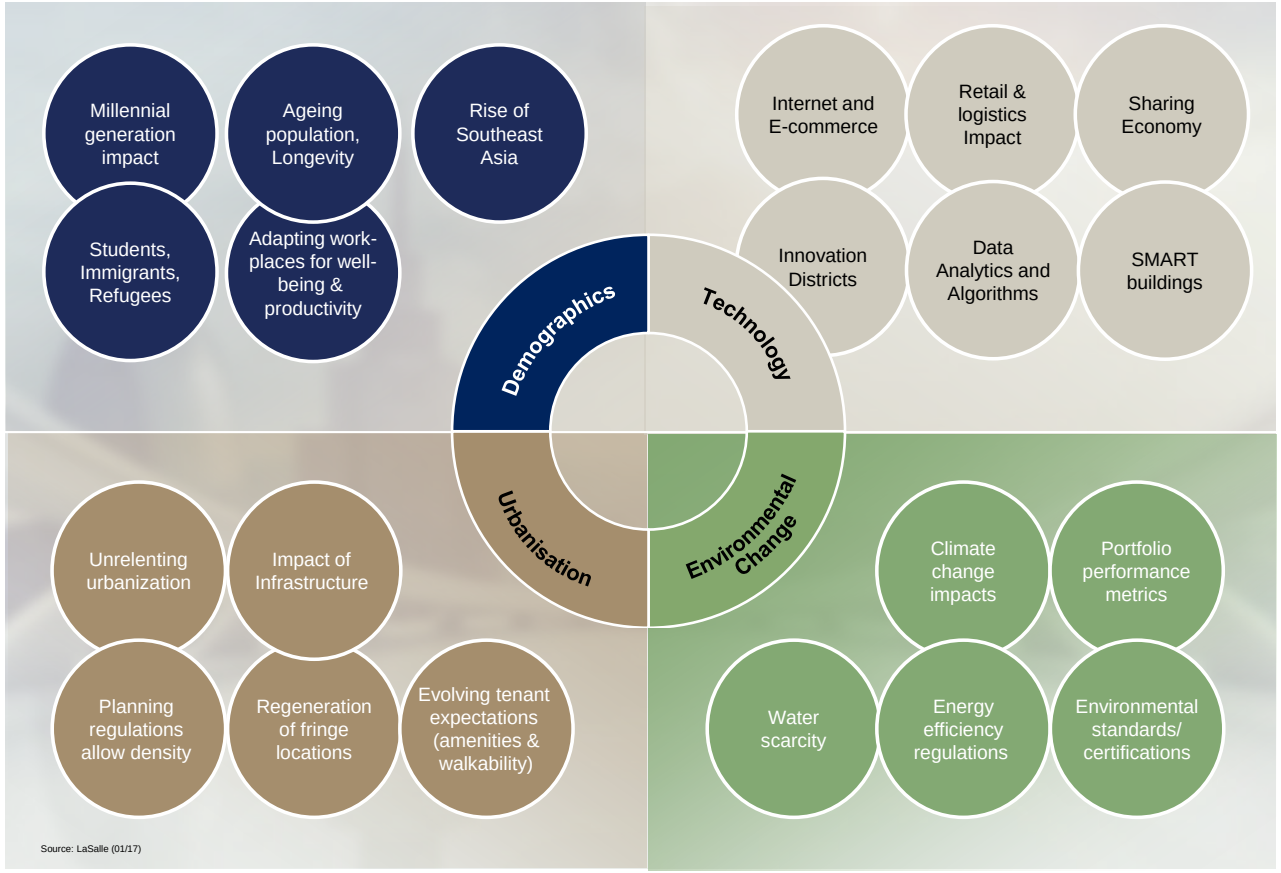
Commitment to sustainability

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

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

- The broader market effects – rising tenant preferences for sustainable, healthy, and flexible spaces for work, social interaction, shopping, leisure, storage/distribution, and residential living spaces – also vary greatly between and within countries.
- By adding "E" to the "DTU" framework, LaSalle is committing to continue to conduct and review rigorous research in order to determine how its clients can benefit from sustainability initiatives.

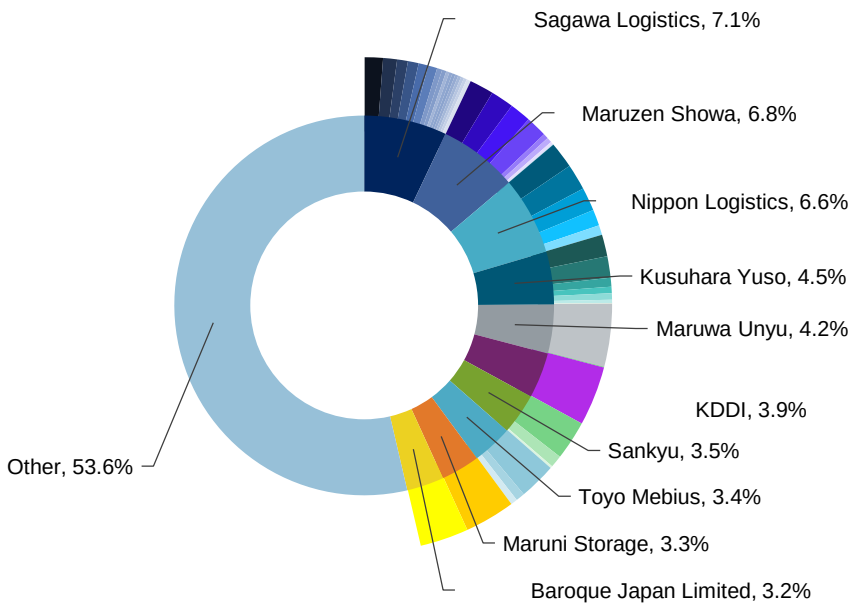
- In 2016, LaSalle added a fourth secular trend for real estate investors to focus on in the next decade and beyond. LaSalle has identified a broad array of environmental factors ("E-factors") that can contribute to improvements in the risk-adjusted returns of real estate investments.
- E-factors include: energy conservation, carbon footprint reduction, climate change, water and waste recycling, and green building ratings to certify sustainable building design.
- E-factors should be an important consideration in the investment analysis of portfolios and assets. Any real estate financial analysis should take into account the rising demand for the sustainability and resilience features of a building. The rising demand occurs through both regulatory and market forces.
- LaSalle has also been tracking the growing awareness by governments and regulatory bodies to the E-factors. National and local governments both realize that real estate is a major user of energy and water, and that activities inside buildings are major generators of recyclable waste. Therefore, construction and management of the built environment can play a major role in reducing carbon emissions, improving water and energy conservation, and stopping unsustainable waste disposal practices.



Features to LLR's Portfolio

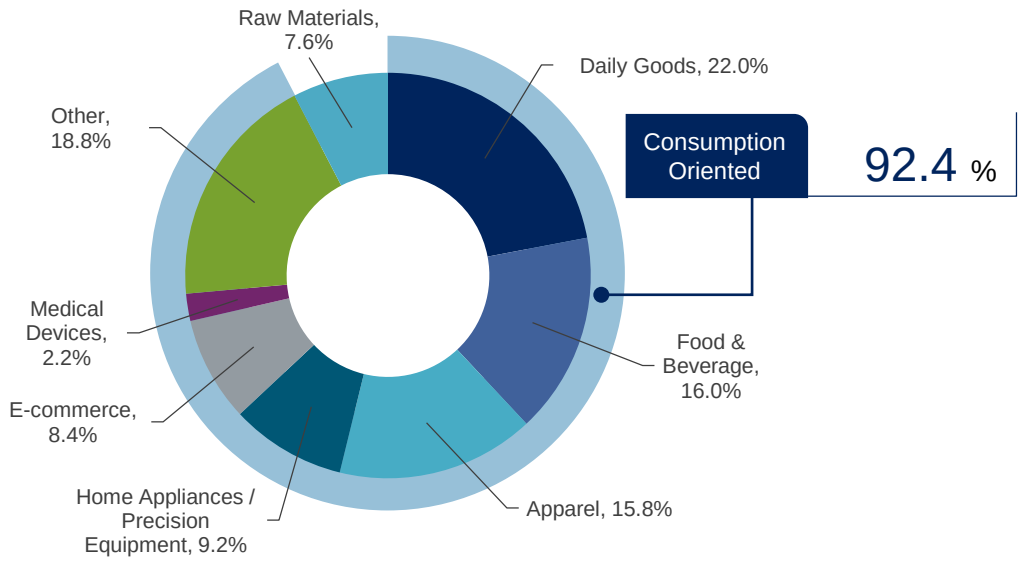
■ Creating stable cash flows via tenant diversification and consumption oriented logistics tenants

Tenant Diversification [1]
(the outer ring represents end tenants for the top 10 tenants)

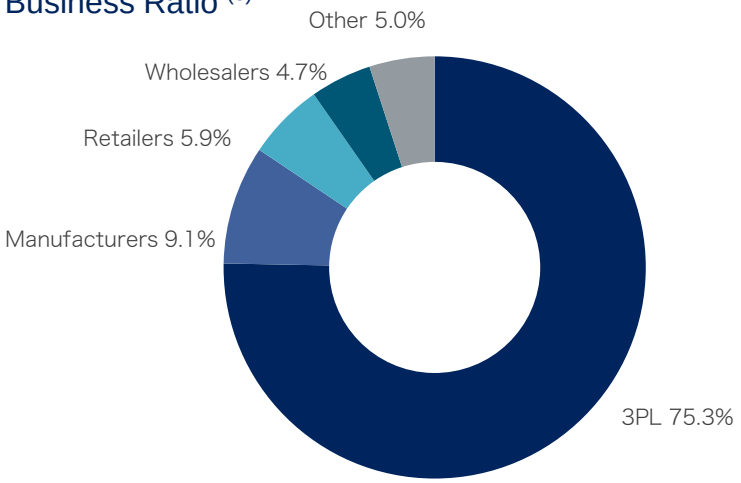


Top 5 tenants	29.1 %
Top 10 tenants	46.4 %
Total # of tenants	110 [2]

End user's industry type ratio [3]



Tenant Business Ratio [3]



(Note) Figures above are as of 8/30/2017
(1) Based on leased area
(2) Gross number of tenants Net number of tenants is 100
(3) Calculated based on area（Only storage area counted）

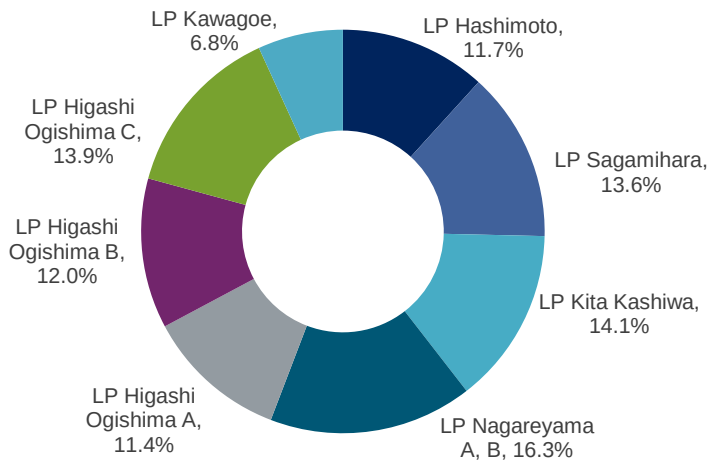
Occupancy Track Record

Occupancy Rates, Fixed term lease ratios, Lease contract weighted average lease expirations

No.	Property Name	Occupancy Rate				Number of tenants	WALE (Yrs.)	Fixed Term Lease Ratio
		3/31/2016	2/28/2017	8/31/2017	Change from 3/31/2016			
Tokyo-1	LP Hashimoto	90.1%	95.2%	100.0%	+9.9 pt	15	4.3	100.0%
Tokyo-2	LP Sagamihara	97.9%	99.6%	99.6%	+1.7 pt	18	4.3	100.0%
Tokyo-3	LP Kita Kashiwa	100.0%	100.0%	100.0%	-	9	2.0	100.0%
Tokyo-4	LP Nagareyama A	100.0%	100.0%	100.0%	-	1	-(1)	100.0%
Tokyo-5	LP Nagareyama B	99.7%	99.8%	99.8%	+0.1 pt	8	3.1	100.0%
Tokyo-6	LP Higashi Ogishima A	95.5%	97.1%	96.9%	+1.4 pt	22	0.9	33.8%
Tokyo-7	LP Higashi Ogishima B	94.4%	94.2%	95.5%	+1.1 pt	16	0.8	36.1%
Tokyo-8	LP Higashi Ogishima C	95.2%	97.7%	97.7%	+2.5 pt	17	1.0	42.2%
Tokyo-9	LP Kawagoe	-	-	100.0%	-	4	3.8	100.0%
Portfolio Totals		96.5%	97.8%	98.6%	+2.1 pt	110(2)	2.5	76.7%

(1) Not able to disclose due to not having received tenant approval.
(2) Gross number of tenants

Annual Rental Income Composition



(Note) Figures as of 8/31/2017

Portfolio Overview

	Property No.	Property Name	Location	GFA (㎡)	Acq. Price (¥ bn)	Appraisal[1] (¥ bn)	Inv. Ratio (%)	Age (Yrs)	NOI Yield[2] (%)	Occupancy (%)	PML (%)	# of tenants (tenants)
	Tokyo－1	LP Hashimoto (3)	Kanagawa Sagamihara-city	145,801	21.2	22.4	12.2	3	4.6	100.0	1.3	15
	Tokyo－2	LP Sagamihara (3)	Kanagawa Sagamihara-city	200,045	23.0	24.8	13.3	4	4.8	99.6	0.5	18
	Tokyo－3	LP Kita Kashia	Chiba Kashiwa-city	104,302	25.3	27.6	14.6	5	4.6	100.0	0.9	9
	Tokyo－4	LP Nagareyama A	Chiba Nagareyama-city	17,673	3.5	3.8	2.0	9	5.2	100.0	1.6	1
	Tokyo－5	LP Nagareyama B	Chiba Nagareyama-city	133,414	26.6	27.9	15.3	9	4.8	99.8	2.3	8
	Tokyo－6	LP Higashi Ogishima A	Kanagawa Kawasaki-city	100,235	19.0	19.5	11.0	30	5.3	96.9	6.5	22
	Tokyo－7	LP Higashi Ogishima B	Kanagawa Kawasaki-city	117,546	19.1	21.3	11.0	26	6.1	95.5	6.2	16
	Tokyo－8	LP Higashi Ogishima C	Kanagawa Kawasaki-city	116,997	23.7	25.0	13.7	16	5.3	97.7	6.3	17
	Tokyo－9	LP Kawagoe	Saitama Kawagoe-city	50,742	12.0	12.1	6.9	7	4.9	100.0	4.4	4
		Totals / Averages		986,760	173.4	184.4	100.0	12	5.0	98.6	3.4	110

(1) Appraisal values are as of August 2017
(2) NOI Yield is the appraisal NOI divided by the acquisition price
(3) Acquisition price and appraisal values for “LP Hashimoto” and “LP Sagamihara” are expressed in relative proportion to LLR’s ownership percentage of joint co-ownership interest. The GFA shown is of the entire property.

Portfolio Summary 1/4

LOGIPORT Hashimoto

LP Hashimoto

（55% co-ownership interest in a RE trust beneficiary right）

Acq. Price	21,200 mm yen
Appraisal	22,400 mm yen
Address	4-7 Oyama-cho, Midori-ku, Sagamihara City, Kanagawa Prefecture
Site Area	67,746.26 m^2
GFA	145,801.69 m^2
Completed	Jan 2015
Structure	Reinforced concrete, alloy plated sheet steel, 5 floors

(Note) The appraisal value reflects the value of the co-ownership interest (55%) of the trust beneficiary right.

Property Characteristics

- In close proximity to the Route 16 major highway, while having excellent access to the Tokyo and Yokohama, two large consumption areas
- Easy access to “Sagamihara IC” and “Sagamihara Aikawa IC” catering logistics across a broad area
- Located within walking distance to “Hashimoto” which is a terminal station, the property is also facing commercial and residential properties making for a favorable employment environment
- Equipped with a ramp way, the building is of a scale where the leasable area per floor is in excess of 23,000㎡, with high grade specifications coupled with seismic isolation performance

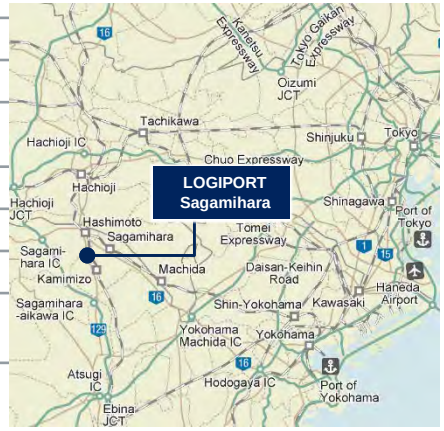
LOGIPORT Sagamihara

LP Sagamihara

（51% co-ownership interest in a RE trust beneficiary right）

Acq. Price	23,020 mm yen
Appraisal	24,800 mm yen
Address	3700-3 Dana, Chuo-ku, Sagamihara City, Kanagawa Prefecture
Site Area	94,197.27m^2
GFA	200,045.57m^2
Completed	Aug 2013
Structure	Reinforced concrete, alloy plated sheet steel, 5 floors

(Note) The appraisal value reflects the value of the co-ownership interest (51%) of the trust beneficiary right.



Property Characteristics

- In close proximity to the Route 16 major highway, while having excellent access to the Tokyo and Yokohama, two large consumption areas
- Easy access to “Sagamihara IC” and “Sagamihara Aikawa IC” catering logistics across a broad area
- A vast residential area is in the near vicinity, allowing for excellent employment environment
- GFA in excess of 200,000 ㎡, making this asset the largest in the Tokyo metropolitan area among large scale logistics facilities
- Equipped with a ramp-way, the building has high grade specifications coupled with seismic isolation performance.

Portfolio Summary 2/4

LOGIPORT Kita Kashiwa

LP Kita Kashiwa

Acq. Price	25,300 mm yen
Appraisal	27,600 mm yen
Address	13-1 Matsugasaki Nitta, Kashiwa City, Chiba Prefecture
Site Area	49,462.95 m²
GFA	104,302.62 m²
Completed	Oct 2012
Structure	Reinforced concrete, alloy plated sheet steel, 6 floors

Property Characteristics

- Kashiwa City is an integrated area for large delivery centers aimed at the Tokyo metropolitan area
- Located in close proximity to major arterial highways No. 6 and No. 16, and is within 6km to the "Kashiwa IC" along the Joban Expressway, the property offers excellent transportation convenience as a delivery base
- Located within 6 minutes to the "Kitakashiwa" station along the JR Joban Line, there is bus service throughout, as well as neighboring residential homes, creating a favorable employment environment
- Equipped with a ramp way, the building has leasable area per floor of 18,000㎡, with high grade specifications

LOGIPORT Kawagoe

LP Kawagoe

Acq. Price	11,950 mm yen
Appraisal	12,100 mm yen
Address	3-5-1 Yoshinodai, Kawagoe-city, Saitama
Site Area	34,768.45 m²
GFA	50,742.47 m²
Completed	Jan 2011
Structure	Reinforced concrete ・ steel framed alloy plated steel sheet, 4 floor

Property Characteristics

- Excellent access to areas of high consumption. Good access to Saitama and Tokyo, both of which are large consumption areas. By using the Ken-o or Kanetsu expressways, this location offers great distribution coverage across the Tokyo Metropolitan Area.
- Easy pedestrian access from Kawagoe station and Kamio station.
- Located in an industrial area, allowing for 24 hour operations.

Portfolio Summary 3/4

LOGIPORT Nagareyama A and B

LP Nagareyama A and B buildings

	LP Nagareyama A	LP Nagareyama B
Acq. Price	3,500 mm yen	26,600 mm yen
Appraisal	3,840 mm yen	27,900 mm yen
Address	492 Minami, Nagareyama City, Chiba Prefecture	66-1 Tani, Nagareyama City, Chiba Prefecture
Site Area	9,243.95 m^2	59,233.95 m^2
GFA	17,673.87 m^2	133,414.76 m^2
Completed	July 2008	July 2008
Structure	Alloy plated sheet steel, 5FL	Alloy plated sheet steel, 5FL

Property Characteristics

- Due to its close proximity to the "Nagareyama IC" along the Joban Expressway, via the "Misato Jct", connecting to the Metropolitan Expressway, the property has excellent access to the Tokyo Metropolitan Area
- The property can make deliveries to a widespread area by utilizing its access to National Route 16
- Building A is equipped with sufficient vertical conveying functions which are optimal toward tenants that are looking to address storage needs.
- Building B has a GFA in excess of 130,000㎡, where it is equipped with high grade specifications

Portfolio Summary 4/4

LOGIPORT Higashi Ogishima A, B, C

LP Higashi Ogishima A, B, C

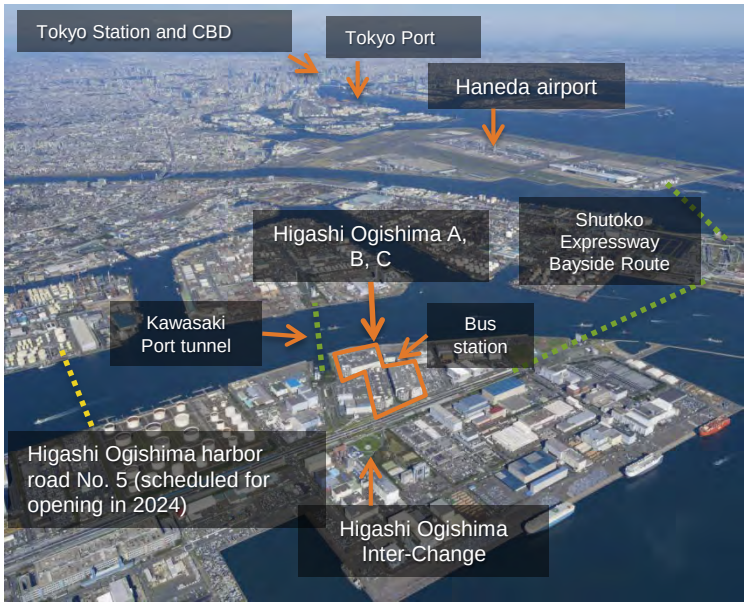
	LP Higashi Ogishima A	LP Higashi Ogishima B	LP Higashi Ogishima C
Acq. Price	19,000 mm yen	19,120 mm yen	23,700 mm yen
Appraisal	19,500 mm yen	21,300 mm yen	25,000mm yen
Address	18-2 Higashi Ogishima, Kawasaki-ku, Kawasaki City, Kanagawa Prefecture	15 Higashi Ogishima, Kawasaki-ku, Kawasaki City, Kanagawa Prefecture	19-2 Higashi Ogishima, Kawasaki-ku, Kawasaki City, Kanagawa Prefecture
Site Area	25,000.02 m^2	29,901.83 m^2	29,769.94 m^2
GFA	100,235.67 m^2	117,546.26 m^2	116,997.14 m^2
Completed	April 1987	April 1991	Sept 2001
Structure	Reinforced concrete Deck roofing, 10 stories (warehouse 5 stories)	Reinforced concrete Deck roofing, 10 stories (warehouse 5 stories)	Reinforced concrete Deck roofing, 6 stories

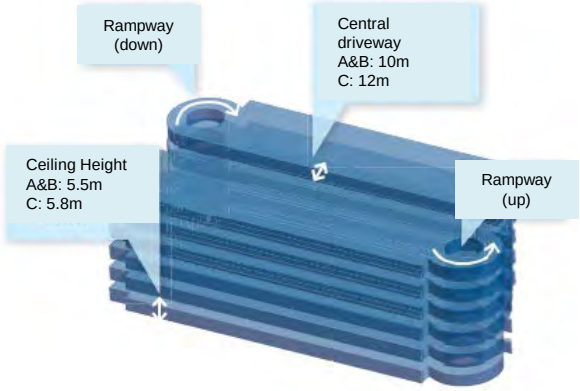
Property Characteristics

- Metropolitan Expressway Bayshore Route "Higashi Ogishima IC", Yokohama Port, Tokyo Port, and Haneda Airport
- Proximity to major consumption areas such as the Tokyo Metropolitan Area, Kawasaki City, and Yokohama City
- The surrounding area has several industrial and logistics facilities and is characterized as a large industrial agglomerated area
- In 2018 the Kawasaki Port Harbor Road Higashi Ogishima Mizue Town Line is slated to open
- The property is of large scale and is equipped with a ramp way, along with high grade specifications

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

■ LP Higashi-Ogishima A, B, C are located in a suitable site for large scale, high functional “Prime Logistics”





Suitable Site

① Access to consumption areas

Good access to a major consumption area - Tokyo CBD, Yokohama, and Kawasaki

② Proximity to main arterial roads (nodes)

Adjacent to the Shutoko Expressway entry/exit, with easy access to logistics hubs such as Haneda airport, Tokyo port, and Yokohama port

③ Zoned for 24 hour operations and industrial use

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

④ Pedestrian access to/from public transportation

Adjacent to bus station (1 min) which connects to Kawasaki and Yokohama stations, frequent bus service (weekdays in excess of 120 roundtrips)

Large scale

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

High functionality

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

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

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

④ Ensured with adequate office space with air conditioning

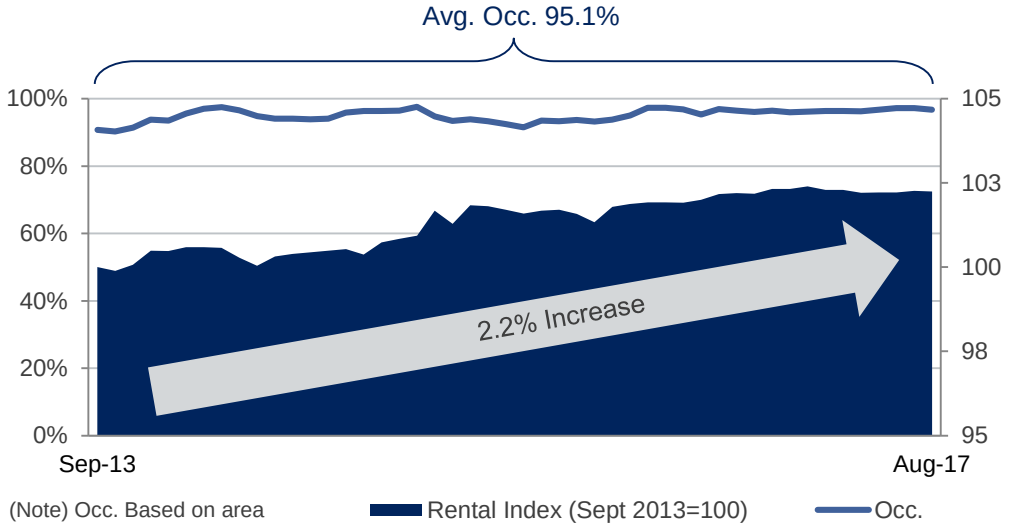
⑤ Built out of reinforced concrete for high seismic performance

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

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

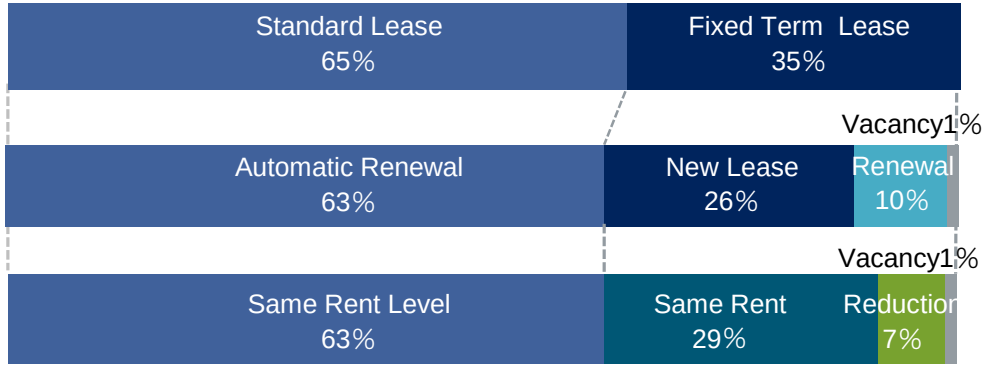
Occupancy・Rent Unit Price differential

- Avg. Rents have gone up by 2.2% over the past 4 years



Lease renewal status for 3rd FP

- Standard leases that get cancelled are converted into fixed term leases at higher mark-to-market rent levels

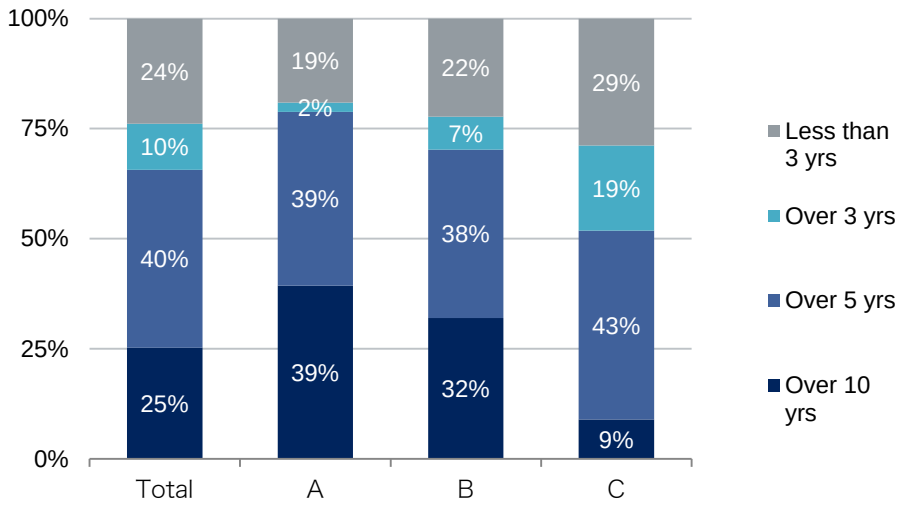


(Note)The percentages shown above are accounting for the 95,502㎡of space which came upon their lease maturities during the 3rd FP. (Temporary usage is not accounted for an only the warehouse/storage use areas are considered)

Avg. period of occupancy for existing tenants

- Because the number of leases that are under standard terms are great, the average WALE is 1.8 years.
- Among the existing tenants, their avg. occupancy has lasted 7.2 years （Counting from the first lease start date through the 3rd FP)

■ Breakdown of length of occupancy



(Note) Based on leased area

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

■ Due to dispersion of tenants・shippers, and below market rents, occupancy is stabilized (downside protected)

Tenant・Shippers Configuration

- Due to flexible compartmentalization of space, tenants range from small to large sizes
- As large scale tenants have received deposits of goods from multiple shippers (i.e. end users), actual tenant dispersion is even greater

■ Tenant dispersion by industry

Top 5	64.3 %
Total Industries	30 社

(Note) Relative to total portfolio lease area
（Warehouse area only)

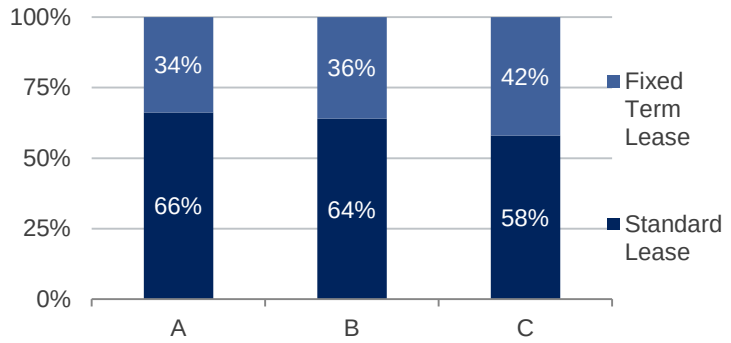
■ Tenant dispersion based on actual end users

Top 5	35.0 %
Total # of companies	62 社

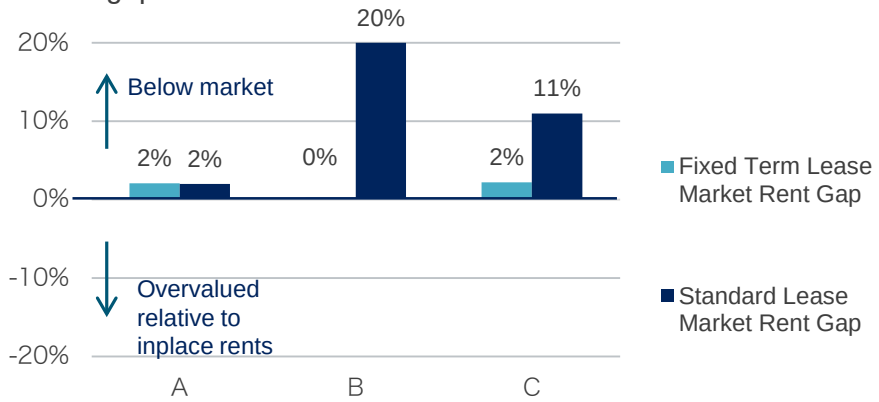
Current rent levels

- In-place rents are below market by 2%～20%
- As the rent gap is relatively large for those tenants under standard terms, the motivation to move is poor, thus, while their contracted lease terms are short, the actual period of occupancy has been over a long period of time.

■ Fixed term lease ・standard term lease ratios

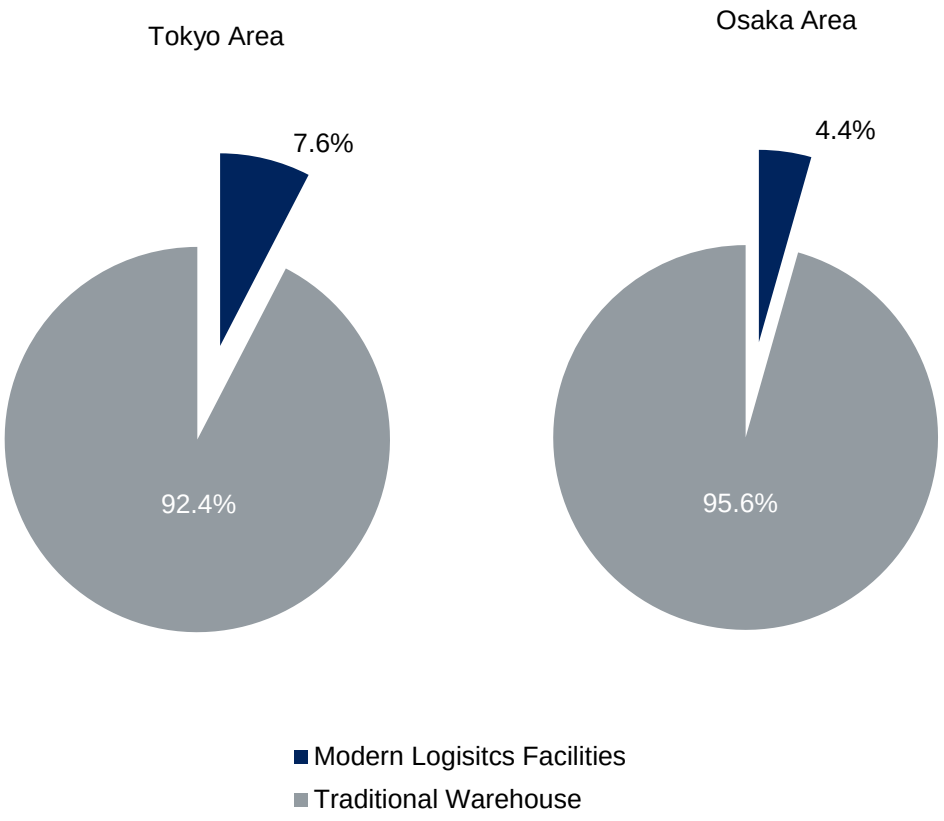


■ Rental gap

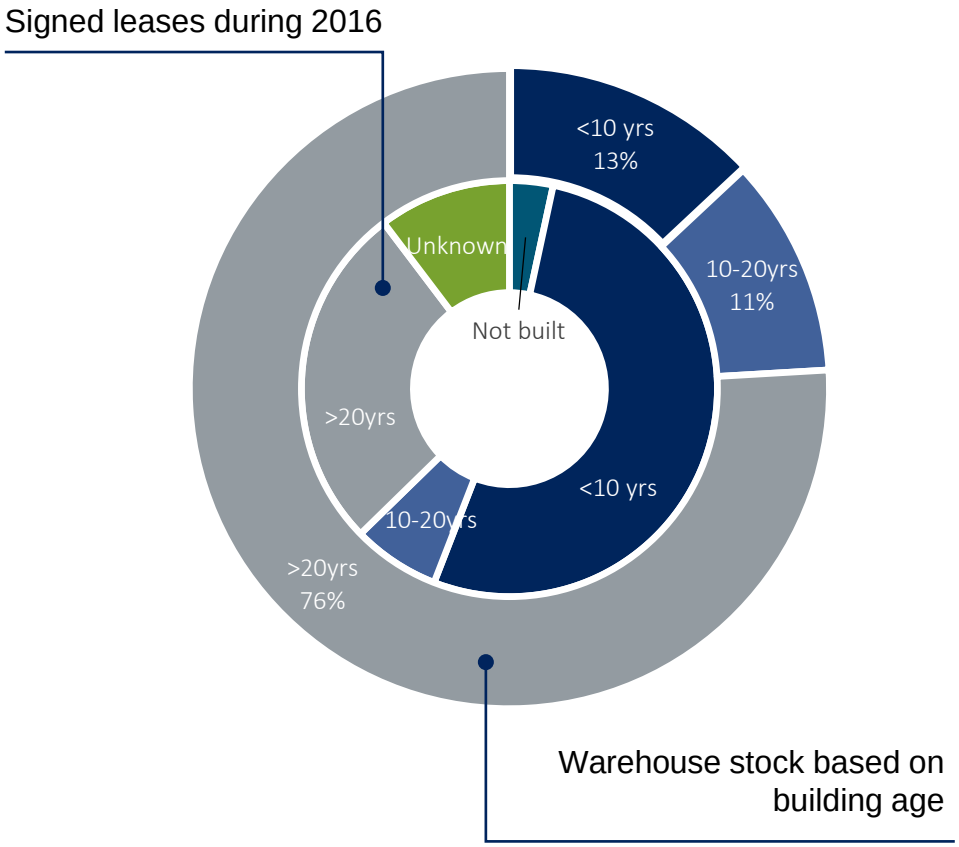


Logistics Real Estate Stock

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



Signed leases based on age of building (Tokyo Area)

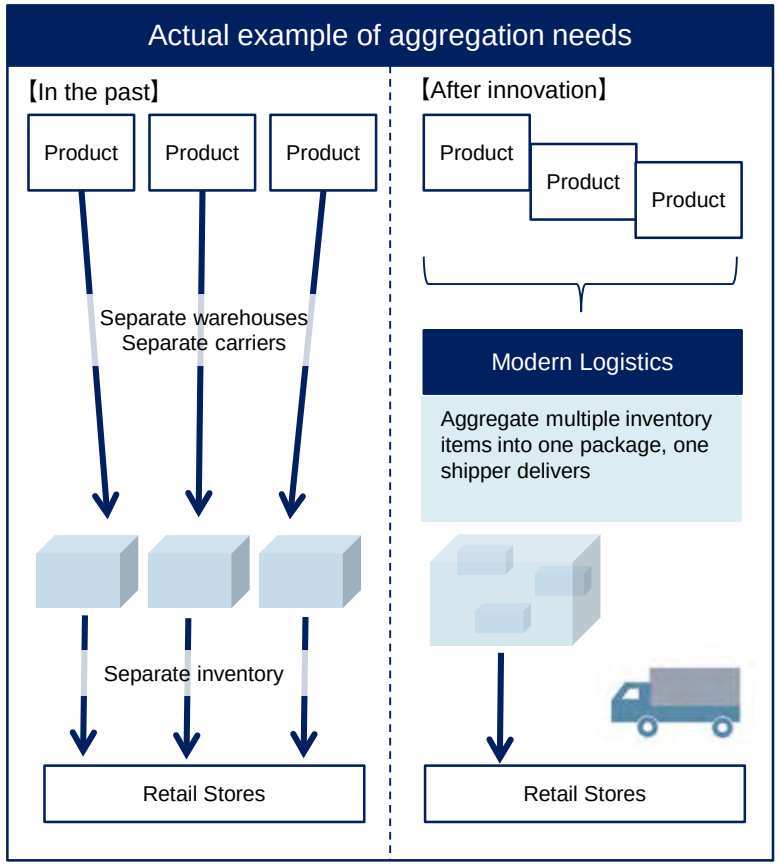


Source： Both of the above are from CBRE
(1) GFA >10,000㎡, modern leasable facilities that satisfy functional design standards that warrant their modernity. As of 3/2016 information.

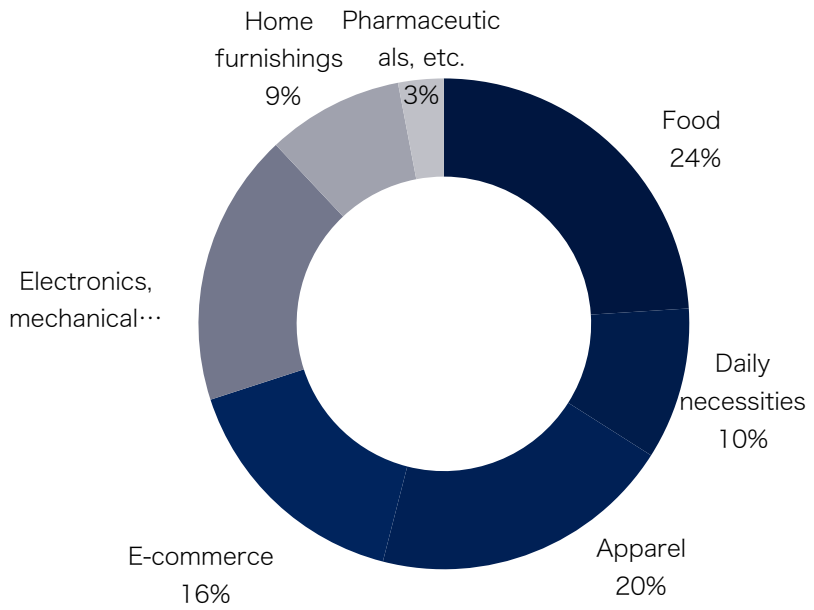
Specific needs related to logistics real estate

Expansion of aggregation and integration needs

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

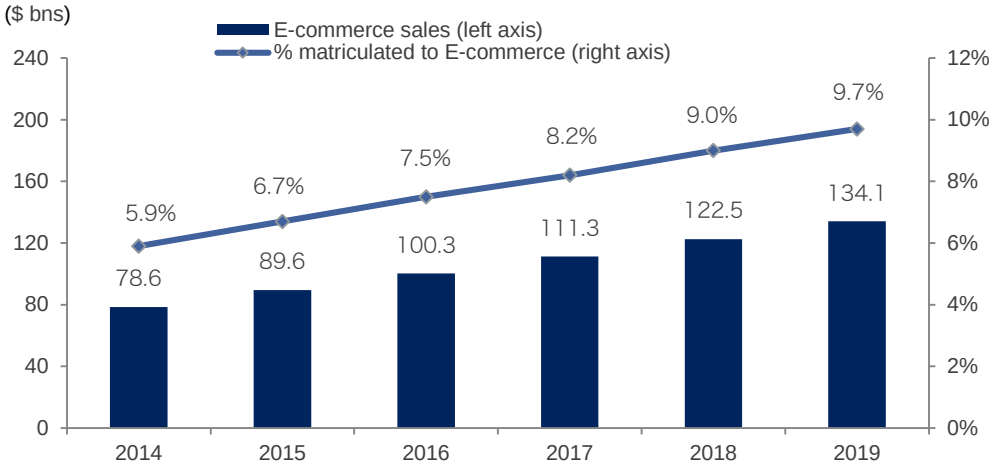


Types of inventory underlying end tenant users across Tokyo Area large scale multi-tenanted logistics



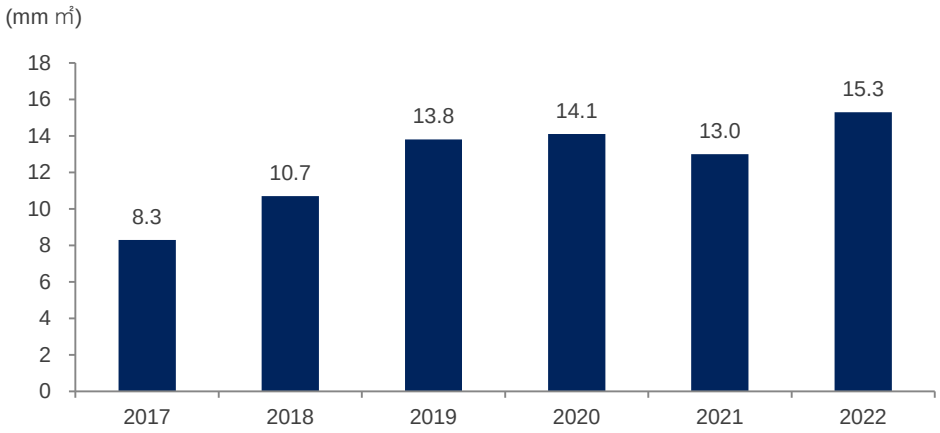
Market environment surrounding logistics real estate

Expansion prospects of the E-commerce market



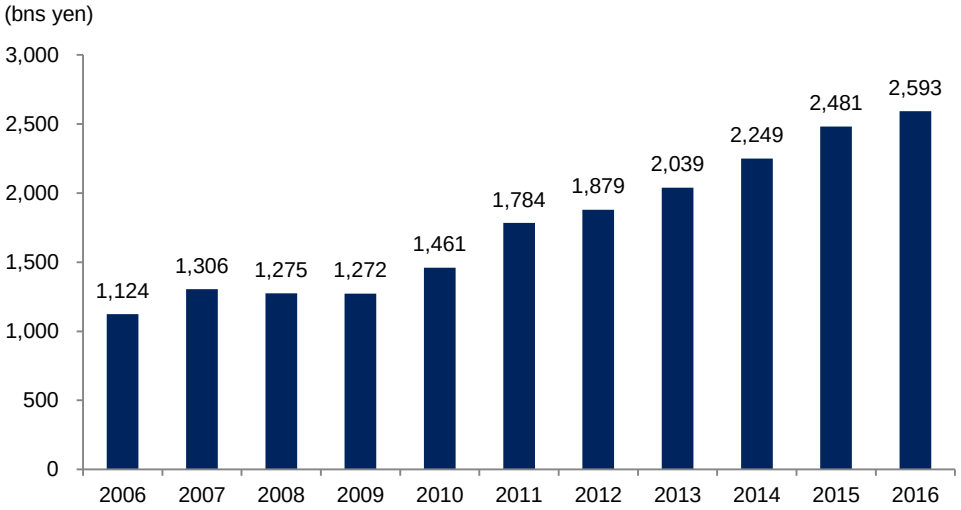
Source：eMarketer

Warehouse stock approaching its useful life and requires rebuilding



Source: Base on the MLIT's "Construction Starts Statistics Survey"
*For buildings, the useful life assumes a 50 year time horizon, described as the total floor area of warehouse that tabulates the useful life of each year

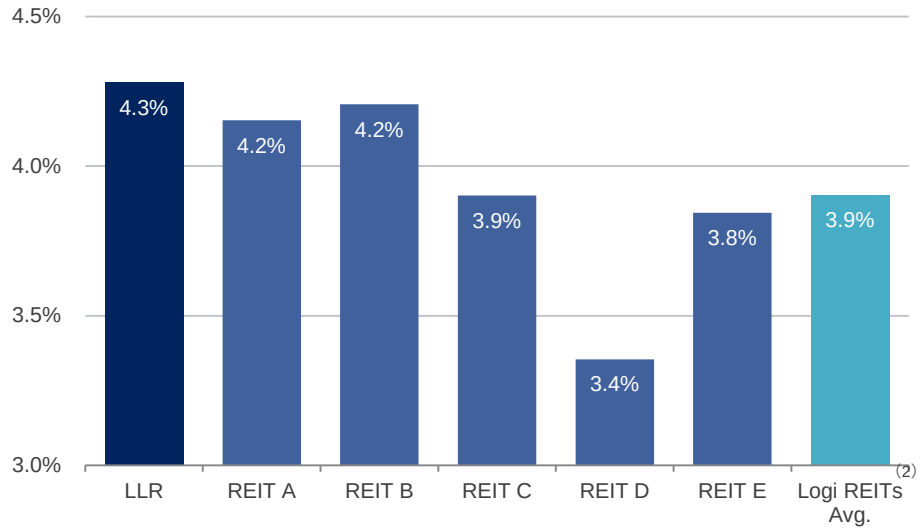
Expansion changes in the 3PL market



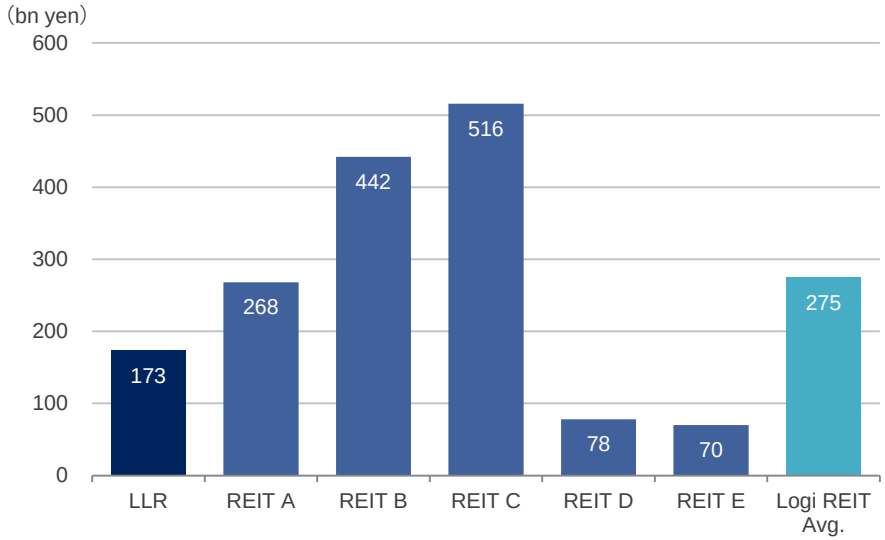
Source：CBRE

(Reference) J-REIT Valuations

Dividend Yield (1)

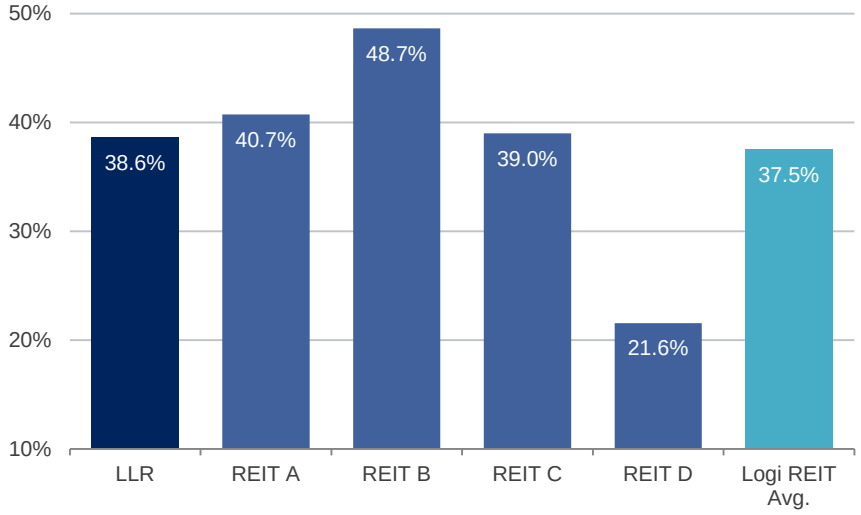


AUM (Acq. Price basis)



P/NAV ratio

LTV (3) (Book value basis)



(Note) Created based on available disclosure materials of each company and stock price as of 9/29/2017.

(1) Dividend yield is calculated by doubling the current period's projected DPU per each REIT's disclosure materials.

(2) Simple average of all 6 logistics REITs (applies similarly to below)

(3) Book value is based on most recently available disclosure materials

Fund Summary

Expressed as millions yen unless specified otherwise	FP 2/28/2017	FP 8/31/2017
Operating Revenues	4,853	5,234
Net Operating Income (“NOI”)	4,263	4,049
Depreciation Expense	583	625
NOI after Depreciation	3,680	3,424
Asset Management Fee	633	590
Operating Income	2,956	2,739
Interest Expense・Financing Related Expenses	211	301
Net Income	2,739	2,429
Total Distribution Amount	2,915	2,616
Capital Expenditures	58	67
Funds From Operation (“FFO”)	3,323	3,055
Adjusted Funds From Operations (“AFFO”)	3,263	2,988
Acquisition Price	161,440	173,390
Tangible Fixed Asset Book Value	162,917	174,484
Real Estate Appraisal Value	172,210	184,440
Unrealized Capital Gain	9,292	9,955
Unrealized Capital Gain (%)	5.7%	5.7%
Interest Bearing Debt	58,970	71,030
Net Assets	108,901	108,416
Total Assets	172,144	183,842
NOI Yield（Acq. Price Basis）	5.3%	4.7%
After Depreciation NOI Yield (Acq. Price Basis)	4.6%	3.9%
LTV（Book Value Basis)	34.3%	38.6%
LTV（Market Value Basis)	32.5%	36.7%
# of Outstanding Units at FP end	1,100,000 units	1,100,000 units
NAV	115,279	115,755

Expressed as millions yen unless specified otherwise	FP 2/28/2017	FP 8/31/2017
Dividend Per Unit (“DPU”)	2,650 yen	2,379 yen
Earnings Per Unit (“EPU”)	2,491 yen	2,209 yen
Dividend Distributions in Excess of EPU	159 yen	170 yen
AFFO Per Unit	2,967 yen	2,716 yen
NAV Per unit	104,799 yen	105,231 yen
Net Assets per unit	99,001 yen	98,560 yen
Investment Unit Price (Last day with rights)	107,700 yen	111,800 yen
Market Capitalization	118,470	122,980
Dividend Yield	4.92%	4.26%
Price-to-Book Ratio (“P/B Ratio”)	1.09x	1.13x
Price / NAV	1.03x	1.06x
Return on Equity (“ROE”)	5.0%	4.5%
AFFO Payout Ratio	89.3%	87.6%

1. FFO＝Net Income + Depreciation Expense – Gain on sale of real estate
2. AFFO＝FFO – Capital Expenditures
3. NOI Yield＝NOI (Annual conversion・Recent results×2) ÷ Acquisition Price
4. After Depreciation NOI Yield＝ NOI-Deprecation（Annual conversion・Recent results×2）÷ Acq. Price
5. Total Assets LTV（Book Value basis）＝Interest Bearing Debts ÷ Total Assets
6. Total Assets LTV（Market Value basis）＝ Interest Bearing Debt ÷（Total Assets – Tangible Fixed Asset Book Value + Real Estate Appraisal Value）
7. NAV = (Net Assets – Expected Dividend Amount + Unrealized Capital Gain/Loss)
8. Dividend Yield＝DPU（Annual conversion・Recent results×2）÷ Investment Unit Price
9. P/Book Ratio (Stock Price Shareholders’ Equity multiplier）＝Investment unit price ÷ Shareholders’ Equity per unit
10. Price/NAV ratio＝Investment Unit Price ÷ NAV per unit
11. ROE(per share profitability ratio)＝Net Income (Annual conversion・Recent results×2) ÷ Shareholders’ Equity
12. AFFO Payout Ratio＝Total Distribution Amount ÷ AFFO

P&L of Leasing Business on a Per Property Basis

■ 3rd Fiscal Period (3/1/2017 – 8/31/2017)

(units：thousands of yen)

	LP Hashimoto	LP Sagamihara	LP Kita Kashiwa	LP Nagareyama A	LP Nagareyama B	LP Higashi Ogishima A	LP Higashi Ogishima B	LP Higashi Ogishima C	LP Kawagoe
Days of Operation during 3rd FP	184	184	184		184	184	184	184	184
①Rental Revenues Total	597,547	699,407	758,161		838,922	602,071	646,522	751,896	340,022
Leasing business	553,980	653,431	677,742		774,805	548,105	571,726	682,501	320,917
Other revenues	43,567	45,975	80,418		64,117	53,965	74,795	69,394	19,104
②Operating Expenses Total	187,960	221,680	310,768		382,086	155,772	217,666	251,497	82,719
Outsourced contract costs	19,930	32,384	45,479		39,151	38,829	50,399	56,782	18,237
Utilities	29,357	39,671	60,893		47,999	17,157	27,083	39,919	17,998
Real Estate Taxes	53,875	60,605	72,586		60,479	38,567	59,664	56,409	0
Insurance	963	1,146	1,215		1,634	1,109	1,389	1,479	532
Repair & Maintenance	725	1,944	12,019		83,223	6,475	10,066	8,302	5,056
Depreciation	74,712	67,509	90,106		146,230	51,686	67,795	87,093	40,254
Other expenses	8,394	18,418	28,467		3,366	1,947	1,267	1,512	639
③ NOI After Depreciation (=①－②)	409,586	477,726	447,393	58,742	398,093	446,298	428,855	500,398	257,303
④ NOI（＝③＋Depreciation）	484,299	545,236	537,500	80,581	522,486	497,984	496,650	587,491	297,557

(Note) Since consent for disclosure from an end tenant (1 lessee) of LP Nagareyama A building has not been obtained, each of the line items have been combined with LP Nagareyama B building.

Income Statement & Balance Sheet

■ Income Statement

（Units：thousands yen）

Item	2nd FP (Actual) 2/28/2017	3rd FP (Actual) 8/31/2017
Operating Revenues	4,853,019	5,234,552
Leasing Business Revenues	4,411,877	4,783,212
Other Leasing Business Revenues	441,141	451,340
Operating Expenses	1,896,643	2,495,234
Expenses Related to Rental Business	1,172,581	1,810,152
Asset Management Fee	633,517	590,925
Asset Custody・Administrative Fee	23,600	27,377
Directors' compensation	3,600	3,600
Independent Auditor Fee	10,000	10,000
Other Operating Expenses	53,344	53,178
Operating Income	2,956,375	2,739,317
Non-Operating Income	62	40
Interest Income Receivables	41	40
Interest on Refund	20	-
Non-Operating Expenses	216,174	308,448
Interest Expense	179,774	199,019
Interest on Investment Corporation Bonds	783	14,234
Amortization of Deferred Establishment Expenses	3,656	3,656
Amortization of Investment Corporation Bonds Issuance Costs	524	3,497
Financing Related Expenses	31,434	88,040
Ordinary Income	2,740,264	2,430,909
Net Income Before Taxes	2,740,264	2,430,909
Net Income	2,739,607	2,429,984
Prior Period Profit Carried Forward	716	224
Net Income Available for Distributions	2,740,324	2,430,209

■ Balance Sheet

（Units：thousands yen）

Item	2nd FP (Actual) 2/28/2017	3rd FP (Actual) 8/31/2017
Current Assets	8,808,032	8,891,502
Cash & Deposits	4,538,137	3,963,564
Cash & Deposits in Trust	4,075,991	4,644,814
Other Current Assets	193,902	283,121
Non-Current Assets	163,271,307	174,871,805
Tangible Fixed Assets	162,917,112	174,484,950
Investments & Other Assets	354,194	386,854
Deferred Assets	64,968	78,728
Establishment Costs	26,204	22,547
Investment Corporation Bonds Issuance Costs	38,764	56,180
Total Assets	172,144,308	183,842,035
Current Liabilities	4,080,617	2,326,843
Operating Accounts Payable	115,061	233,796
Short Term Borrowings	1,690,000	-
Accounts Payable	738,202	643,457
Consumption Taxes Payable	100,750	-
Advances Received	820,072	877,885
Other Current Liabilities	616,530	571,702
Non-current Liabilities	59,161,801	73,098,317
Investment Corporation Bonds	6,000,000	9,500,000
Long Term Borrowings	51,280,000	61,530,000
Security Deposits Held in Trust	1,881,801	2,068,317
Total Liabilities	63,242,419	75,425,161
Net Assets	108,901,889	108,416,874
Unitholders' Capital (1)	106,161,565	105,986,665
Surplus Capital	2,740,324	2,430,209
Total Net Assets	108,901,889	108,416,874
Total Liabilities + Shareholders' Equity	172,144,308	183,842,035

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

Interest Bearing Debts Summary

■ List of Borrowings （As of 8/31/2017）

（units：millions yen）

Type	Lender	OPB	Interest Rate	Origination	Maturity[3]	Notes
Long Term	Mizuho SMBC SMTB Resona Bank Fukuoka Bank	6,120	0.41%[1]	2/17/2016	2/17/2021	Unsecured Non-guaranteed
Long Term	Mizuho SMBC SMTB	9,220	0.68%[1]	2/17/2016	2/17/2023	Unsecured Non-guaranteed
Long Term	Mizuho SMBC SMTB	6,190	0.76%[1]	2/17/2016	2/17/2024	Unsecured Non-guaranteed
Long Term	Mizuho SMBC SMTB	4,910	0.89%[1]	2/17/2016	2/17/2025	Unsecured Non-guaranteed
Long Term	Mizuho SMBC SMTB	2,250	0.93%[1]	2/17/2016	2/17/2026	Unsecured Non-guaranteed
Long Term	BTMU	1,540	0.42% （fixed）	2/17/2016	2/17/2021	Unsecured Non-guaranteed
Long Term	DBJ	3,080	0.42% （fixed）	2/17/2016	2/17/2021	Unsecured Non-guaranteed
Long Term	BTMU	3,170	0.68% （fixed）	2/17/2016	2/17/2023	Unsecured Non-guaranteed
Long Term	DBJ	2,720	0.68% （fixed）	2/17/2016	2/17/2023	Unsecured Non-guaranteed
Long Term	BTMU	2,870	0.79% （fixed）	2/17/2016	2/19/2024	Unsecured Non-guaranteed
Long Term	BTMU	4,160	0.89% （fixed）	2/17/2016	2/17/2025	Unsecured Non-guaranteed

Type	Lender	OPB	Interest Rate	Origination	Maturity[3]	Notes
Long Term	BTMU	1,510	0.98% （fixed）	2/17/2016	2/17/2026	Unsecured Non-guaranteed
Long Term	Resona Bank Fukuoka Bank Shinsei Bank 77 Bank Nomura Trust	1,900	Base Interest Rate （JBA 3-mth JPY TIBOR）+ 0.1625％ [2]	3/1/2017	9/3/2018	Unsecured Non-guaranteed
Long Term	Resona Bank Fukuoka Bank Shinsei Bank 77 Bank Nomura Trust	1,400	Base Interest Rate （JBA 3-mth JPY TIBOR）+ 0.1875％[2]	3/1/2017	9/2/2019	Unsecured Non-guaranteed
Long Term	DBJ Resona Bank Fukuoka Bank MUFJ Trust	2,990	0.43% （fixed）	3/1/2017	3/1/2022	Unsecured Non-guaranteed
Long Term	SMBC	1,900	Base Interest Rate （JBA 3-mth JPY TIBOR）+ 0.3325％ [2]	3/1/2017	9/1/2023	Unsecured Non-guaranteed
Long Term	BTMU Mizuho SMTB	5,600	0.47% （fixed）	3/1/2017	9/1/2023	Unsecured Non-guaranteed
Inv. Corp. Bonds	1st unsecured issuance	4,000	0.26% （fixed）	2/15/2017	2/15/2022	Unsecured Non-guaranteed
Inv. Corp. Bonds	2nd unsecured issuance	2,000	0.58% （fixed）	2/15/2017	2/15/2027	Unsecured Non-guaranteed
Inv. Corp. Bonds	3rd unsecured issuance	3,500	0.65% （fixed）	7/13/2017	7/13/2027	Unsecured Non-guaranteed

(1) With respect to loans with variable interest rates, LLR has entered into interest rate swap transactions in order to avoid any interest rate fluctuations. Thus, the rate shown shows the effect of the swap (i.e. fixed rate).
(2) With respect to the Japanese Bankers Association ("JBA") Japanese Yen TIBOR rate, please refer to the operating agency's website（http://www.jbatibor.or.jp）
(3) If the repayment of principal and interest falls on a non-business day, then repayment shall be on the next business day. Should this day fall into the following month, then the repayment date shall be the immediately preceding business day.

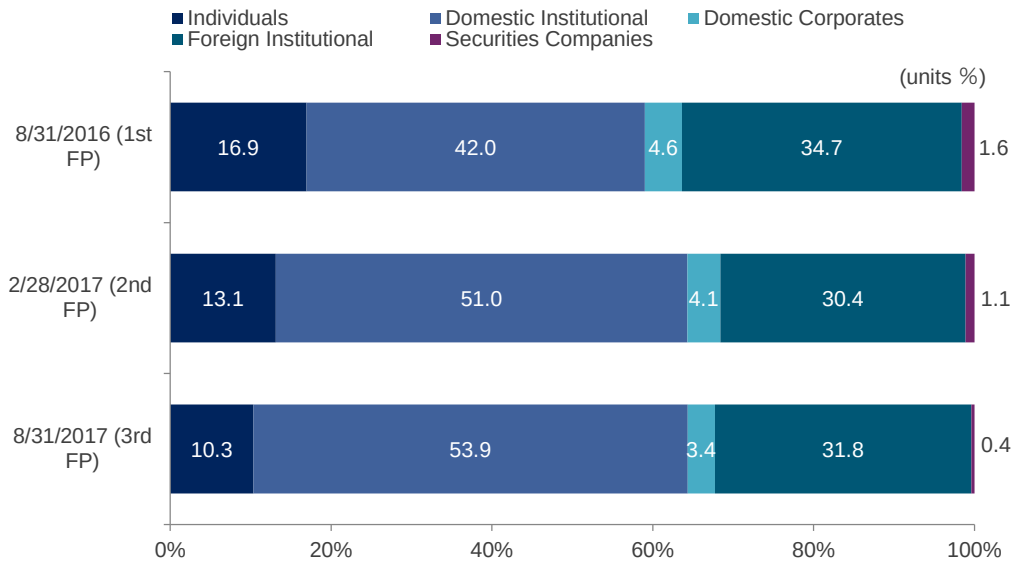
Unitholders Summary

Number of Investor by Ownership Type・Number of Investment Units

	1st FP（8/31/2016）				2nd FP（2/28/2017）				3rd FP（8/31/2017）			
	# of investors	Ratio	# of units	Ratio	# of investors	Ratio	# of units	Ratio	# of investors	Ratio	# of units	Ratio
Individuals	13,015	95.3%	186,399	16.9%	10,975	95.1%	144,854	13.1%	9,728	94.8%	113,357	10.3%
Domestic Institutional	77	0.5%	462,336	42.0%	80	0.6%	561,585	51.0%	77	0.7%	593,578	53.9%
Domestic Corporate	366	2.6%	51,058	4.6%	286	2.4%	45,923	4.1%	238	2.3%	37,444	3.4%
Foreign Institutional	164	1.2%	382,455(1)	34.7%	172	1.4%	334,935(1)	30.4%	191	1.8%	350,267(1)	31.8%
Securities Company	28	0.2%	17,752	1.6%	26	0.2%	12,703	1.1%	18	0.1%	5,354	0.4%
Total	13,650	100.0%	1,100,000	100.0%	11,539	100.0%	1,100,000	100.0%	10,252	100.0%	1,100,000	100.0%

(1)Includes 46,200 units held by parent company

Change in Ownership Composition Over Time



Major Unitholders

	# of units	% of total
Japan Trustee Services Bank, Ltd. (Trust Account)	220,678	20.06%
Japan Master Trust Bank（Trust Account）	140,268	12.75%
Trust & Custody Services Bank, Ltd. (Securities Investment Trust Account)	105,033	9.54%
Nomura Trust Bank（Trust Account）	51,332	4.66%
NSI CUSTOMER SECURED 30.7. OMNIBUS (2)	46,200	4.20%
STATE STREET BANK AND TRUST COMPANY 505012	30,834	2.80%
THE BANK OF NEW YORK MELLON SA/NV 10	18,833	1.71%
BARCLAYS BANK PLC A/C CLIENT SEGREGATED A/C PB CAYMAN CLIENTS	14,271	1.29%
SIX SIS LTD.	13,069	1.18%
STATE STREET BANK AND TRUST COMPANY	10,651	0.96%
Totals	651,169	59.19%

(2) The number of outstanding shares currently held by Jones Lang LaSalle Co-Investment Inc. (the asset manager of LaSalle LOGIPORT REIT, LaSalle REIT Advisors K.K.'s, parent company is LaSalle Investment Management K.K. ("LaSalle KK"). LaSalle KK's parent company is Jones Lang LaSalle Global Holdings B.V., and 50% of the outstanding shares of this holding company entity is held by Jones Lang LaSalle Co-Investment Inc.). As shown in the right hand table, the 46,200 units are actually held by Jones Lang LaSalle Co-Investment Inc.

Optimal Cash Management

■ Cash management policy implementation

Repayment of Interest Bearing Debts

Construction of robust financial structure

New Property Acquisitions

Strengthening growth potential

Utilize towards repairs or Capital Expenditure

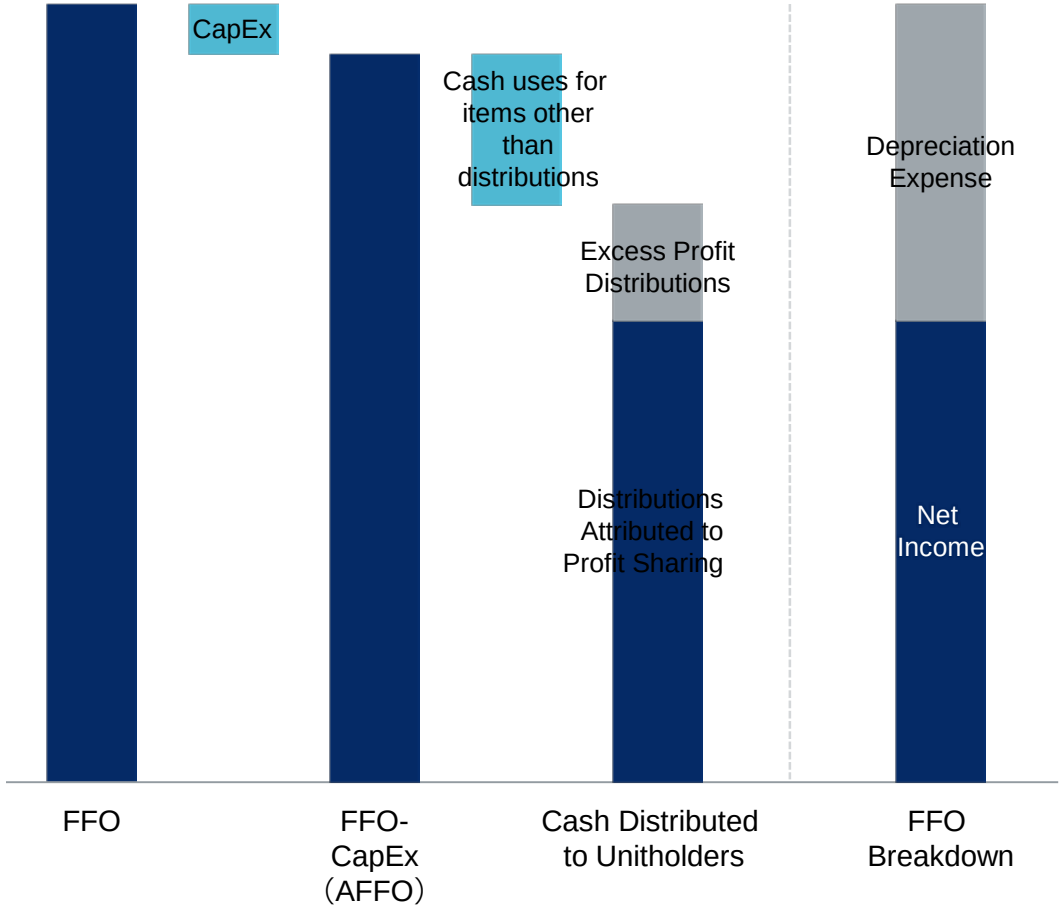
Maintain and strengthen the competitiveness of owned properties

Excess Profit Distribution (Return of Capital)

Goal（vs. Depreciation Expense）

- Continual excess profit distributions…30%
- Continual excess profit distributions
  + one time excess profit distributions…40%

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



Governance Structure Emphasizing Unitholders' Interests and Transparency

■ Management fees which fluctuates with unitholders' value

Management Fee Components of Asset Manager

Recurring Management Fees

（1） AM Fee I (tied to AUM):
Prior Fiscal Period Total Assets × 0.22%（Upper Limit rate）

（2） AM Fee II (tied to ordinary income):
(Prior Fiscal Period Ordinary Income＋Depreciation Expense＋Deferred Assets Amortization－Transfer Gains or Losses on Specified Assets－Valuation Gains or Losses) × 5.8% （Upper Limit Rate）

（3） （AM Fee I＋AM Fee II） × Adjusted EPU × 0.026%
（Upper Limit rate）

Acquisition / Transfer Fees

（4） Sale Price × 1.0% （Upper Limit rate） in case of acquisition or transfer of real estate related assets

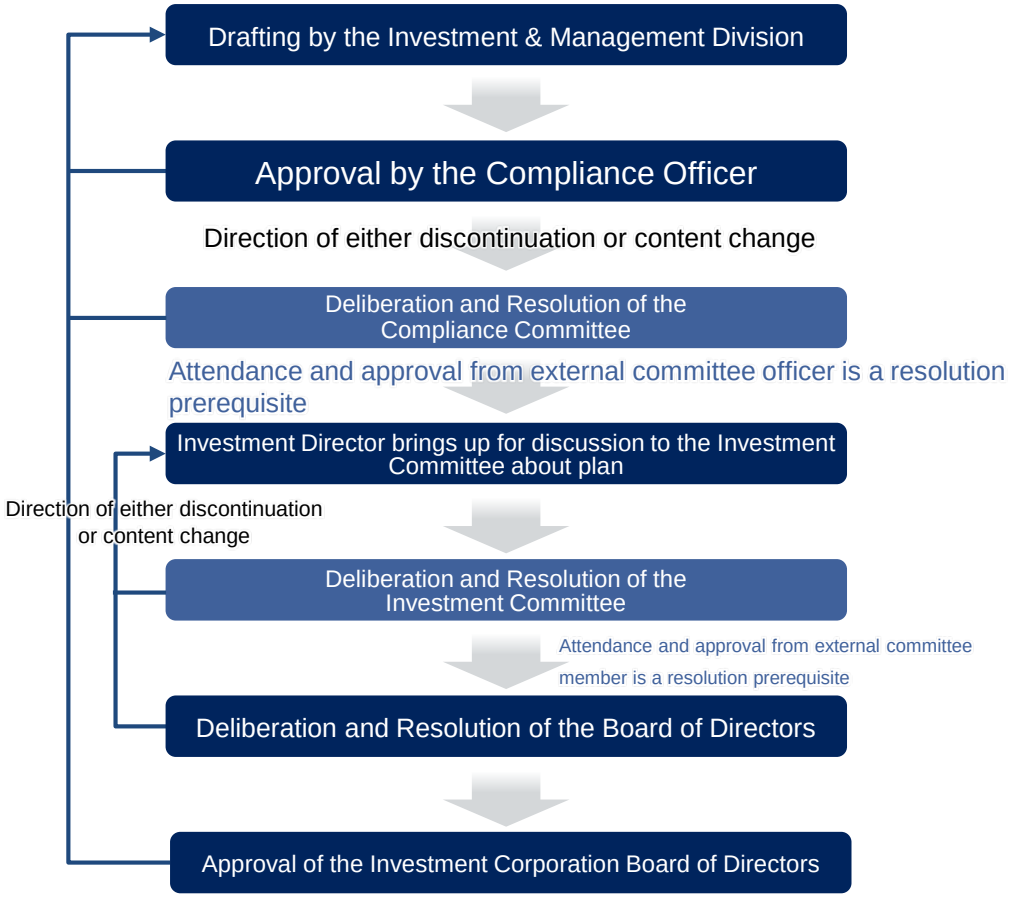
Merger Fee

（5） New merger or absorption merger opposite party real estate related appraised value × 1.0%（Upper Limit Rate）

■ Alignment of interest between unitholders and LaSalle Group

Approx. 4% of the outstanding investment units are held by the LaSalle Group and JLL, demonstrating alignment of interest

■ Decision making flow chart of Asset Manager as it relates to related party deals



With respect to the decision making involving related party transactions, approval from the external officer in the Compliance Committee and external officer in the Investment Committee must be obtained, and in addition, approval from the Investment Corporation's Board of Directors must be obtained as a prerequisite.

LaSalle LOGIPORT REIT's Structure

■ Structure Diagram of Investment Corporation

1. Asset Custody Agreement
   General Office Agreement
   Unitholders Registry and Administrative Agreement
2. General administrative trustee on investment corporation bonds
3. Asset Management Agreement
4. Sponsor Support Agreement
5. Trademark License Memorandum

■ Overview of Asset Management Company

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

Disclaimer

This document, which has been prepared solely for information purposes, should not be construed or considered for the purpose of recruitment, solicitation, or sales of the particular investment product in question.

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

Given that the content of this document is unaudited, there are no guarantees provided with respect to its accuracy or reliability. In addition, please understand in advance, that with respect to the Asset Management Company’s analyses and judgment, these views merely reflect current opinions, and may change or discontinue without notice. With respect to the data, indicators, etc. published by third parties, neither the Investment Corporation nor the Asset Management Company will assume any responsibility for their accuracy (inclusive of data that is based on real estate appraisal reports).

The contents of this document contains forward looking statements regarding future projections and performance. These statements are future performance metrics of the Investment Corporation, however, they do not guarantee financial conditions. There is risk of investment loss due to fluctuations in the price of the investment units. In addition, there is risk of loss exceeding the principal amount for credit transactions, etc. When considering investment, please read and comprehend the content of the contract letter prior to signing or prospectus delivered by a securities company.

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

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