Mitsubishi Estate Logistics REIT Investment Corporation

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For Immediate Release

Real Estate Investment Trust Securities Issuer
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Notice Concerning Issuance of New Investment Units and Secondary Offering of Investment Units

Mitsubishi Estate Logistics REIT Investment Corporation ("MEL") today announced that, on Sept. 19, 2019, its board of directors passed a resolution regarding the issuance of new investment units and a secondary offering of investment units as follows.

1. Issuance of New Investment Units through Public Offering (Public Offering)

(1)	Number of investment units to be offered	57,150 units
(2)	Amount to be paid in (issue amount)	To be determined The amount to be paid in (issue amount) shall be determined at the board of directors meeting to be held on a date between Monday, Sept. 30, 2019, and Wednesday, Oct. 2, 2019 (the "Issue Price Determination Date").
(3)	Net proceeds	To be determined
(4)	Issue price (offer price)	To be determined The issue price (offer price) shall be determined at the board of directors meeting to be held on the Issue Price Determination Date, taking into consideration the level of demand and other factors and using as a tentative price a figure obtained by multiplying a number from 0.90 to 1.00 by the closing price for ordinary trading of an investment unit of MEL on Tokyo Stock Exchange Inc. (the "Tokyo Stock Exchange") on the Issue Price Determination Date (in the event of no closing price on such date being available, the closing price on the preceding date). Any fraction of one yen shall be rounded down to the nearest yen.
(5)	Total amount issued (total offer value)	To be determined
(6)	Offering method	Investment units shall be offered through a Public Offering and all investment units for the Public Offering shall be purchased and underwritten by a group of underwriters (collectively referred to as the "Underwriters"). A part of the investment units through the Public Offering shall be purchased by overseas investors in international markets mainly in Europe and Asia (excluding the United States and Canada).
(7)	Content of underwriting agreement	The Underwriters shall pay MEL the net proceeds for the Public Offering on the payment date stated below under (10), and the difference with the Total amount issued (total offer value) shall be the proceeds of the Underwriters. MEL shall not pay an underwriting fee to the Underwriters.
(8)	Units of application	One unit or more in multiples of one unit
(9)	Application period	From the following business day of the Issue Price Determination Date to two business days following the Issue Price Determination Date
(10)	Payment date	A business day during the period from Monday, Oct. 7, 2019, to Wednesday, Oct. 9, 2019, which shall be five business days after the Issue Price Determination Date
(11)	Delivery date	The following business day of the Payment Date

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(12) The amount to be paid in (issue amount), the issue price (offer price), and other items required for the issuance of the new investment units through Public Offering shall be determined at a future board of directors meeting.

(13) The items above shall be subject to the condition that the Securities Registration Statement, filed pursuant to the Financial Instruments and Exchange Act of Japan, becomes effective.

2. Secondary Offering of Investment Units (Secondary Distribution via Over-allotment) (Refer to <Reference> below)

(1)	Number of investment units to be distributed	2,850 units The number of investment units to be offered is the maximum number of investment units to be distributed in the secondary distribution via over-allotment by one of the Underwriters in the primary offering ("the Underwriter"), separately from the Public Offering, taking into consideration the status of demand and other factors of the Public Offering. There are cases where the number may decrease or the secondary distribution via over-allotment itself may not take place at all depending on the status of demand and other factors relating to the Public Offering. The number of investment units to be distributed shall be determined at the board of directors meeting to be held on the Issue Price Determination Date, taking into consideration the status of demand and other factors of the Public Offering.
(2)	Distributor	The Underwriter
(3)	Distribution price	To be determined The distribution price shall be determined at the board of directors meeting to be held on the Issue Price Determination Date. Furthermore, the distribution price shall be the same as the issue price (offer price) for the Public Offering.
(4)	Total amount of distribution price	To be determined
(5)	Distribution method	The Underwriter shall conduct a secondary distribution of MEL's investment units, which it shall borrow from Mitsubishi Estate Co., Ltd. ("Mitsubishi Estate") in a number not to exceed 2,850 units (the "Borrowed Units"), separately from the Public Offering, taking into consideration the status of demand and other factors relating to the Public Offering.
(6)	Units of application	One unit or more in multiples of one unit
(7)	Application period	The same as the Public Offering
(8)	Delivery date	The same as the Public Offering

(9) This secondary distribution via over-allotment shall be cancelled upon the cancellation of the Public Offering.

(10) The distribution price and other items required for the secondary distribution via over-allotment shall be determined at a future board of directors meeting.

(11) The items above shall be subject to the condition that the Securities Registration Statement, filed pursuant to the Financial Instruments and Exchange Act of Japan, becomes effective.

3. Issuance of New Investment Units through Third-party Allotment (Refer to <Reference> below)

(1)	Number of investment units to be offered	2,850 units
(2)	Amount to be paid in (issue amount)	To be determined To be determined at the board of directors meeting to be held on the Issue Price Determination Date. The amount to be paid in (issue amount) shall be identical to the amount to be paid in (issue amount) for the Public Offering.
(3)	Net proceeds	To be determined
(4)	Allottee and number of investment units to be allotted	The Underwriter: 2,850 units
(5)	Units of application	One unit or more in multiples of one unit
(6)	Application period (Application date)	Wednesday, Nov. 6, 2019
(7)	Payment date	Thursday, Nov. 7, 2019

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(8) Investment units for which no application for subscription has been made during the application period (application date), mentioned in (6) shown above, shall not be issued.
(9) The amount to be paid in (issue amount) and other items required for the third-party allotment shall be determined at a future board of directors meeting.
(10) The third-party allotment shall be canceled upon the cancellation of the Public Offering.
(11) The items above shall be subject to the condition that the Securities Registration Statement filed in accordance with the Financial Instruments and Exchange Act of Japan becomes effective.

<Reference >

Secondary Distribution via Over-allotment and Related Matters

The secondary distribution via over-allotment shall be a secondary distribution of MEL's investment units by the Underwriter, which the Underwriter shall borrow from Mitsubishi Estate in a number not to exceed 2,850 units upon the Public Offering, separately from the Public Offering, taking into consideration the status of demand and other factors relating to the Public Offering. The number of investment units to be distributed in the secondary distribution via over-allotment is scheduled to be 2,850 units. The number of investment units above is the maximum number of investment units to be distributed; there may be instances in which the number may decrease or distribution via over-allotment itself may not take place at all, depending on the status of demand and other factors relating to the Public Offering. Furthermore, in connection with the secondary distribution via over-allotment, for the purpose of allowing the Underwriter to acquire MEL's investment units required for returning the Borrowed Units, MEL resolved, by its board of directors meeting held on Thursday, Sept. 19, 2019, to issue 2,850 new investment units by way of third-party allotment (the "Third-party Allotment") to the Underwriter with the payment date on Thursday, Nov. 7, 2019.

In addition, during the period from the date following the last application period date for the Public Offering and the secondary distribution via over-allotment to Friday, Nov. 1, 2019 (the "Syndicate Covering Transaction Period"), there may be cases where the Underwriter may purchase MEL's investment units on the Tokyo Stock Exchange, which shall be in a number not to exceed the number of investment units pertaining to the secondary distribution via over-allotment, for the purpose of returning the Borrowed Units (the "Syndicate Covering Transaction"). All of MEL's investment units acquired in the Syndicate Covering Transaction by the Underwriter shall be allocated to return the Borrowed Units. During the Syndicate Covering Transaction Period, there may be instances in which the Underwriter decides not to engage in the Syndicate Covering Transaction at all or decides to end the Syndicate Covering Transaction without purchasing investment units in a number equal to the number of investment units pertaining to the secondary distribution via over-allotment.

Furthermore, the Underwriter may engage in stabilizing transactions related to the Public Offering and the secondary distribution via over-allotment, and MEL's investment units purchased through such stabilizing transactions may possibly be used, in whole or in part, to return the Borrowed Units.

As for the remaining number of investment units after reducing the number of MEL's investment units purchased through the stabilizing transaction and the Syndicated Covering Transaction used to return the Borrowed Units from the number of MEL's investment units for the secondary distribution via over-allotment, the Underwriter intends to acquire MEL's investment units through the Third-party Allotment. For this reason, it is possible that applications may not be filed for the number of investment units issued through the Third-party Allotment, in whole or in part, and as a result, the final number of investment units issued in the Third-party Allotment may decrease or the issuance itself may not take place due to forfeiture.

Whether the secondary offering via over-allotment is exercised and the number of units to be subscribed when the secondary offering via over-allotment is exercised will be determined on the Issue Price Determination Date. If the secondary offering via over-allotment is not exercised, the Underwriter will not borrow MEL's investment units from Mitsubishi Estate. Therefore, the Underwriter will not acquire such number of MEL's investment units by refusing the Third-party Allotment. In this event, the issuance of new investment units through the Third-party Allotment will not take place due to forfeiture. Similarly, the Syndicate Cover Transaction on the Tokyo Stock Exchange will not be exercised.

Furthermore, any of the above transactions shall be conducted by the Underwriter in consultation with the other joint lead managers.

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4. Change in the Number of Investment Units Outstanding after the Issuance of the New Investment Units

Current number of issued investment units outstanding:	245,815 units
Number of new investment units to be issued in the Public Offering:	57,150 units
Total number of issued investment units after the Public Offering:	302,965 units
Number of new investment units to be issued through the Third-party Allotment:	2,850 units (Note)
Total number of issued investment units after the Third-party Allotment:	305,815 units (Note)

(Note) These figures represent the number of investment units when subscription is made by the Underwriter for the entire investment units offered in the Third-party Allotment and they are issued.

5. Objective and Rationale for the Issuance

MEL will acquire new specified assets (as defined in Article 2, Paragraph 1 of the Act on Investment Trusts and Investment Corporations of Japan; the same shall apply hereinafter) which include LOGIPORT Osaka Taisho, MJ Logipark Nishinomiya 1, MJ Logipark Kasugai 1 and MJ Industrial Park Sakai (Land) (the "Four New Properties") as set forth in "Notice Concerning Acquisition of Domestic Real Estate Trust Beneficiary Interests and Lease Contracts with New Tenants" announced today, using proceeds from the Public Offering, new concurrent borrowings and utilizing cash on hand. MEL believes that, through the acquisition of the Four New Properties, MEL can achieve steady expansion of its portfolio and grow its unitholder value. The issuance of the new investment units was decided after having considered factors such as market trends, distributions per unit and other factors.

6. Amount, Use and Schedule of Expenditure of Net Proceeds from the Offerings

(1) Amount of Funds to be Procured (Estimated Net Proceeds)

17,925,000,000 yen (maximum)

(Note) The above amount represents the total sum of 17,074,000,000 yen in net proceeds from the Public Offering, and 851,000,000 yen in maximum net proceeds from the Third-party Allotment. The above figures represent estimated amounts calculated based on the closing price of MEL's investment units for ordinary trading on the Tokyo Stock Exchange as of Friday, September 6, 2019.

(2) Specific Use of Net Proceeds and Schedule of Expenditure

Net proceeds from the Public Offering (17,074,000,000 yen) are scheduled to be partially used to fund the acquisition of the Four New Properties. The maximum proceeds from the issuance of new investment units through the Third-party Allotment (up to 851,000,000 yen) are scheduled to be used to fund the repayment of all or a portion of the borrowings. The remainder of the net proceeds of the Third-party Allotment will be kept as cash on hand and be deposited with financial institutions until the time of expenditure. Such cash on hand will be utilized to fund a portion of future acquisitions of specified assets or a portion to repay borrowings.

7. Designation of Allottee

The Underwriters plan to allocate 2,450 units out of the MEL's investment units to be issued in the Public Offering to Mitsubishi Estate as the purchaser designated by MEL.

8. Restrictions on Sales and Additional Issuances

(1) In connection with the Public Offering, MEL will ask Mitsubishi Estate to agree with the joint bookrunners and joint lead managers, beginning on the Issue Price Determination Date and lasting for a period of 180 calendar days after the delivery date of the Public Offering, not to sell the investment units it owns (10,000 units) or sell the investment units it intends to purchase in the Public Offering (2,450 units) without the prior written consent of the joint bookrunners and joint lead managers.

The joint bookrunners and joint lead managers have the right to waive all or part of aforementioned restrictions, or shorten the lock-up period at their discretion.

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(2) In connection with the Public Offering, MEL has agreed with the joint bookrunners, beginning on the Issue Price Determination Date and lasting for a period of 90 calendar days after the delivery date of the Public Offering, not to issue of any investment units (excluding the issuance of MEL's investment units through the Third-party Allotment and by way of a unit split) without the prior written consent of the joint bookrunners.
The joint bookrunners have the right to waive all or part of aforementioned restrictions, or shorten the lock-up period at their discretion.

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For more information about Mitsubishi Estate Logistics REIT Investment Corporation, please visit:
https://mel-reit.co.jp/en/

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