

September 1, 2011

**FINANCIAL REPORT
FOR THE 12th FISCAL PERIOD
(February 1, 2011 – July 31, 2011)**

Japan Logistics Fund, Inc. (JLF) is listed on the Tokyo Stock Exchange with the securities code number 8967. URL: <http://8967.jp/>
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Scheduled date for submission of securities report: October 26, 2011
 Scheduled date for commencing dividends payment: October 3, 2011

The financial report has been prepared in accordance with Japanese accounting standards and Japanese law. Unless otherwise stated, monetary amounts have been rounded down to the ¥1 million, and percentage figures have been rounded to one decimal point.

1. PERFORMANCE FOR THE 12th FISCAL PERIOD

The 12th Fiscal Period is from February 1, 2011 to July 31, 2011.

(1) Operating Results

	Operating Revenue	Change	Operating Income	Change	Ordinary Income	Change	Net Income	Change
12 th Fiscal Period	¥5,525mn	1.7%	¥2,953mn	2.0%	¥2,667mn	2.8%	¥2,366mn	(8.8%)
11 th Fiscal Period	¥5,433mn	12.4%	¥2,895mn	13.6%	¥2,595mn	14.0%	¥2,594mn	14.0%

	Net Income per Unit	Net Income to Net Assets	Ordinary Income to Total Assets	Ordinary Income to Operating Revenue
12 th Fiscal Period	¥15,991	2.4%	1.8%	48.3%
11 th Fiscal Period	¥17,857	2.7%	1.9%	47.8%

(2) Distributions

	Distributions per Unit (excluding distributions in excess of earnings)	Total Distributions	Distributions in Excess of Earnings per Unit	Total Distributions in Excess of Earnings	Payout Ratio	Distributions to Net Assets
12 th Fiscal Period	¥15,991	¥2,366mn	–	–	99.9%	2.4%
11 th Fiscal Period	¥17,528	¥2,594mn	–	–	99.9%	2.6%

(3) Financial Position

	Total Assets	Net Assets	Net Assets to Total Assets	Net Assets per Unit
12 th Fiscal Period	¥144,853mn	¥99,926mn	69.0%	¥675,179
11 th Fiscal Period	¥145,523mn	¥100,154mn	68.8%	¥676,716

Reference: Unitholders' equity 12th Fiscal Period: ¥99,926mn 11th Fiscal Period: ¥100,154mn

(4) Cash Flows

	Net Cash Provided by (Used in) Operating Activities	Net Cash Provided by (Used in) Investment Activities	Net Cash Provided by (Used in) Financing Activities	Cash and Cash Equivalents at End of Period
12 th Fiscal Period	¥4,138mn	(¥1,035mn)	(¥2,599mn)	¥7,743mn
11 th Fiscal Period	¥4,231mn	(¥17,542mn)	¥14,767mn	¥7,239mn

2. FORECASTS FOR THE 13th AND 14th FISCAL PERIODS

13th Fiscal Period is a six-month period from August 1, 2011 to January 31, 2012.

14th Fiscal Period is a six-month period from February 1, 2012 to July 31, 2012.

	Operating Revenue	Period-on-Period Change	Operating Income	Period-on-Period Change	Ordinary Income	Period-on-Period Change
13 th Fiscal Period	¥5,539mn	0.3%	¥2,877mn	(2.6%)	¥2,577mn	(3.4%)
14 th Fiscal Period	¥5,404mn	(2.4%)	¥2,782mn	(3.3%)	¥2,473mn	(4.0%)

	Net Income	Period-on-Period Change	Distribution per Unit (excluding distribution in excess of earnings)	Distribution in Excess of Earnings per Unit
13 th Fiscal Period	¥2,576mn	8.9%	¥17,400	¥0
14 th Fiscal Period	¥2,472mn	(4.0%)	¥16,700	¥0

Reference: Estimated net income per unit Twelfth Fiscal Period: ¥17,400 Thirteenth Fiscal Period: ¥16,700

3. OTHER

(1) Changes in accounting policies

- (i) Changes accompanying amendments of accounting standards, etc.: No
- (ii) Changes other than (i): No

(2) Number of investment units issued and outstanding

- (i) Number of investment units (including own investment units) issued and outstanding at end of period:
 - 12th Fiscal Period: 148,000 units
 - 11th Fiscal Period: 148,000 units
- (ii) Number of own investment units issued and outstanding at end of period:
 - 12th Fiscal Period: 0 units
 - 11th Fiscal Period: 0 units

ANNOUNCEMENT OF 12th FISCAL PERIOD RESULTS

Management Discussion and Analysis

1. Asset Management Policies

As a real estate investment trust (REIT) specializing in logistics properties, Japan Logistics Fund, Inc. (JLF) commits to achieve sustainable growth through selective investments in high-quality logistics properties. JLF will manage assets with the view of achieving stable returns over the medium-to-long term period through diversified investments and optimum management.

2. Asset Management Situation

(1) Overview of the Period under Review

The fiscal period under review in this financial report is the 12th Fiscal Period from February 1, 2011 to July 31, 2011.

(a) About JLF

JLF invests in real estates that are used as logistics centers, with a regional focus in the Tokyo Metropolitan Area, Kinki region, Chubu region and Kyushu region. JLF was established on February 22, 2005 under the Law Concerning Investment Trusts and Investment Corporations (Law No. 198 of 1951; including amendments thereto) with Mitsui & Co., Logistics Partners Ltd. as its founder, and was listed on the Tokyo Stock Exchange's REIT section on May 9 of the same year (securities code: 8967). As of the end of the 12th Fiscal Period (July 31, 2011), JLF holds a total of 28 real estate properties (total acquisition value of ¥143,240 million), and total assets of ¥144,853 million.

(b) Investment Environment and Asset Management Results

Great East Japan Earthquake (hereafter referred to as "The Earthquake") which struck Japan on March, 2011, severely deterred self-sustaining recovery of Japanese economy. The improvement of consumer minds, however, was observed as Government of Japan devised reconstruction assistance projects and as damaged productive facilities and logistics network recovered. Still, Europe's debt crisis and the budgetary turmoil in the U.S., along with the global economic slowdown, resulted in rapid yen appreciation which became the burden of Japanese economic recovery.

<Leasing Market>

In addition to floor demand associated with tenant's strategic logistics center consolidation, substitution demand for damaged facilities due to The Earthquake arose. As a result, occupancy rate in some area showed a sign of improvement and market rent stayed stable. JLF identified the substitution demand and concluded a new leasing contract with a new tenant which suffered from The Earthquake. JLF's occupancy rate at the end of the 12th period was 99.9%.

<Acquisition Market>

Some people apprehended stagnating acquisition market of logistics properties because of The Earthquake. In the process of reconstruction, however, the importance and the stability of logistics business were refocused and the number of players who vigorously invest in logistics properties increased. Also, the supply of large scale properties locating in competitive area such as the Tokyo Metropolitan Bay Area remained to be limited. This led to the transaction volume stays low, and the competition for acquiring properties got hardened. While financial stability and robust tenant demand for large scale properties enabled major logistics companies and real estate developers to initiate several construction and development projects.

(c) Capital Procurement

During the 12th period, JLF refinanced a ¥1,700mn of 3-year loan due February 2011, with a longer term of 5-year loan (The Bank of Tokyo-Mitsubishi UFJ, Ltd.) At the end of the 12th period, JLF holds the total interest-bearing debt of ¥37,200mn and an interest-bearing debt ratio* of 27.6%. JLF will maintain its stable capital structure. As for the ¥10,000mn commitment line due at the end of the 12th period, JLF successfully renew its due with the same lender, amount, and conditions under current uncertain financial environment after The Earthquake. Together with a total of ¥20,000mn unused short-term loan capacity, JLF will make its best in order to keep its financial stability as well as its flexible financing for future acquisition opportunities.

* interest-bearing debt ratio = Total Debt / (Total Debt + Total Unitholders' Equity), rounded down to the one decimal point

Credit rating of JLF at the end of 12th period

Credit Rating Agencies	Rating	
Rating and Investment Information, Inc. (R&I)	Issuer rating	AA (Outlook: Stable)
	Long-term issue rating	Investment corporation bond AA
Moody's Japan K.K. (Moody's)	Issuer rating	A1 (Outlook: Negative)

(d) Business Results and Cash Distributions

As a result of the 12th period, JLF recorded operating revenue of ¥5,525mn, operating income of ¥2,953mn, ordinary income of ¥2,667mn. JLF recognized extraordinary loss of ¥300mn in association with The Earthquake, and recorded net income of ¥2,366mn. In order to take advantage of a special measure of the tax code (Article 67-15 of the Special Taxation Measures Law) that allows the maximum amount of distribution of earnings to be treated as a tax-deductible expense, JLF decided to distribute to unitholders the full amount of retained earnings excluding fractions of the distribution per investment unit that are less than ¥1. Accordingly, JLF declared a distribution per investment unit of ¥15,991.

(2) Outlook for the Next Fiscal Period

(a) Recognition of the Environment

The impact of The Earthquake and the rapid yen appreciation make future prospect of Japanese economy uncertain. Restore of capital stocks illustrated by increasing capital spending and housing investment, however, implies possibility of production activities to turn around. JLF expects Japanese economy continues to grow slowly. The domestic cargo volume may grow weak after The Earthquake. As for the individual consumption that leads to steady cargo volume, however, shows a sign of recovery along with the improving consumer mind. The Bank of Japan continued purchasing J-REIT through the Asset Purchase Program, which contributes to the stability of J-REIT market. By taking advantage of this steady market environment, external growth accompanied by new unit issuance is expected.

<Leasing Market>

As described above, occupancy rate in some area increased due to substitution demand for damaged facilities due to The Earthquake. It is possible that the substitution demand may disappear as the tenants' logistics networks restore. Even though, JLF believes the superiority in tenants' preference for large scale logistics properties which locates in competitive area such as the Tokyo Metropolitan Area will keep constant. By leveraging information gathered through tenant networks, JLF will keep eyes on tenant needs after The Earthquake. Based on steady floor demand/supply balance, market rent will be stable for the time being. In the meantime, several new construction projects have started in order to seize this opportunity. Hence, in medium-to-long term new floor supply will increase which may result in loosening the balance. JLF intends to offer extending the lease contracts to its current tenants with carefully observing any change in the balance.

<Acquisition Market>

While the number of players who vigorously invest in logistics properties increased, supply for large scale logistics properties continued to be limited. Competition for acquiring logistics properties deepened its seriousness. Therefore, JLF believes further effort such as obtaining exclusive deal information by leveraging sponsor networks, and proactively sourcing deals by Asset Management Company will be highly important in order to acquire properties continuously. Moreover, under circumstances that major logistics companies and real estate developers to initiate several construction and development projects, JLF will promote sourcing development projects through sponsor network and collaboration with real estate developers to pursue acquisition opportunities. JLF commits, with long term investment horizon, to build stable portfolio through further AUM expansion.

(b) Future Asset Management Policies and Pending Issues

Under this investment environment, JLF will conduct asset management to achieve stable revenue over the medium to long term period based on the following policies:

(i) Operational management of portfolio properties

• Leasing Management

In renewing the existing lease contracts, JLF promotes longer term contracts in order to seek for

stable revenue flow. When an existing tenant decides to leave, JLF will engage in leasing activities so that it has no discontinuity in leasing, by leveraging its sponsor networks, external partners, and Asset Management Company's own networks. The properties currently held by JLF have an average leasing period of 7.0 years when calculated by a weighted average based on annual rent, the figure that indicates JLF's stability to continue.

- Strengthening of tenant relations

By maintaining close contacts with existing tenants, JLF tries to increase the level of the tenants' overall satisfaction. Specifically, JLF focuses its effort on capturing the tenants' needs for expanding rental floor in existing properties as well as on investing additional capital expenditures in functionality improvements and renovations based on the tenant needs and their industry's trends

- Appropriate maintenance of properties

JLF conducts repairs and renovations on properties so that the related expenses and expenditures remain under certain level. In addition, JLF optimizes the maintenance management of the properties by selecting appropriate property management companies which provide efficient maintenance suited to the characteristics of each property, as well as by improving the quality and standardizing the various procedures of maintenance at the Asset Management Company. Furthermore, JLF plans to invest additional capital expenditures to the portfolio properties which have location advantage in leasing and have upside potential if renewed, or is too costly to hold because of aged deterioration.

(ii) New property acquisitions

- Sourcing of property information

Unlike other asset type, logistics properties have limited transaction volume in acquisition market. JLF believes, therefore, it is imperative to gather broad range of deal information and to make precise decision based on the information gathered. In order to avoid price competition as much as possible, JLF will strive to promote negotiated transactions by leveraging the extensive networks of the sponsors; Mitsui & Co., Ltd., The Chuo Mitsui Trust and Banking Company, Ltd. and Kenedix, Inc. In addition, JLF and the Asset Management Company will endeavor securing new deal information sourcing channels to establish a framework for acquiring properties at even more favorable terms.

- Specifications of properties for acquisition

In acquiring properties, JLF will make investment decisions with emphasis on the location and versatility of properties, which are essential factors for stable and long-term management of logistics properties. Especially, as a general rule, JLF will avoid acquiring properties that suite only for tenants in certain industries. Specifications that satisfy broad logistics demand will be the most important decision-making criterion.

- Diversification of the portfolio

To minimize fluctuations in revenue arising from economic changes, earthquakes and other events that seriously impact specific regions, JLF will acquire properties with geographical diversification of its portfolio. At the same time, to minimize lease contract termination risk and rent reduction risk, JLF will diversify its tenant base so that it can avoid excessive dependency on a single tenant and a certain industry as well as excessive concentration of lease contract expiration.

(iii) Financial strategy

JLF sets its priority in sustainable growth of its distribution per unit. In order to achieve the growth, with conservative interest-bearing debt ratio in mind, JLF will raise funds through the mixture of bank loans, issuing investment corporation bonds, and issuing new investment units. Regarding interest-bearing debt financing, JLF will diversify funding sources and repayment schedule. Furthermore, regarding tenant leasehold and security deposits, JLF will utilize efficient cash management such as using it to fund property acquisitions.

FINANCIAL STATEMENTS

1. Balance Sheets

(Unit: thousand yen)

	11 th Fiscal Period (as of January 31, 2011)	12 th Fiscal Period (as of July 31, 2011)
Assets		
Current assets		
Cash and deposits	4,668,400	5,229,837
Cash and deposits in trust	2,571,060	2,513,668
Operating accounts receivable	23,156	23,297
Prepaid expenses	18,862	35,275
Deferred tax assets	19	19
Consumption taxes receivable	287,517	-
Other	249	40
Total current assets	7,569,268	7,802,138
Noncurrent assets		
Property, plant and equipment		
Buildings	6,119,622	6,130,801
Accumulated depreciation	(567,931)	(652,922)
Buildings, net	5,551,690	5,477,878
Structures	112,415	112,525
Accumulated depreciation	(18,436)	(20,387)
Structures, net	93,979	92,137
Tools, furniture and fixtures	500	500
Accumulated depreciation	(31)	(68)
Tools, furniture and fixtures, net	468	431
Land	6,391,096	6,391,096
Buildings in trust	72,880,618	73,091,444
Accumulated depreciation	(8,160,525)	(9,184,910)
Buildings in trust, net	64,720,092	63,906,534
Structures in trust	2,297,711	2,304,931
Accumulated depreciation	(446,400)	(489,859)
Structures in trust, net	1,851,310	1,815,072
Machinery and equipment in trust	1,842	1,842
Accumulated depreciation	(274)	(344)
Machinery and equipment in trust, net	1,567	1,498
Tools, furniture and fixtures in trust	15,939	15,939
Accumulated depreciation	(4,597)	(5,575)
Tools, furniture and fixtures in trust, net	11,342	10,363
Land in trust	59,178,830	59,219,717
Total property, plant and equipment	137,800,379	136,914,730
Intangible assets		
Other	298	269
Total intangible assets	298	269
Investments and other assets		
Long-term prepaid expenses	100,453	87,174
Guarantee deposits	10,000	10,000
Other	2,000	2,000
Total investments and other assets	112,453	99,174
Total noncurrent assets	137,913,131	137,014,173
Deferred assets		
Investment corporation bond issuance costs	41,491	37,226
Total deferred assets	41,491	37,226
Total assets	145,523,890	144,853,538

(Unit: thousand yen)

	11 th Fiscal Period	12 th Fiscal Period
	(as of January 31, 2011)	(as of July 31, 2011)
Liabilities		
Current liabilities		
Operating accounts payable	454,106	458,082
Current portion of long-term loans payable	2,700,000	7,500,000
Distribution payable	12,619	10,658
Accrued expenses	502,642	520,898
Income taxes payable	833	768
Accrued consumption taxes	-	207,545
Advances received	937,193	955,169
Deposits received	33,712	-
Provision for loss on disaster	-	38,266
Total current liabilities	4,641,107	9,691,389
Noncurrent liabilities		
Investment corporation bond	8,000,000	8,000,000
Long-term loans payable	26,500,000	21,700,000
Tenant leasehold and security deposits	2,062,256	1,337,646
Tenant leasehold and security deposits in trust	4,166,412	4,197,863
Total noncurrent liabilities	40,728,668	35,235,509
Total liabilities	45,369,776	44,926,899
Net Assets		
Unitholders' equity		
Unitholders' capital	97,559,929	97,559,929
Surplus		
Unappropriated retained earnings (undisposed loss)	2,594,184	2,366,709
Total surplus	2,594,184	2,366,709
Total unitholders' equity	100,154,113	99,926,638
Valuation and translation adjustments		
Total net assets	100,154,113	99,926,638
Total liabilities and net assets	145,523,890	144,853,538

2. Statements of Income

(Unit: thousand yen)

	11 th Fiscal Period		12 th Fiscal Period	
	From:	August 1, 2010	From:	February 1, 2011
	To:	January 31, 2011	To:	July 31, 2011
Operating revenue				
Rent revenue – real estate		5,278,632		5,389,118
Other lease business revenue		155,316		136,669
Total operating revenue		5,433,949		5,525,787
Operating expenses				
Expenses related to rent business		2,035,795		2,045,787
Asset management fee		413,046		428,406
Asset custody fee		14,272		14,417
Administrative service fees		22,995		24,209
Directors' compensations		5,400		5,400
Other operating expenses		47,295		54,168
Total operating expenses		2,538,806		2,572,388
Operating income		2,895,142		2,953,399
Non-operating income				
Interest income		510		365
Interest on securities		379		769
Interest on refund		2,586		237
Insurance Income		1,736		446
Reversal of distribution payable		490		1,111
Other		2,666		0
Total non-operating income		8,370		2,929
Non-operating expenses				
Interest expenses		235,530		216,823
Borrowing related expenses		29,424		29,608
Investment unit issuance expenses		23,285		-
Interest expenses on investment corporation bonds		13,117		37,684
Amortization of investment corporation bond issuance costs		1,484		4,264
Other		5,500		0
Total non-operating expenses		308,341		288,380
Ordinary income		2,595,172		2,667,947
Extraordinary loss				
Loss on disaster		-		300,282
Total extraordinary loss		-		300,282
Income before income taxes		2,595,172		2,367,665
Income taxes – current		1,011		995
Income taxes – deferred		(2)		0
Total income taxes		1,009		996
Net income		2,594,163		2,366,668
Retained earnings brought forward		21		40
Unappropriated retained earnings (undisposed loss)		2,594,184		2,366,709

3. Statements of Cash Flows

(Unit: thousand yen)

	11 th Fiscal Period		12 th Fiscal Period	
	From:	August 1, 2010	From:	February 1, 2011
	To:	January 31, 2011	To:	July 31, 2011
Net cash provided by (used in) operating activities				
Income before income taxes	2,595,172		2,367,665	
Depreciation and amortization	1,168,591		1,177,793	
Investment unit issuance expenses	23,285		-	
Amortization of investment corporation bond issuance costs	1,484		4,264	
Interest income	(510)		(365)	
Interest on securities	(379)		(769)	
Interest expenses	248,648		254,508	
Loss on retirement of noncurrent assets	36,138		584	
Loss on disaster	-		300,282	
Decrease (increase) in operating accounts receivable	14,389		(140)	
Decrease (increase) in consumption taxes refund receivable	84,484		287,517	
Increase (decrease) in accrued consumption taxes	-		207,545	
Increase (decrease) in operating accounts payable	188,647		(146,064)	
Increase (decrease) in accrued expenses	(4,862)		8,053	
Increase (decrease) in advances received	81,438		17,975	
Other, net	41,641		(5,310)	
Subtotal	4,478,167		4,473,540	
Interest income received	890		1,134	
Interest expenses paid	(246,957)		(240,293)	
Payments for loss on disaster	-		(95,022)	
Income taxes paid	(1,011)		(1,060)	
Net cash provided by (used in) operating activities	4,231,089		4,138,299	
Net cash provided by (used in) investment activities				
Purchase of property, plant and equipment	(3,915)		(14,942)	
Purchase of property, plant and equipment in trust	(17,653,022)		(294,709)	
Proceeds from tenant leasehold and security deposits	269,750		99,000	
Repayments of tenant leasehold and security deposits	(68,910)		(823,610)	
Proceeds from tenant leasehold and security deposits in trust	79,281		31,451	
Repayments of tenant leasehold and security deposits in trust	(165,804)		(32,438)	
Net cash provided by (used in) investment activities	(17,542,619)		(1,035,249)	
Net cash provided by (used in) financing activities				
Increase in short-term loans payable	18,000,000		-	
Decrease in short-term loans payable	(18,000,000)		-	
Proceeds from long-term loans payable	2,000,000		1,700,000	
Repayment of long-term loans payable	(3,000,000)		(1,700,000)	
Proceeds from issuance of investment units	10,113,386		-	
Payments for investment unit issuance expenses	(31,835)		(2,000)	
Proceeds from issuance of investment corporation bonds	8,000,000		-	
Payment of investment corporation bond issuance costs	(40,963)		(2,012)	
Dividends paid	(2,273,513)		(2,594,993)	
Net cash provided by (used in) financing activities	14,767,074		(2,599,006)	
Net increase (decrease) in cash and cash equivalents	1,455,544		504,043	
Cash and cash equivalents at beginning of period	5,783,916		7,239,461	
Cash and cash equivalents at end of period	7,239,461		7,743,505	

PORTFOLIO INFORMATION I

No.	Property Name	Location	Year Built	Land Area	Gross Rentable Floor Area	Occupancy Rate	PML
			(mm/dd/yy)	(㎡)	(㎡)	(%)	(%)
M-1	Funabashi	Funabashi, Chiba	10/27/93	16,718	29,556.79	97.2	13.0
M-2	Urayasu	Urayasu, Chiba	10/08/86 etc.	19,136	9,543.72	100.0	18.3
M-3	Hiratsuka	Hiratsuka, Kanagawa	09/21/90	12,795.97	11,225.72	100.0	21.1
M-4	Shinkiba	Koto-ku, Tokyo	03/15/93	5,798.90	10,616.80	100.0	17.6
M-5	Urayasu Chidori	Urayasu, Chiba	01/10/06	16,421	31,790.42	100.0	13.8
M-6	Funabashi Nishiura	Funabashi, Chiba	01/24/06	18,192.07	35,134.44	100.0	7.1
M-7	Funabashi Nishiura II	Funabashi, Chiba	12/26/85 etc.	39,686	73,859.32	100.0	11.5
M-8	Kawasaki	Kawasaki, Kanagawa	07/14/89	21,622.41	41,630.54	100.0	14.6
M-9	Narashino	Narashino, Chiba	10/05/05	14,027.60	2,442.87	100.0	11.3
M-10	Yokosuka	Yokosuka, Kanagawa	07/31/90	11,790.09	21,364.11	100.0	22.0
M-11	Yachiyo	Yachiyo, Chiba	04/24/72 etc.	29,103.38	17,689.95	100.0	9.1
M-12	Yokohama Fukuura	Yokohama, Kanagawa	02/25/07	20,080.79	35,882.64	100.0	16.3
M-13	Yachiyo II	Yachiyo, Chiba	08/24/07	17,012.01	32,389.70	100.0	7.6
M-14	Urayasu Chidori II	Urayasu, Chiba	01/16/01	2,645.34	6,192.80	100.0	13.1
M-15	Ichikawa	Ichikawa, Chiba	02/25/08	9,801.27	18,686.12	100.0	11.8
M-16	Shinonome	Koto-ku, Tokyo	02/08/06	14,233.16	16,175.31	100.0	14.4
M-17	Narashino II	Narashino, Chiba	01/20/08	22,518.00	43,208.86	100.0	11.1
M-18	Ichikawa II	Ichikawa, Chiba	10/09/09	34,854.52	66,497.99	100.0	4.2
T-1	Daito	Daito, Osaka	07/31/89 etc.	71,837.28	92,730.14	100.0	13.8
T-2	Osaka Fukuzaki	Osaka, Osaka	10/28/04	16,576.21	23,726.80	100.0	14.1
T-3	Chubu Haruhi	Kiyosu, Aichi	–	10,457.02	10,457.02 (land area)	100.0	–
T-4	Kadoma	Kadoma, Osaka	03/26/93	3,975.60	7,293.92	100.0	13.3
T-5	Komaki	Komaki, Aichi	08/05/94	11,057.18	9,486.45	100.0	8.7
T-6	Komaki II	Komaki, Aichi	03/27/92 etc.	9,740.44	10,708.41	100.0	8.3
O-1	Maebashi	Maebashi, Gunma	02/04/05	16,241.43	3,455.53	100.0	9.0
O-2	Hanyu	Hanyu, Saitama	10/20/05	20,988.43	3,518.58	100.0	11.6
O-3	Saitama Kisai	Kazo, Saitama	03/31/07	26,530.67	24,574.40	100.0	10.5
O-4	Kazo	Kazo, Saitama	03/04/08	13,039.17	25,130.62	100.0	9.5
Portfolio Total/Average (Note)				526,879.94	714,969.97	99.9	9.3

Note : The indicated figures (the figures for each property) do not necessarily add up to the total (the figure for the portfolio) due to rounding.

PORTFOLIO INFORMATION II

No.	Property Name	Acquisition Price		Appraisal Value at End of Period	DCF Method		Direct Capitalization Method Cap Rate	Annual Rent		Number of Tenants
		Amount	Share		Discount Rate	Terminal Cap Rate		Amount	Share	
		(million yen)	(%)		(%)	(%)		(million yen)	(%)	
M-1	Funabashi	8,675	6.1	9,070	5.2	5.5	–	842	7.9	3
M-2	Urayasu	2,902	2.0	4,870	5.1	–	–	242	2.3	1
M-3	Hiratsuka	1,466	1.0	1,710	5.6	6.1	5.8	N/A	N/A	1
M-4	Shinkiba	2,454	1.7	3,020	5.0/5.2	5.5	5.2	N/A	N/A	1
M-5	Urayasu Chidori	6,000	4.2	9,250	4.9/5.1	5.2	4.9	494	4.6	1
M-6	Funabashi Nishiura	5,700	4.0	6,790	5.0/5.2	5.4	5.1	410	3.8	2
M-7	Funabashi Nishiura II	9,330	6.5	11,900	5.0/5.2	5.8	5.5	780	7.3	1
M-8	Kawasaki	10,905	7.6	12,700	5.1	5.3	5.0	N/A	N/A	1
M-9	Narashino	1,690	1.2	2,070	5.5	5.5	5.2	121	1.1	1
M-10	Yokosuka	3,305	2.3	3,140	5.7	6.3	6.0	N/A	N/A	1
M-11	Yachiyo	2,266	1.6	2,380	5.6	6.1	5.8	N/A	N/A	1
M-12	Yokohama Fukuura	9,800	6.8	10,000	5.5	5.6	5.3	N/A	N/A	3
M-13	Yachiyo II	5,300	3.7	6,220	5.2/5.4	5.8	5.5	387	3.6	1
M-14	Urayasu Chidori II	1,640	1.1	1,670	5.2	5.3	5.0	N/A	N/A	1
M-15	Ichikawa	4,550	3.2	4,670	5.2/5.3	5.3	5.0	N/A	N/A	1
M-16	Shinonome	11,800	8.2	12,200	5.3	5.4	5.1	705	6.6	1
M-17	Narashino II	7,875	5.5	8,330	5.4	5.5	5.2	N/A	N/A	3
M-18	Ichikawa II	17,415	12.2	18,600	5.0/5.1	5.3	5.0	N/A	N/A	2
T-1	Daito	9,762	6.8	16,400	5.6	5.7	5.4	N/A	N/A	1
T-2	Osaka Fukuzaki	4,096	2.9	5,230	5.5	5.6	5.3	326	3.1	1
T-3	Chubu Haruhi	685	0.5	784	5.4	5.7	–	33	0.3	1
T-4	Kadoma	989	0.7	1,170	5.6	5.7	5.4	N/A	N/A	1
T-5	Komaki	2,100	1.5	1,880	5.4/5.6	5.7	5.4	N/A	N/A	1
T-6	Komaki II	1,800	1.3	1,720	5.5	5.7	5.4	123	1.2	1
O-1	Maebashi	1,230	0.9	1,360	5.8	5.8	5.5	87	0.8	1
O-2	Hanyu	1,705	1.2	1,860	5.8	5.9	5.6	118	1.1	1
O-3	Saitama Kisai	4,010	2.8	4,260	5.6/5.7	5.9	5.6	N/A	N/A	1
O-4	Kazo	3,790	2.6	3,770	5.6	5.7	5.4	248	2.3	1
Portfolio Total (Note)		143,240	100.0	167,024				10,682	100.0	36

Note : The indicated figures (the figures for each property) do not necessarily add up to the total (the figure for the portfolio) due to rounding.

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