

August 31, 2009

For Immediate Release

Real Estate Investment Fund Issuer

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**Notice of Conclusion of a Development Portfolio Alliance
with ProLogis Japan**

Japan Logistics Fund, Inc. (hereinafter referred to as “**JLF**”) and Mitsui & Co., Logistics Partners Ltd. (hereinafter referred to as “**MLP**”) are pleased to announce that we have signed a “Development Portfolio Alliance” (hereinafter referred to as “**the Alliance**”), with ProLogis Japan today.

Description

1. Background behind **the Alliance**

The Alliance is between JLF, MLP and the Japanese arm of ProLogis (hereinafter referred to as “PLD”), one of the world’s largest REITs headquartered in the United States, that develops/manages distribution facilities and has developed 39 facilities, 2.6 million square meters of distribution facilities throughout Japan.

PLD is one of the largest providers of distribution space in Japan, with approximately 994,000 square meters of distribution space completed and under development, and **the Alliance** will support **JLF**’s goal of acquiring state-of-the-art distribution facilities and further expanding our growth opportunities.

Additionally, **the Alliance** will enhance our portfolio with PLD’s multi-tenant facilities in Japan, which will contribute in diversifying our cash flow, one of **JLF**’s most important business challenges.

At present, our portfolio is relatively concentrated on single-tenant facilities, and through the future portfolio mix of single and multi-tenant facilities, we will be able to diversify our customer base, and therefore stabilize our cash flow.

2. Outline of **the Alliance**

- Disclosure of property information and priority negotiation rights

Among the distribution facilities developed or to be developed in Japan by PLD , if PLD believes that a property is appropriate for sale to **JLF** and such property meets the agreed property criteria, PLD will then provide **MLP** with the information necessary to evaluate the property for possible acquisition before providing that information to a third party. Moreover, should **MLP** and PLD both agree on the terms and conditions for acquiring a distribution facility, priority negotiation rights for the subject distribution facility is granted to MLP.

Additionally, **the Alliance** does not require **JLF** to acquire all of PLD's development properties in Japan, nor does it require ProLogis to offer property information to **JLF** prior to providing that information to third parties..

- Joint Ownership

If **JLF** acquires subject distribution facilities through **the Alliance**, the subject distribution facility will be jointly owned by **JLF** and PLD.

- Property Management

For any jointly owned distribution facilities, PLD will continuously provide property management services and will also be responsible for the facility management and tenant-leasing services.

3. Future Prospects

The conclusion of **the Alliance** will not have any impact on **JLF**'s results in the fiscal year ending January and July 2010 at present. **JLF** will immediately place an announcement should there be changes in our business forecast due to the acquisitions of the subject properties, etc.

(End)

*The Fund's website: <http://8967.jp/eng/>

1. About ProLogis Japan

ProLogis(Japan Headquarters: Shiodome City Center, 1-5-2 Higashi Shimbashi, Minato-ku, Tokyo, President&CEO Japan Mike Yamada, World Headquarters: Denver, Colorado NYSE : PLD) is a leading global provider of distribution facilities, with more than 44million square meters of industrial space in markets across 18 countries in North America, Europe and Asia.

ProLogis Japan is one of the largest providers of distribution space in Japan, having developed 39 distribution facilities, over 2.6 million square meters of distribution facilities throughout Japan, with 11 distribution facilities, approximately 1.0 million square meters completed and under development, as well as 400,000 square meters of land. The company will continue managing, leasing and developing state-of-the-art, sustainable distribution facilities designed to maximize the efficiency of the customers' supply chain operations.

Japan Website: <http://www.prologis.co.jp/>

Headquarters	Denver, Colorado, U.S.A.
Establishment	1991
Business	Real Estate Company who Owns, Manages, and Develops Distribution Facilities
Employees	Approximately 1,300
Business Scale	
Number of Facilities	Over 2,500 distribution facilities (18 countries, 110 markets)
Total Area	44.8 Million square meters (13.56 Million Tsubo)
Customers	Over 4,500
Total Assets Owned& Managed	\$34,907 million (JPY 3,490.7Billion)

(\$1 = JPY 100 as of June 30th 2009)