

Financial Results (REIT) for the Fiscal Period Ended August 31, 2022

October 14, 2022

REIT Issuer: LaSalle LOGIPORT REIT
 Securities Code: 3466
 Representative: (Title) Executive Director
 (Name) Toshimitsu Fujiwara

Stock Exchange Listing: TSE
 URL: <https://lasalle-logiport.com/english/>

Asset Management Company: LaSalle REIT Advisors K.K.
 Representative: (Title) President and CEO
 (Name) Toshimitsu Fujiwara
 Contact: (Title) Head of Fund Management
 (Name) Taira Jigami
 Telephone +81-3-6367-5800

Scheduled filing date of securities report: November 29, 2022
 Scheduled date of distribution payment commencement: November 17, 2022

Supplementary information for financial results: Yes
 Briefing meeting for financial results: Yes (for institutional investors and analysts)

(Amounts are rounded down to the nearest million yen)

1. Financial Results for the Fiscal Period Ended August 31, 2022 (March 1, 2022 to August 31, 2022)

(1) Management Status

(% figures show period-over-period change)

	Operating revenues		Operating income		Ordinary income		Net income	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Fiscal period ended August 31, 2022	10,784	1.8	5,664	(1.6)	5,069	(2.0)	5,068	(2.0)
Fiscal period ended February 28, 2022	10,590	(1.1)	5,756	(3.6)	5,174	(2.2)	5,174	(2.1)
	Net income per unit		Ratio of net income on unitholders' equity (ROE)		Ratio of ordinary income on total assets (ROA)		Ratio of ordinary income on operating revenues	
		Yen		%		%		%
Fiscal period ended August 31, 2022		2,839		2.4		1.3		47.0
Fiscal period ended February 28, 2022		2,898		2.4		1.3		48.9

(2) Distributions

	Distributions per unit (excluding those in excess of retained earnings per unit)	Total amount of distributions (excluding those in excess of retained earnings)	Distributions in excess of retained earnings per unit	Total amount of distributions in excess of retained earnings	Distributions per unit (including those in excess of retained earnings per unit)	Total amount of distributions (including those in excess of retained earnings)	Payout ratio	Net assets distribution ratio
	Yen	Million yen	Yen	Million yen	Yen	Million yen		
Fiscal period ended August 31, 2022	2,839	5,067	240	428	3,079	5,496	100.0	2.4
Fiscal period ended February 28, 2022	2,899	5,174	238	424	3,137	5,599	100.0	2.4

Note 1. The net assets distribution ratio was calculated according to the following formula.

Distributions per unit (excluding those in excess of retained earnings per unit) / [(net assets per unit at the beginning of the fiscal period + net assets per unit at the end of the fiscal period) ÷ 2] × 100

Note 2. The total amount of distributions in excess of retained earnings was considered to be a refund of investment, which, for tax purposes, falls under a category of distribution as a reduction in unitholders' capital.

Note 3. The rates of reduction in retained earnings due to distributions in excess of retained earnings (a refund of investment categorized as a reduction in distribution from unitholders' capital for tax purposes) in the fiscal period ended February 28, 2022 and August 31, 2022 were both 0.003. Note that the calculation of the rates of reduction in retained earnings are based on Article 23, Paragraph 1, No. 5 of the Order for Enforcement of the Corporation Tax Act.

(3) Financial Position

	<u>Total assets</u>	<u>Net assets</u>	<u>Unitholders' equity ratio</u>	<u>Net assets per unit</u>
	Million yen	Million yen	%	Yen
Fiscal period ended August 31, 2022	384,155	213,854	55.7	119,806
Fiscal period ended February 28, 2022	385,248	214,385	55.6	120,104

(4) Cash Flows

	<u>Cash flows from operating activities</u>	<u>Cash flows from investing activities</u>	<u>Cash flows from financing activities</u>	<u>Cash and cash equivalents at period end</u>
	Million yen	Million yen	Million yen	Million yen
Fiscal period ended August 31, 2022	6,272	(627)	(5,599)	25,133
Fiscal period ended February 28, 2022	8,081	(1,046)	(6,410)	25,088

2. Forecasts for the Fiscal Periods Ending February 28, 2023 (September 1, 2022 to February 28, 2023) and August 31, 2023 (March 1, 2023 to August 31, 2023)

	<u>Operating revenues</u>		<u>Operating income</u>		<u>Ordinary income</u>		<u>Net income</u>		(% figures show period-over-period change)		
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Distributions per unit (excluding those in excess of retained earnings per unit)	Distributions in excess of retained earnings per unit	Distributions per unit (including those in excess of retained earnings per unit)
									Yen	Yen	Yen
Fiscal period ended February 28, 2023	10,866	0.8	5,659	(0.1)	5,068	(0.0)	5,066	(0.0)	2,838	242	3,080
Fiscal period ended August 31, 2023	10,833	(0.3)	5,563	(1.7)	4,963	(2.1)	4,962	(2.1)	2,780	288	3,068

Reference: Forecasted net income per unit for the period ending February 28, 2023: 2,838yen ; forecasted net income per unit for the period ending August 31, 2023: 2,780yen

* Other

(1) Changes in accounting policies, changes in accounting estimates and retrospective restatements

- (i) Changes in accounting policies due to revisions to accounting standards and other regulations : None
- (ii) Changes in accounting policies other than (i) above : None
- (iii) Changes in accounting estimates : None
- (iv) Retrospective restatements : None

(2) Total number of investment units issued and outstanding

	<u>Fiscal period ended August 31, 2022</u>	<u>Fiscal period ended February 28, 2022</u>
(i) Total number of investment units issued and outstanding (including treasury units) at the end of the fiscal period	1,785,000 units	1,785,000 units
(ii) Number of treasury units at the end of the fiscal period	-	-

Note: Please see the "Notes on Per Unit Information" on page 28 for the number of investment units used as the basis for calculating net income per unit.

* Presentation of the status of implementation of audit procedures

At the time of the release of these financial results for the fiscal period, auditing procedures for financial statements pursuant to the Financial Instruments and Exchange Act have not been completed.

* Explanation of appropriate use of the forecast of financial results and other matters of special note

The forecasts and other forward-looking statements presented in this material are based on information currently available to LLR and certain assumptions LLR deems to be reasonable. Actual results may differ materially from these forecasts due to a variety of factors. In addition, these forecasts do not guarantee the above distribution amounts.

For further details about the assumptions used in the forecasts above, please refer to the "Forecast Assumptions for the Fiscal Periods Ending February 28, 2023 and August 31, 2023" stated on page 5 below.

END

【Table of Contents】

1. Management Policy and Management Status	
(1) Management Status	2
(2) Investment Risks	9
2. Financial Statements	
(1) Balance Sheet	10
(2) Income Statement.....	12
(3) Statement of Unitholders' Equity.....	13
(4) Statements related to Distributions	15
(5) Statements of Cash Flows	17
(6) Notes with respect to Going Concern Assumptions	18
(7) Notes on Matters concerning Significant Accounting Policies	18
(8) Notes to the Financial Statements	20
(9) Changes in Number of Investment Units Issued and Outstanding	29
3. Reference Information	
(1) Information on Price of the Managed Assets	31
(2) Capital Expenditures on Portfolio Assets	44

1. Management Policy and Management Status

(1) Management Status

(Overview of the Fiscal Period)

(i) Significant developments of the investment corporation

With LaSalle REIT Advisors K.K. as the organizer, LaSalle LOGIPORT REIT (LLR) was established on October 9, 2015, pursuant to the Investment Trusts Act, and was listed on the J-REIT section of the Tokyo Stock Exchange (Securities Code: 3466) on February 17, 2016.

The financial statements for the fiscal period ended August 31, 2022 (13th fiscal period) were recently completed, and the total number of issued and outstanding investment units as of the end of this fiscal period is 1,785,000 units.

(ii) Investment Environment and Management Performance

In the current fiscal year, positive real GDP growth from consumer consumption recovery was observed, however, the growth in Japanese economy remained weak due to the new wave of the COVID-19 pandemic and increase in consumption prices from high energy prices and Japanese yen depreciation. In addition, the global economy remains highly uncertain due to historical inflation in the U.S. and China's zero-COVID policy as well as continued supply chain disruption. In financial markets, interest rates in Japan remain high, while the U.S. Federal Reserve Board (FRB) has been increasing interest rates rapidly to contain inflation. Although the Bank of Japan has indicated that it will continue with large-scale monetary easing, the future direction is closely watched amid continued uncertainty about the outlook for domestic prices, foreign exchange rates, and other factors.

In the leasing market for prime logistics facilities, there is a continuing trend toward consolidation and integration of older locations primarily by third-party logistics (3PL) operators, as well as new expansions and diversification of space usage. The further establishment of a nationwide logistics network is expected to also support the expansion of structural demand for prime logistics facilities. In this environment, in the Tokyo metropolitan area logistics facility market, rental demand from a wide range of industries continues, despite a record-high level of new supply and a moderate increase in the vacancy rate of 3% level for warehouses larger than 5,000 sqm. In addition, the vacancy rate in the Kinki region continues to remain low, and the current vacancy rate of warehouses larger than 5,000 sqm is maintained at the 1% level, resulting in a further tightening of supply and demand, according to CBRE data.

Under these conditions, LLR steadily managed its 19 properties (total acquisition price 357,829 million yen, leasable floor area 1,480,915 square-meters) and the portfolio occupancy rate at the end of the fiscal period was as high as at 99.3%. LLR's portfolio has 174 tenants as of the end of this fiscal period ended August 31, 2022 and aims for further tenant diversification.

(iii) Overview of Procurement of Funds

In the fiscal year, LLR did not procure or repay interest-bearing debt. At the end of the current fiscal period, the balance of interest-bearing debt of LLR was 160,620 million yen and LTV was 41.8%.

The status of LLR's credit ratings assigned as of August 31, 2022 was as follows.

Credit Rating Agency	Rating Type	Rating	Rating Outlook
JCR	Long-term issuer rating	AA	Stable
(Japan Credit Rating Agency Ltd.)	Bond Rating (Note)	AA	-

Note: This was the rating for the 2nd, 3rd, 5th, 6th, 7th and 8th Unsecured Investment Corporation Bonds.

(iv) Overview of Business Performance and Distributions

The operating period for the current fiscal period was 184 days from March 1, 2022 to August 31, 2022. During current fiscal period, LLR generated operating revenues of 10,784 million yen, operating income of 5,664 million yen, ordinary income of 5,069 million yen, and net income of 5,068 million yen.

Furthermore, through application of Article 67, Provision 15(1) of the Act on Special Measures Concerning Taxation (Act No. 26 of 1957, including subsequent amendments), LLR intends to include distributions as deductible expenses and distribute the entire amount of unappropriated retained earnings (excluding fractional distribution amounts of less than one yen per investment unit). As a result, the distribution amount per investment unit is 2,839 yen.

In addition to this, in accordance with the distribution policy provided for in LLR's Articles of Incorporation, in principle LLR makes ongoing distributions in excess of retained earnings each fiscal period ("Ongoing Distributions in Excess of Retained Earnings") (Note 1). Furthermore, in addition to Ongoing Distributions in Excess of Retained Earnings, LLR may make distributions, of an amount that it determines, as a distribution of the amount of temporary excess profit, but only for

the purpose of equalizing the amount of distributions per unit (Note 2) in the event there are one-time reductions up to a certain amount of distributions per unit as a result of: (i) financing activities such as the issuance of new investment units, the issuance of short-term corporate bonds, or borrowings; (ii) large-scale repairs resulting from earthquakes and other natural disasters or fires and other accidents; (iii) payments for the settlement of lawsuits; (iv) losses on sales of real estate; or (v) other reasons.

In the current fiscal period, LLR distributed 428 million yen as an Ongoing Distribution in Excess of Retained Earnings, an amount equivalent to approximately 30% of the 1,432 million yen that was the amount resulting from deducting the total amount of the accumulated depreciation recorded as of the last day of the previous fiscal period from the total amount of accumulated depreciation for the current fiscal period. As a result, the distribution in excess of retained earnings per unit in the current fiscal period was 240 yen (Note 3).

Note 1. LLR's policy is to make distributions in excess of retained earnings each fiscal period after careful consideration is given to alternative uses of cash, such as execution of repairs, capital expenditures, profit generated during the fiscal period, the amount available for distribution, repayment of debts, along with factoring in the prevailing economic environment, the real estate market, the competitiveness of its acquired assets as well as its overall financial condition.

Note 2. The amount of distributions which are the sum of the regular distributions in excess of retained earnings and the additional distributions in excess of our retained earnings when additional distributions in excess of retained earnings are made are limited to 60% of the amount resulting from deducting the total amount of the accumulated depreciation recorded as of the last day of the previous fiscal period from the total amount of accumulated depreciation calculated as of the last day of the relevant calculation period.

Note 3. The engineering report for each property prepared by building condition surveyors' estimates that the amount of anticipated semi-annual average of emergency or short-term repair and maintenance expenses and medium- to long-term repair and maintenance expenses is 282 million yen. LLR determines to make distributions in excess of retained earnings, considering that the amount of distributions in excess of retained earnings maintain the value of its portfolio and its financial stability taking into account macroeconomic environment, trends in the real estate market and real estate leasing industry and its financial conditions. Please note that the amount of distributions in excess of retained earnings will be deducted from the balance of LLR's unit holders' equity upon payment.

(Outlook for the Future)

(i) Future Management Policy and Issues to Address

In this environment, LLR will seek to enhance unitholder value through stable long-term growth in cash flows and asset values by engaging in the following activities.

With respect to its external growth strategy, LLR will make the most of the property information provided by the LaSalle Group (Note 1) as well as LaSalle REIT Advisors' unique capabilities in obtaining property information. Under its sponsor support agreement, LLR is able to receive information about the sale of properties owned by LaSalle Fund (Note 2), and because of this enjoys diverse sourcing routes that tap into both sourcing from the LaSalle Fund and sourcing from third parties.

With respect to its internal growth strategy, LLR will aim to realize internal growth by leveraging its active asset management (Note 3) expertise that is a hallmark of the LaSalle Group, thanks in part to the personnel that will be provided to it and the information made available under the sponsor support agreement. LLR's portfolio is characterized by a highly stable cash flow attributed to a diversified tenant base, in addition to its staggered lease renewal dates, due to the terms of its lease agreements. When renewal dates are nearing, LLR will work to revise lease rates up after carefully reviewing market lease rates and vacancy rates. In addition, given the current uncertain outlook, LLR will work to stabilize rent income by actively renewing contracts that will come due in the future ahead of schedule. LLR will also endeavor to maintain and strengthen the competitiveness of its properties by making appropriate repairs and capital expenditures.

With respect to financial strategy, LLR will strive to build an optimized capital structure with a sound financial foundation by taking advantage of its strong financial position in order to achieve a balance between stability in its finances and funding costs, while diversifying how it procures its funding sources, along with staggering debt maturities, while also considering the use of variable interest rates.

Note 1. "LaSalle Group" refers to the group of companies that provides real estate investment management services to mainly institutional investors in the United States, Europe and the Asia-Pacific region, centered on LaSalle Investment Management Inc., which is one of the world's leading real estate investment advisory firms.

Note 2. "LaSalle Fund" refers to a fund formed and operated by the LaSalle Group.

Note 3. "Active asset management" is a generic term for management techniques aimed at increasing cash flow by identifying opportunities to create added value of properties held by carefully examining macro factors such as

market lease rates and vacancy rates as well as the micro factors of each property, such as tenant lease terms and building management conditions.

(ii) Significant Subsequent Events

None

(iii) Forecast of Financial Results

The outlook for LLR's financial results for the fiscal period ending February 28, 2023 and the period ending August 31, 2023 are presented below.

	Operating revenues	Operating income	Ordinary income	Net Income	Distributions per unit (excluding those in excess of retained earnings per unit)	Distributions in excess of retained earnings per unit	Distributions per unit (including those in excess of retained earnings per unit)
	Million yen	Million yen	Million yen	Million yen	Yen	Yen	Yen
Fiscal period ending February 28, 2023	10,866	5,659	5,068	5,066	2,838	242	3,080
Fiscal period ending August 31, 2023	10,833	5,563	4,963	4,962	2,780	288	3,068

For the assumptions used in this outlook, please refer to the "Forecast Assumptions for the Fiscal Periods Ending February 28, 2023 and August 31, 2023" below.

Note. The figures above represent LLR's outlook at present and were calculated based on certain assumptions. The actual operating revenues, operating income, ordinary income, net income, distributions per unit (excluding distributions in excess of retained earnings per unit), and distributions in excess of retained earnings per unit may differ due to the future acquisition or disposition of real estate, conditions in the real estate market, fluctuations in interest rates, or other circumstances surrounding LLR. In addition, this forecast does not guarantee the above distribution amounts.

Forecast Assumptions for the Fiscal Periods Ending February 28, 2023 and August 31, 2023

Item	Assumptions
Calculation period	<ul style="list-style-type: none"> • Fiscal period ending February 28, 2023: September 1, 2022 to February 28, 2023 (181 days) • Fiscal period ending August 31, 2023: March 1, 2023 to August 31, 2023 (184 days)
Property portfolio	<ul style="list-style-type: none"> • The prevailing assumption is that aside from the real estate trust beneficiary interests (19 assets in total) and preferred shares (One underlying asset in total) currently held by LLR (collectively, the “Currently Held Assets”), no other changes (including acquisition of new property or disposition of properties held by LLR) would occur by the end of the fiscal period ending August 31, 2023. • There is a possibility for further changes should LLR decide to acquire additional assets in addition to the Anticipated Acquisition Asset or dispose of properties held by LLR.
Operating revenue	<ul style="list-style-type: none"> • Leasing rental revenue is calculated based on information the lease contracts of the Currently Held Assets in effect as of today, and market trends, etc. • The average occupancy rate of all properties was expected to be 99.3% in the fiscal period ending February 28, 2023, and 98.4% in the fiscal period ending August 31, 2023. • With respect to operating revenues, there is an underlying assumption that tenants will fully pay their contractual rents without delinquency. • LLR expects that there will be no operating revenues to be generated in connection with the preferred shares.
Operating expenses	<ul style="list-style-type: none"> • Leasing-related expenses, other than depreciation expense is based on the actual historical figures of the Currently Held Assets and relevant agreements in effect as of today. • Depreciation expense, including ancillary costs, was calculated using a straight-line depreciation method, and LLR assumed depreciation expense to be 1,440 million yen and 1,432 million yen for the fiscal periods ending February 28, 2023 and , August 31 2023, respectively. • Property taxes, city planning tax and depreciable asset tax (collectively, the “property taxes”) are expected to be 1,008 million yen for the fiscal period ending February 28, 2023 and, August 31, 2023 respectively. • Repair and maintenance expenses are calculated based on a repair and maintenance plan prepared by the Asset Management Company, for items viewed as necessary for each property. Actual repair and maintenance expenses may be significantly different from the expected amount due to various factors around certain unexpected repairs, the tendency for significant variations in the amount depending on each fiscal period, and the fact that repair expenses do not generally arise on a periodic basis. • LLR expects that there will be no operating expenses to be incurred in connection with the preferred shares.
Non-operating expenses	<ul style="list-style-type: none"> • The projected amortization of costs related to the issuance of new investment units and the public offering of investment units are 22 million yen for the fiscal year ending February 28, 2023 and 22 million yen for the fiscal year ending August 31, 2023, respectively. • Interest expenses and other debt-related costs (including interest expenses on investment corporation bonds, amortization of investment corporation bonds and borrowing related expenses) are expected to be 571 million yen and 577 million yen for the fiscal periods ending February 28, 2023, and August 31, 2023 respectively. Non-cash items, which are included in interest expenses and other debt-related costs, are expected to be 109 million yen and 114 million yen for the fiscal periods ending February 28, 2023 and August 31, 2023, respectively.
Loans payable	<ul style="list-style-type: none"> • As of August 31, 2022, the balance of interest-bearing debts of LLR was 160,620 million yen. • It is assumed that all other borrowings or investment corporation bonds that are due by the end of the fiscal period ending August 31, 2023 will be refinanced. • The LTV ratio as of the end of each fiscal period ending February 28, 2023 and August 31, 2023 is assumed to be approximately 41.9%, respectively (rounded to one decimal place). • The LTV ratio is calculated by the following formula: • $LTV = \text{total interest-bearing debt} \div \text{total assets} \times 100$
Investment units	<ul style="list-style-type: none"> • Current outstanding number of units is 1,785,000. It is assumed that LLR does not have any changes to the number of outstanding units by the end of the fiscal period ending August 31, 2023.

Item	Assumptions
Distributions per unit (excluding those in excess of retained earnings per unit)	<ul style="list-style-type: none"> • Distributions per unit (excluding distributions in excess of retained earnings per unit) are calculated on the premise that all profits will be distributed in accordance with the distribution policy provided in LLR's Articles of Incorporation. • Distributions per unit (excluding distributions in excess of retained earnings per unit) may change due to factors such as additional acquisitions or dispositions of real estate properties, changes in rental revenues attributable to tenant replacements, changes in the operating environment including unexpected repairs, changes in interest rates, the actual number of new investment units to be issued, the issue price of such investment units and any additional issuance of new investment units in the future.

Item	Assumptions
Distributions in excess of retained earnings per unit	<ul style="list-style-type: none"> • Distributions in excess of retained earnings per unit are calculated in accordance with the distribution policy in LLR's Articles of Incorporation and internal policies of the asset manager. Distributions in excess of retained earnings for the fiscal periods ending February 28, 2023, and August 31, 2023, are assumed to be 431 million yen and 514 million yen, respectively. For the fiscal period ending August 31, the amount of distributions per unit (excluding distributions in excess of retained earnings) is expected to temporarily decrease. It is therefore assumed that 428 million yen as ongoing distributions in excess of retained earnings (an amount equivalent to 30.0% of depreciation of the period) and 85 million yen as distributions in excess of retained earnings on a one-time basis (an amount equivalent to approximately 6% of depreciation of the period) will be distributed for the purpose of equalizing the amount of distributions per unit (including distributions in excess of retained earnings). • Depreciation expenses may vary from the current assumed amount due to a change in portfolio assets, the amount of incidental expenses incurred, the amount of capital expenditures, and the pro-rata allocation of acquisition costs attributed to each asset and their respective useful life adopted for each asset. The total amount of distributions in excess of retained earnings, which will be based on depreciation expenses, may also vary accordingly • LLR expects for the time being to make distributions in excess of retained earnings on a regular basis within an appropriate level for maintaining financial soundness and stability, after consideration is given to alternative uses of cash such as execution of repair plans, capital expenditures, repayment of debts along with potential property acquisitions, and will make such distributions equal to 30% of the amount resulting from deducting the total amount of accumulated depreciation recorded as of the last day of the previous fiscal period from the amount of accumulated depreciation calculated as of the last day of the relevant fiscal period. This amount will be decided by LLR taking into consideration the level of net income, gains or losses on sales of real estate, etc., the level of cancellation fees or penalties, the level of temporary revenues, the level of distributions including distributions in excess of retained earnings, and the financial condition of LLR (especially the Appraisal LTV set forth below) in the relevant calculation period. Furthermore, to maintain the stability of LLR's distributions per unit in the event that an amount of distributions per unit temporarily decreases due to a series of financing actions such as the issuance of new investment units (including investment unit third-party allotment) or large scale repair and maintenance, which may result in a temporary dilution of investment units or incurrence of large expenses, LLR may make distributions as one-time distributions in excess of retained earnings. In addition, unexpected factors, such as increases in repair expenses, may cause distributions in excess of retained earnings per unit to materially differ from the forecasted amount. If the Appraisal LTV (set forth below) exceeds 60%, LLR may decide to make reduced distributions or not to make any distributions in excess of retained earnings after considering the above-listed factors. • LLR does not plan to make distributions in excess of retained earnings to the extent doing so would cause what LLR calls its "Appraisal LTV," as calculated below, to exceed 60%: $\text{Appraisal LTV (\%)} = A/B \times 100$ <p>A = interest-bearing debt (inclusive of long-term corporate bonds and short-term corporate bonds but excluding subordinated debt) + tenant leasehold deposits (excluding the amount reserved by the trustees of LLR's properties as tenant leasehold deposits and the amount reserved as tenant leasehold deposits in LLR's relevant reserve account (this account is for the refund obligation which LLR has as the lessor to various tenants)).</p> <p>B = total appraised real estate value of LLR's portfolio + the amount of cash deposits in LLR's bank accounts (excluding reserve accounts for tenant leasehold deposits) + cash and deposits in trust (excluding the amount reserved by the trustees of our properties as tenant leasehold deposits) – the total amount of distributions for the immediately prior fiscal period – the total amount of distributions in excess of retained earnings for the immediately prior fiscal period.</p> <p>In addition, the total amount of distributions and distributions in excess of retained earnings (with respect to the return of capital invested) depends upon the figures for the most recent fiscal period.</p>

Item	Assumptions
Other	<ul style="list-style-type: none"><li data-bbox="416 232 1449 360">• As an underlying premise, LLR assumes that any revision that will have an impact on the forecast information above will be made in accordance with applicable laws and regulations (including tax laws), accounting standards, listing rules of the TSE and the standards set by the Investment Trusts Association, Japan.<li data-bbox="416 376 1449 432">• As an underlying premise, LLR assumes that there are no unexpected material changes to general economic trends and real estate market conditions.

(2) Investment Risks

Due to Asset Management Company's partial change in the investment criteria, etc. stipulated in the Asset Management Guidelines, such as the expansion of investment standards, among the "Investment Risks" in the most recent Securities Report (filed on May 30, 2022), "(1) Risk Factors/ ② Risks Related to the Organization of the Investment Corporation and the Investment Corporation System/ (a) Risks Related to the Management of Risk /b. Risks Related to the Management of Assets" will be changed as of the date hereof as follows. Changes are indicated by the underlined line.

b. Risks Related to the Management of Assets

Under the Investment Trust Act, an Investment Corporation is required to entrust its asset management services to an asset management company. The Investment Corporation will depend on the ability of the Asset Management Company to entrust the management of its assets to conduct its business with respect to the performance of the management of its assets. The main risks associated with the Asset Manager are as follows:

(i) (intentionally omitted)

(ii) (intentionally omitted)

(iii) (intentionally omitted)

(iv) Risks associated with overlapping investments with funds managed by the LaSalle Group

Since 2021, the LaSalle Group has established LaSalle Asia Opportunity Fund VI ("LAO VI"), a comprehensive, close-ended private fund that invests in office, retail, residential, warehousing and logistics, hotels and other commercial properties, and manages assets in the Asia-Pacific region, including Japan. LAO VI is a fund that seeks higher target returns than the Investment Corporation ("Opportunistic Fund"). LAO VI is granted a priority to consider any real estate investment opportunities, within its investment strategy, sourced by LaSalle Group. Although LAO VI is an Opportunistic Fund, and therefore its primary investment targets are different from those of Investment Corporation, there may be overlaps in investment targets of logistics facility developments and low occupancy properties, etc., which are targeted as part of Investment Corporation's Excess Returns Strategy. For this reason, regarding the potential acquisition opportunities for development properties, low occupancy properties, etc. obtained by the Asset Management Company from third parties, an order of priority will be established between the Asset Management Company and the LaSalle Group, and the Asset Management Company will begin consideration of the potential acquisition opportunity only if the LaSalle Group decides not to pursue it for LAO VI. As such, the Investment Corporation may not be able to secure all of the potential acquisition opportunities that overlaps with LAO VI, if LAO VI decides to pursue them.

2. Financial Statements

(1) Balance Sheet

	Thousands of yen	
	As of	
	February 28, 2022	August 31, 2022
Assets		
Current assets		
Cash and deposits	20,396,318	20,060,943
Cash and deposits in trust	6,858,842	7,222,538
Operating accounts receivable	426,487	513,655
Prepaid expenses	268,848	250,060
Income taxes receivable	19	-
Other	469	469
Total current assets	27,950,987	28,047,667
Non-current assets		
Property, plant and equipment		
Buildings in trust	129,444,498	129,821,462
Accumulated depreciation	(10,238,469)	(11,657,767)
Buildings in trust, net	119,206,028	118,163,694
Structures in trust	168,448	176,826
Accumulated depreciation	(26,077)	(33,659)
Structures in trust, net	142,370	143,167
Machinery and equipment in trust	214,383	214,383
Accumulated depreciation	(14,182)	(18,656)
Machinery and equipment in trust, net	200,200	195,726
Tools, furniture and fixtures in trust	24,704	28,469
Accumulated depreciation	(2,743)	(3,999)
Tools, furniture and fixtures in trust, net	21,960	24,469
Land in trust	236,108,725	236,108,725
Construction in progress in trust	1,409	1,254
Total property, plant and equipment	355,680,695	354,637,038
Investments and other assets		
Investment securities	513,701	513,701
Long-term prepaid expenses	934,415	820,754
Deferred tax assets	-	25
Lease and guarantee deposits	10,000	10,000
Lease and guarantee deposits in trust	10,137	10,137
Total investments and other assets	1,468,255	1,354,619
Total non-current assets	357,148,950	355,991,658
Deferred assets		
Investment unit issuance expenses	82,950	55,691
Investment corporation bond issuance costs	65,395	60,623
Total deferred assets	148,345	116,314
Total assets	385,248,283	384,155,640

Balance Sheet, continued

	Thousands of yen	
	As of	
	February 28, 2022	August 31, 2022
Liabilities		
Current liabilities		
Operating accounts payable	263,599	348,195
Current portion of long-term loans payable	15,110,000	15,110,000
Accounts payable	1,992,958	1,755,159
Accrued expenses	6,656	6,233
Income taxes payable	605	1,118
Accrued consumption taxes	658,284	297,974
Advances received	1,896,931	1,892,929
Other	789,101	803,636
Total current liabilities	<u>20,718,137</u>	<u>20,215,247</u>
Non-current liabilities		
Investment corporation bonds payable	13,500,000	13,500,000
Long-term loans payable	132,010,000	132,010,000
Tenant leasehold and security deposits in trust	4,634,239	4,575,913
Total non-current liabilities	<u>150,144,239</u>	<u>150,085,913</u>
Total liabilities	<u>170,862,376</u>	<u>170,301,160</u>
Net assets		
Unitholders' equity		
Unitholders' capital	211,863,933	211,863,933
Deduction from unitholders' capital	(2,653,085)	(3,077,915)
Unitholders' capital, net	<u>209,210,848</u>	<u>208,786,018</u>
Surplus		
Unappropriated retained earnings (undisposed loss)	5,175,059	5,068,461
Total surplus	<u>5,175,059</u>	<u>5,068,461</u>
Total unitholders' equity	<u>214,385,907</u>	<u>213,854,479</u>
Total net assets	<u>(*2) 214,385,907</u>	<u>(*2) 213,854,479</u>
Total liabilities and net assets	<u>385,248,283</u>	<u>384,155,640</u>

(2) Income Statement

	Thousands of yen	
	For the periods ended	
	February 28, 2022	August 31, 2022
Operating revenues		
Rental revenues	(*1) 9,867,955	(*1) 9,966,185
Other rental revenues	(*1) 722,172	(*1) 817,834
Total operating revenue	10,590,128	10,784,020
Operating expenses		
Property-related expenses	(*1) 3,379,849	(*1) 3,690,968
Asset management fee	1,341,645	1,329,106
Asset custody and administrative fee	42,473	40,646
Directors' compensations	4,500	5,400
Audit fee	12,000	12,000
Other operating expenses	52,831	41,488
Total operating expenses	4,833,300	5,119,609
Operating profit	5,756,827	5,664,410
Non-operating income		
Interest income	130	129
Reversal of distributions payable	329	453
Interest on refund	241	-
Total non-operating income	700	583
Non-operating expenses		
Interest expenses	389,432	406,585
Interest expenses on investment corporation bonds	41,697	39,903
Amortization of investment unit issuance expenses	29,312	27,258
Amortization of investment corporation bond issuance costs	6,405	4,772
Borrowing related expenses	116,043	117,243
Total non-operating expenses	582,890	595,763
Ordinary income	5,174,637	5,069,230
Income before income taxes	5,174,637	5,069,230
Income taxes - current	605	1,138
Income taxes - deferred	21	(25)
Total income taxes	626	1,112
Net income	5,174,010	5,068,117
Retained earnings brought forward	1,048	344
Unappropriated retained earnings (undisposed loss)	5,175,059	5,068,461

(3) Statement of Unitholders' Equity

Previous period (For the period ended February 28, 2022)

	Thousands of yen				
	Unitholders' equity				
	Unitholders' capital			Surplus	
	Unitholders' capital	Deduction from unitholders' capital	Unitholders' capital	Unappropriated retained earnings (undisposed loss)	Total surplus
Balance at beginning of current period	211,863,933	(2,240,750)	209,623,183	5,288,218	5,288,218
Changes of items during period					
Distributions in excess of retained earnings		(412,335)	(412,335)		
Dividends of retained earnings				(5,287,170)	(5,287,170)
Net income				5,174,010	5,174,010
Total changes of items during period	-	(412,335)	(412,335)	(113,159)	(113,159)
Balance at end of current period	(*1) 211,863,933	(2,653,085)	209,210,848	5,175,059	5,175,059

	Thousands of yen	
	Unitholders' equity	
	Total unitholders' equity	Total net assets
Balance at beginning of current period	214,911,401	214,911,401
Changes of items during period		
Distributions in excess of retained earnings	(412,335)	(412,335)
Dividends of retained earnings	(5,287,170)	(5,287,170)
Net income	5,174,010	5,174,010
Total changes of items during period	(525,494)	(525,494)
Balance at end of current period	214,385,907	214,385,907

Current period (For the period ended August 31, 2022)

	Thousands of yen				
	Unitholders' equity				
	Unitholders' capital			Surplus	
	Unitholders' capital	Deduction from unitholders' capital	Unitholders' capital	Unappropriated retained earnings (undisposed loss)	Total surplus
Balance at beginning of current period	211,863,933	(2,653,085)	209,210,848	5,175,059	5,175,059
Changes of items during period					
Distributions in excess of retained earnings		(424,830)	(424,830)		
Dividends of retained earnings				(5,174,715)	(5,174,715)
Net income				5,068,117	5,068,117
Total changes of items during period	-	(424,830)	(424,830)	(106,597)	(106,597)
Balance at end of current period	(*1) 211,863,933	(3,077,915)	208,786,018	5,068,461	5,068,461

	Thousands of yen	
	Unitholders' equity	
	Total unitholders' equity	Total net assets
Balance at beginning of current period	214,385,907	214,385,907
Changes of items during period		
Distributions in excess of retained earnings	(424,830)	(424,830)
Dividends of retained earnings	(5,174,715)	(5,174,715)
Net income	5,068,117	5,068,117
Total changes of items during period	(531,427)	(531,427)
Balance at end of current period	213,854,479	213,854,479

(4) Statements related to Distributions

	Yen	
	For the periods ended	
	February 28, 2022	August 31, 2022
I Unappropriated retained earnings for the period	5,175,059,326	5,068,461,955
II Additional amount of distributions in excess of retained earnings		
Deduction for unitholders' capital	424,830,000	428,400,000
III Amount of distributions	5,599,545,000	5,496,015,000
(amount of distributions per investment unit)	(3,137)	(3,079)
Of which, distributions of retained earnings	5,174,715,000	5,067,615,000
(of which, distributions of retained earnings per unit)	(2,899)	(2,839)
Of which, distributions in excess of retained earnings	424,830,000	428,400,000
(of which, distributions in excess of retained earnings per unit)	(238)	(240)
IV Retained earnings brought forward	344,326	846,955

Method of calculation of amount of distributions

Based on the policy for distributions of funds prescribed in Article 36, Paragraph 1 of LLR's Articles of Incorporation, the amount of distributions is to be an amount in excess of an amount equivalent to 90% of the amount of LLR retained earnings that can be allocated as stipulated in Article 67, Provision 15 of the Act on Special Measures Concerning Taxation.

Based on this policy, 5,174,715,000 yen was allocated as distributions of retained earnings. This is the maximum value of the integral multiple of the total number of units of the investment units issued and outstanding at end of the period in an amount that is not in excess of unappropriated retained earnings.

Based on the policy for distributions of funds prescribed in Article 36, Paragraph 1 of LLR's Articles of Incorporation, LLR performs distributions of funds in excess of retained earnings (refund of investment categorized as a reduction in distribution from unitholders' capital for tax purposes) on a regular basis.

Based on the policy for distributions of funds prescribed in Article 36, Paragraph 1 of LLR's Articles of Incorporation, the amount of distributions is to be an amount in excess of an amount equivalent to 90% of the amount of LLR retained earnings that can be allocated as stipulated in Article 67, Provision 15 of the Act on Special Measures Concerning Taxation.

Based on this policy, 5,067,615,000 yen was allocated as distributions of retained earnings. This is the maximum value of the integral multiple of the total number of units of the investment units issued and outstanding at end of the period in an amount that is not in excess of unappropriated retained earnings.

Based on the policy for distributions of funds prescribed in Article 36, Paragraph 1 of LLR's Articles of Incorporation, LLR performs distributions of funds in excess of retained earnings (refund of investment categorized as a reduction in distribution from unitholders' capital for tax purposes) on a regular basis.

Yen	
For the periods ended	
February 28, 2022	August 31, 2022
<p>Based on this policy, the amount roughly equivalent to 30% of the 1,419,837,083 yen that is the amount remaining after deducting the total amount of accumulated depreciation recorded in the previous period from the total amount of accumulated depreciation calculated for this fiscal period was calculated to be 424,830,000 yen, and was allocated as distributions of earnings in excess of retained earnings (amount of contributions refunded that under tax law is equivalent to a capital- refund distribution).</p>	<p>Based on this policy, the amount roughly equivalent to 30% of the 1,432,608,703 yen that is the amount remaining after deducting the total amount of accumulated depreciation recorded in the previous period from the total amount of accumulated depreciation calculated for this fiscal period was calculated to be 428,400,000 yen, and was allocated as distributions of earnings in excess of retained earnings (amount of contributions refunded that under tax law is equivalent to a capital- refund distribution).</p>

Note: In the event that LLR determines that it is appropriate as a result of in light of trends in the economic environment, real estate market and leasing market, conditions of properties held and its financial position, LLR may distribute funds in excess of funds available for distribution in an amount decided by LLR up to the amount stipulated under the regulations of the Investment Trust Association. Furthermore, when the amount of the distribution does not fulfill the requirements in the special provisions for taxes related to investment corporations stipulated in laws and ordinances, LLR may distribute funds in excess of the funds available for distribution in an amount decided upon by LLR for the purpose of meeting said requirements.

(5) Statements of Cash Flows

	Thousands of yen	
	For the periods ended	
	February 28, 2022	August 31, 2022
Cash flows from operating activities		
Income before income taxes	5,174,637	5,069,230
Depreciation	1,419,837	1,432,608
Amortization of investment unit issuance expenses	29,312	27,258
Amortization of investment corporation bond issuance costs	6,405	4,772
Interest income	(130)	(129)
Interest expenses	431,129	446,488
Decrease (increase) in operating accounts receivable	59,435	(87,167)
Decrease (increase) in Income taxes receivable	111,033	19
Decrease (increase) in consumption taxes refund receivable	867,975	-
Decrease (increase) in prepaid expenses	(32,720)	18,788
Decrease (increase) in long-term prepaid expenses	(52,672)	113,661
Increase (decrease) in operating accounts payable	(58,276)	84,595
Increase (decrease) in accounts payable - other	(95,297)	(26,251)
Increase (decrease) in accrued consumption taxes	658,284	(360,310)
Increase (decrease) in advances received	189	(4,002)
Other, net	(6,196)	279
Subtotal	8,512,947	6,719,841
Interest income received	130	129
Interest expenses paid	(431,206)	(446,911)
Income taxes paid	(741)	(624)
Net cash provided by (used in) operating activities	8,081,130	6,272,435
Cash flows from investing activities		
Purchase of property, plant and equipment in trust	(759,571)	(601,218)
Purchase of investment securities	(305,874)	-
Proceeds from tenant leasehold and security deposits in trust	53,144	63,447
Repayments of tenant leasehold and security deposits in trust	(33,743)	(89,249)
Net cash provided by (used in) investing activities	(1,046,045)	(627,019)
Cash flows from financing activities		
Repayments of short-term loans payable	(700,000)	-
Proceeds from long-term loans payable	4,850,000	-
Repayments of long-term loans payable	(1,850,000)	-
Proceeds from issuance of investment corporation bonds	1,988,193	-
Redemption of investment corporation bonds	(5,000,000)	-
Payment of distributions of retained earnings	(5,286,303)	(5,175,056)
Payment of distributions in excess of retained earnings	(412,273)	(424,836)
Net cash provided by (used in) financing activities	(6,410,382)	(5,599,893)
Net increase (decrease) in cash and cash equivalents	624,702	45,522
Cash and cash equivalents at beginning of period	24,463,458	25,088,160
Cash and cash equivalents at end of period	(*1) 25,088,160	(*1) 25,133,682

(6) Notes with respect to Going Concern Assumptions

None

(7) Notes on Matters concerning Significant Accounting Policies

1. Valuation standard and valuation method for investment securities

Available-for-sale securities

Shares without market price

The moving average cost method was adopted.

2. Method of depreciation of non-current assets

Property, plant and equipment (including trust assets)

A straight-line method is used. The useful lives of principal property, plant and equipment are as follows:

Buildings	2-79 years
Structures	10-45 years
Machinery and equipment	8-24 years
Tools, furniture and fixtures	4-15 years

3. Accounting treatment for deferred assets

(i) Issuance costs for corporate bonds

Amortized using the straight-line method over the period until redemption.

(ii) Investment unit issuance expenses

Amortized over a period of three years.

4. Standards for revenue and expense recognition

(i) Standards for recording revenue

The details of main performance obligations concerning revenue generated from contracts between LLR and its customers and the ordinary time to satisfy performance obligations (ordinary time to recognize revenue) are as follows.

(a) Sale of real estate property

LLR recognizes revenue from the sale of real estate property when the purchaser, as the customer, obtains control of the real estate property. Note that LLR discloses "Gain on sales of real estate properties" or "Loss on sales of real estate properties" based on "Sales proceed" excluding "Book value of properties sold" and "Other sales expenses" on Income Statement. "Gain on sales of real estate properties" and "Loss on sales of real estate properties" were not recorded in the current fiscal period.

(b) Utilities charge reimbursement

LLR supplies utilities services such as the electricity, water, etc. to the lessee as the customer and recognize those income based on contracts with the customers.

(ii) Treatment of fixed asset taxes

With respect to fixed asset taxes, city planning taxes, and depreciable asset taxes associated with the real estate or beneficiary interests in trusts holding real estate as trust assets held by LLR, the amount of taxes levied corresponding to the relevant accounting period are treated as lease expenses and expensed.

The amount equivalent to the first year's fixed asset tax that is borne by LLR in association with the acquisition of real estate or beneficiary interests in trusts holding real estate, as trust assets are not recognized as an expense; rather, they are included in the acquisition cost of the relevant real estate. The amount of fixed asset taxes, etc. included in the acquisition costs of real estate, etc. was not recorded in the previous fiscal period nor in the current fiscal period.

5. Hedge accounting method

(i) Method of hedge accounting

LLR uses deferral hedge accounting. However, special treatment was applied to those interest rate swaps that satisfy the requirements for special accounting treatment.

(ii) Hedging instruments and hedged items

Hedging instruments: interest rate swap transactions

Hedged items: interest on loans

(iii) Hedging policy

Under its market risk management policy, LLR engages in derivative transactions for the purpose of hedging risk as provided for in its bylaws.

(iv) Method of assessing hedge effectiveness

Assessment of hedge effectiveness was omitted since interest rate swaps satisfy the requirements for special treatment.

6. Scope of funds in the statements of cash flows

The funds in the statements of cash flows (cash and cash equivalents) comprise cash on hand and cash in trusts, bank deposits and trust deposits available for withdrawal on demand, and short-term investments due within three months of the acquisition date, which are readily convertible to cash and bear only an insignificant risk of price fluctuations.

7. Other matters which constitute the basis for preparation of financial statements

(i) Accounting treatment for beneficiary interests in trusts that have real estate as assets in trust

With respect to trust beneficiary interests held by LLR, where the underlying assets are entrusted real estate, all asset and liability accounts within the trust assets as well as all revenue and expense accounts arising from the trust assets are recognized in the relevant accounts of the balance sheet and statements of income.

The following material items of the assets in trust recognized in the relevant account items are listed separately on the balance sheet.

(a) Cash in trust and deposits in trust

(b) Buildings in trust, structures in trust, machinery and equipment in trust, tools, furniture and fixtures in trust, land in trust, construction in progress in trust

(c) Lease and guarantee deposits in trust

(d) Tenant leasehold and security deposits in trust

(ii) Treatment of nondeductible portion of consumption taxes

The nondeductible portion of consumption taxes imposed in connection with assets was charged to expense in the period incurred.

(8) Notes on the Financial Statements

[Notes on Balance Sheet]

1. Commitment line agreement

LLR is in the contract of commitment line agreement with two banks.

	Thousands of yen	
	As of	
	February 28, 2022	August 31, 2022
Total amount of committed line of credit	4,000,000	4,000,000
Borrowings drawn down	-	-
Balance of unused committed line of credit	4,000,000	4,000,000

* 2. Minimum net assets as required by Article 67, Paragraph 4 of the Act on Investment Trusts and Investment Corporations

Thousands of yen	
As of	
February 28, 2022	August 31, 2022
50,000	50,000

[Notes on Income Statement]

* 1. Breakdown of operating income (loss) from real estate leasing

	Thousands of yen	
	For the periods ended	
	February 28, 2022	August 31, 2022
(i) Real estate leasing revenues		
Rental revenues		
Rental income	9,038,512	9,131,726
Common service fee	829,442	834,459
Total	9,867,955	9,966,185
Other rental revenues		
Utilities charge reimbursement	445,550	538,245
Parking revenue	188,089	188,207
Other lease revenues	88,533	91,382
Total	722,172	817,834
Total real estate leasing revenues	10,590,128	10,784,020
(ii) Real estate leasing expenses		
Property-related expenses		
Outsourcing costs	459,715	452,874
Utilities expenses	407,432	526,188
Taxes and public dues	897,776	1,008,568
Insurance premiums	18,531	22,447
Repair and maintenance	74,221	99,275
Depreciation	1,419,837	1,432,608
Other leasing expenses	102,335	149,005
Total real estate leasing expenses	3,379,849	3,690,968
(iii) Real estate leasing profit ((i) - (ii))	7,210,278	7,093,051

[Notes on Statement of Changes in Unitholders' Capital]

* 1. Total number of investment units authorized and total number of investment units issued and outstanding

	For the periods ended	
	February 28, 2022	August 31, 2022
Total number of investment units authorized	10,000,000 units	10,000,000 units
Total number of investment units issued and outstanding	1,785,000 units	1,785,000 units

[Notes on the Statements of Cash Flows]

* 1. Reconciliation of balance sheet items to cash and cash equivalents at end of period in the statement of cash flows

	Thousands of yen	
	For the periods ended	
	February 28, 2022	August 31, 2022
Cash and deposits	20,396,318	20,060,943
Cash and deposits in trust	6,858,842	7,222,538
Restricted deposits in trust (Note)	(2,167,000)	(2,149,799)
Cash and cash equivalents at period end	25,088,160	25,133,682

Note: Deposits held in trust reserved for the refund of lease and guarantee deposits received from tenants.

[Notes on Lease Transactions]

Operating lease transactions (lessor)

Unearned leasing fees associated with non-cancelable operating leases

	Thousands of yen	
	As of	
	February 28, 2022	August 31, 2022
Due within one year	16,230,299	16,617,730
Due after one year	35,113,459	33,534,362
Total	51,343,758	50,152,092

[Notes on Financial Instruments]

1. Matters concerning the status of financial instruments

(i) Policy for handling financial instruments

At the time of acquisitions of new portfolio assets, LLR procures funds by issuing investment units, borrowing from financial institutions or issuing corporate bonds.

In consideration of safety and liquidity, and careful consideration of the market environment and situation of cash management, surplus funds are managed in deposits in principle.

Furthermore, derivatives transactions are used to hedge against interest rate volatility risks and other risks in connection with short-term loans and other fund procurement, and not for speculative trading.

(ii) Details of financial instruments, their risks, and the risk management system

Deposits are used for managing the surplus funds of LLR, and are subject to credit risks of failure of the financial institutions holding the deposits, but in consideration of safety and liquidity, and giving careful consideration to the market environment and cash management conditions, care is taken to limit the deposit terms to a short period.

Loans payable and investment corporation bonds are taken for the purpose of the procurement of funds for the acquisition of real estate, the repayment of debt or the redemption of investment corporation bonds and while subject to liquidity risks at the time of repayment, LLR is managing its liquidity risk through efforts to reduce liquidity risks by means such as diversifying repayment dates and lenders and maintaining liquidity on hand, as well as by preparing cash management plans. In addition, because part of the loans have variable interest rates, they are subject to the risk of increases in interest payments, but LLR makes efforts to limit the effect of increases in interest payments on LLR management by maintaining a conservative share of interest-bearing debt and increasing the ratio of loans with long-term fixed interest rates.

(iii) Supplemental explanation about matters concerning the fair value of financial instruments

Certain assumptions, etc. are used in calculating the fair value of financial instruments, and there can be cases where the values may vary based on different assumptions, etc. In addition, concerning the contract amounts of derivative transactions in “Derivative transactions” below the amount itself does not represent the value of the market risks associated with the derivative transactions.

2. Matters concerning the fair value of financial instruments

Previous period (As of February 28, 2022)

Amounts recognized on the balance sheet as of the fiscal period ended February 28, 2022, fair values, and differences between these amounts are presented below. Shares without market price are not included in the following table (Note 2). The notes for “Cash and deposits”, “Cash and deposits in trust” and “Short-term loans payable” are omitted due to their short-term settlement. Also, the note for “Tenant leasehold and security deposits in trust” is omitted because of immaterial.

	Thousands of yen		
	As of February 28, 2022		
	Book value	Fair value	Difference
(1) Current portion of long-term loans payable	15,110,000	15,132,797	22,797
(2) Investment corporation bonds payable	13,500,000	13,338,850	(161,150)
(3) Long-term loans payable	132,010,000	132,828,350	818,350
Total liabilities	160,620,000	161,299,997	679,997
Derivative transactions	-	-	-

Current period (As of August 31, 2022)

Amounts recognized on the balance sheet as of the fiscal period ended August 31, 2022, fair values, and differences between these amounts are presented below. Shares without market price are not included in the following table (Note 2). The notes for “Cash and deposits”, “Cash and deposits in trust” and “Short-term loans payable” are omitted due to their short-term settlement. Also, the note for “Tenant leasehold and security deposits in trust” is omitted because of immaterial.

	Thousands of yen		
	As of August 31, 2022		
	Book value	Fair value	Difference
(1) Current portion of long-term loans payable	15,110,000	15,118,971	8,971
(2) Investment corporation bonds payable	13,500,000	13,305,000	(195,000)
(3) Long-term loans payable	132,010,000	132,713,164	703,164
Total liabilities	160,620,000	161,137,136	517,136
Derivative transactions	-	-	-

Note 1. Methods used to calculate the fair value of financial instruments and matters concerning derivative transactions

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

These are stated at present value, which is calculated by discounting the total interest and principal (for loans payable that are subject to special treatment, the total interest and principal treated in combination with the relevant swap) by the putative interest rate as if the same loan were newly executed.

(2) Investment corporation bonds payable

The reference statistical prices disclosed by the Japan Securities Dealers Association are used as the fair value.

Derivative transactions

Please refer to “Notes to Derivative Transactions” below.

Note 2. Shares without market price

Previous period (As of February 28, 2022)

Because there are no market prices for the preferred securities (513,701 thousand yen recognized on the balance sheet) and it is difficult to reasonably estimate cash flows, it is understood to be extremely difficult to assess fair value, so fair value is not listed.

Current period (As of August 31, 2022)

Because there are no market prices for the preferred securities (513,701 thousand yen recognized on the balance sheet) and it is difficult to reasonably estimate cash flows, it is understood to be extremely difficult to assess fair value, so fair value is not listed.

Note 3. Repayment schedule for investment corporation bonds, long-term loans payable and other interest-bearing debt after the closing date

Previous period (As of February 28, 2022)

	Thousands of yen					
	As of February 28, 2022					
	Due within one year	Due after one to two years	Due after two to three years	Due after three to four years	Due after four to five years	Due after five years
Investment corporation bonds payable	-	-	-	-	2,000,000	11,500,000
Long-term loans payable	15,110,000	16,560,000	9,070,000	21,450,000	18,680,000	66,250,000
Total	15,110,000	16,560,000	9,070,000	21,450,000	20,680,000	77,750,000

Current period (As of August 31, 2022)

	Thousands of yen					
	As of August 31, 2022					
	Due within one year	Due after one to two years	Due after two to three years	Due after three to four years	Due after four to five years	Due after five years
Investment corporation bonds payable	-	-	-	-	5,500,000	8,000,000
Long-term loans payable	15,110,000	16,560,000	20,820,000	17,580,000	18,700,000	58,350,000
Total	15,110,000	16,560,000	20,820,000	17,580,000	24,200,000	66,350,000

[Notes on Securities]

Previous period (As of February 28, 2022)

Because there are no market prices for the preferred securities (513,701 thousand yen recognized on the balance sheet) and it is difficult to reasonably estimate cash flows, it is understood to be extremely difficult to assess fair value, so fair value is not listed.

Current period (As of August 31, 2022)

Because there are no market prices for the preferred securities (513,701 thousand yen recognized on the balance sheet) and it is difficult to reasonably estimate cash flows, it is understood to be extremely difficult to assess fair value, so fair value is not listed.

[Notes on Derivative Transactions]

1. Derivative transactions to which hedge accounting was not applied

Previous period (As of February 28,2022)

None

Current period (As of August 31,2022)

None

2. Derivative transactions to which hedge accounting was applied

Previous period (As of February 28, 2022)

For each hedge accounting method, the contract amount as of the closing date and the notional principal amount specified in the contract are presented below.

			Thousands of yen			
			As of February 28, 2022			
			Contract amount			
Hedge accounting method	Type of derivative transaction	Primary hedged item	Total	Due after one year	Fair value	Fair value measurement
Special treatment for interest rate swaps	Interest rate swaps Receive floating / Pay fixed	Long-term loans payable	115,650,000	106,430,000	(Note)	(Note)

Current period (As of August 31, 2022)

For each hedge accounting method, the contract amount as of the closing date and the notional principal amount specified in the contract are presented below.

			Thousands of yen			
			As of August 31, 2022			
			Contract amount			
Hedge accounting method	Type of derivative transaction	Primary hedged item	Total	Due after one year	Fair value	Fair value measurement
Special treatment for interest rate swaps	Interest rate swaps Receive floating / Pay fixed	Long-term loans payable	115,650,000	106,430,000	(Note)	(Note)

Note: Because the derivative transactions subject to special treatment for interest rate swaps are treated integrally with long-term loans that are being hedged, the stated fair value incorporates the fair value of the relevant long-term loans. (Please refer to Item (1) Current portion of long-term loans payable and (3) Long-term loans payable under (Notes to Financial Instruments) “Matters concerning the fair value of financial instruments” and “Note 1. Methods used to calculate the fair value of financial instruments and matters concerning derivative transactions” above.)

[Notes on Transactions with Related Parties]

1. Transactions and Account Balances with the Parent Company and Major Unitholders

Previous period (For the period ended February 28, 2022)

None

Current period (For the period ended August 31, 2022)

None

2. Transactions and Account Balances with Affiliates

Previous period (For the period ended February 28, 2022)

None

Current period (For the period ended August 31, 2022)

None

3. Transactions and Account Balances with Companies under Common Control
Previous period (For the period ended February 28, 2022)

Classification	Name of the company	Address	Stated capital (thousands of yen)	Type of business	Percentage of voting rights owned	Relation		Type of transaction (Note 2)	Transaction amount (thousands of yen) (Note 1)	Account	Ending balance (thousands of yen) (Note 1)
						Common board member	Business relationship				
Subsidiary of an affiliate	LaSalle REIT Advisors K.K.	Chiyoda-ku, Tokyo	164,500	Investment management business	-	Executive Director of LLR and President & CEO of the Asset Manager	Asset manager	Payment of asset management fee (Note 3)	1,344,645	Accounts payable	1,475,809

Note 1. The transaction amounts do not include the consumption tax whereas the tax is included in the ending balance.

Note 2. The terms and conditions of these transactions were executed based on market practices.

Note 3. The asset management fee, attributable to investment security acquisitions, was 3,000 thousand yen.

Current period (For the period ended August 31, 2022)

Classification	Name of the company	Address	Stated capital (thousands of yen)	Type of business	Percentage of voting rights owned	Relation		Type of transaction (Note 2)	Transaction amount (thousands of yen) (Note 1)	Account	Ending balance (thousands of yen) (Note 1)
						Common board member	Business relationship				
Subsidiary of an affiliate	LaSalle REIT Advisors K.K.	Chiyoda-ku, Tokyo	164,500	Investment management business	-	Executive Director of LLR and President & CEO of the Asset Manager	Asset manager	Payment of asset management fee	1,329,106	Accounts payable	1,462,016

Note 1. The transaction amounts do not include the consumption tax whereas the tax is included in the ending balance.

Note 2. The terms and conditions of these transactions were executed based on market practices.

4. Transactions and Account Balances with Officers and Key individual investors

Previous period (For the period ended February 28, 2022)

None

Current period (For the period ended August 31, 2022)

None

[Notes on Tax Effect Accounting]

1. Breakdown of main reasons for generation of deferred tax assets and deferred tax liabilities

	Thousands of yen	
	As of	
	February 28, 2022	August 31, 2022
(Deferred tax assets)		
Enterprise tax payable	-	25
Total deferred tax assets	-	25
Net deferred tax assets	-	25

2. Breakdown of main items that were the cause of a material difference between the statutory effective tax rate and the burden of corporate taxes after application of tax-effect accounting

	As of	
	February 28, 2022	August 31, 2022
Statutory tax rate	31.46 %	31.46 %
(Adjustments)		
Deductible distributions	(31.46 %)	(31.45 %)
Other	0.01 %	0.01 %
Actual effective income tax rate	0.01 %	0.02 %

[Notes on Retirement Benefits]

Previous period (As of February 28, 2022)
None

Current period (As of August 31, 2022)
None

[Notes on Equity Method Earnings]

Previous period (As of February 28, 2022)
None

Current period (As of August 31, 2022)
None

[Notes on Asset Retirement Obligations]

Previous period (As of February 28, 2022)
None

Current period (As of August 31, 2022)
None

[Notes on Segment Information]

(Segment Information)

Segment information has been omitted as LLR has only one segment, which is real estate leasing business.

(Related information)

Previous period (For the period ended February 28, 2022)

(1) Information by Products and Services

Information about products and services has been omitted because operating revenues from sales to external customers for one product and service category are in excess of 90% of the operating revenues on the statements of income.

(2) Information by Geographic Region

(i) Operating Revenues

Information about operating revenues has been omitted because operating revenues from sales to external customers in Japan are in excess of 90% of the operating revenues on the statements of income.

(ii) Property and Equipment

Information about property and equipment has been omitted because the amount of property and equipment located in Japan is in excess of 90% of the amount of property and equipment on the balance sheets.

(3) Information by Major Customers

Information about major customers has been omitted because each net sale to a single external customer accounts for less than 10% of the operating revenues on the statements of income.

Current period (For the period ended August 31, 2022)

(1) Information by Products and Services

Information about products and services has been omitted because operating revenues from sales to external customers for one product and service category are in excess of 90% of the operating revenues on the statements of income.

(2) Information by Geographic Region

(i) Operating Revenues

Information about operating revenues has been omitted because operating revenues from sales to external customers in Japan are in excess of 90% of the operating revenues on the statements of income.

(ii) Property and Equipment

Information about property and equipment has been omitted because the amount of property and equipment located in Japan is in excess of 90% of the amount of property and equipment on the balance sheets.

(3) Information by Major Customers

Information about major customers has been omitted because each net sale to a single external customer accounts for less than 10% of the operating revenues on the statements of income.

[Notes on Rental Properties]

LLR owns leased logistics facilities mainly in the Tokyo and Osaka areas for the purpose of obtaining rental income. The fair values of these rental properties on the balance sheet and the changes during the period are presented below.

	Thousands of yen	
	For the periods ended	
	February 28, 2022	August 31, 2022
Book value (Note 1)		
Balance at the beginning of the period	356,074,444	355,680,695
Changes during the period (Note 2)	(393,748)	(1,043,656)
Balance at the end of the period	355,680,695	354,637,038
Fair value at the end of the period (Note 3)	417,270,000	420,910,000

Note 1. Book value was calculated by deducting accumulated depreciation from the acquisition cost.

Note 2. The increase for period ended February 28, 2022, was a result of the acquisition of hazardous material warehouse during the period with a total value of 449,000 thousand yen. The decrease for period ended February 28, 2022, was a result of the recognition of depreciation expenses of 1,419,837 thousand yen, respectively. In addition, the decrease for period ended August 31, 2022, was a result of the recognition of depreciation expenses of 1,432,608 thousand yen, respectively.

Note 3. The fair value at the end of the period was stated at the appraisal value obtained from an independent real estate appraiser.

Operating income (loss) associated with the rental properties is presented in "Notes to Income Statement".

[Notes on Per Unit Information]

	Yen	
	For the periods ended	
	February 28, 2022	August 31, 2022
Net assets per unit	120,104	119,806
Net income per unit	2,898	2,839

Note 1. Net income per unit was calculated by dividing net income by the daily weighted average number of investment units for the period. In addition, the diluted net income per unit was not stated here as there are no diluted investment units.

Note 2. The basis for calculating net income per unit is as follows.

	Thousands of yen	
	For the periods ended	
	February 28, 2022	August 31, 2022
Net income	5,174,010	5,068,117
Amount not attributable to ordinary unitholders	-	-
Net income attributable to ordinary investment units	5,174,010	5,068,117
Weighted average number of units outstanding	1,785,000	1,785,000

[Note on Revenue Recognition]

1. Breakdown information on revenue from contracts with customers

Previous period (For the period ended February 28, 2022)

	Thousands of yen	
	Revenue from contracts with customers (Note)	Sales to external customers
Sales of real estate properties	-	-
Utilities charge reimbursement	445,550	445,550
Other	-	10,144,577
Total	445,550	10,590,128

Note. Rental revenue, etc. subject to the “Accounting Standard for Lease Transactions” (ASBJ Statement No.13) are excluded from the above amount as such revenue is not subject to the Revenue Recognition Accounting Standard. Revenue from contracts with customers mainly represents proceeds from sales of real estate properties and utilities charge reimbursement.

Current period (For the period ended August 31, 2022)

	Thousands of yen	
	Revenue from contracts with customers (Note)	Sales to external customers
Sales of real estate properties	-	-
Utilities charge reimbursement	538,245	538,245
Other	-	10,245,775
Total	538,245	10,784,020

Note. Rental revenue, etc. subject to the “Accounting Standard for Lease Transactions” (ASBJ Statement No.13) are excluded from the above amount as such revenue is not subject to the Revenue Recognition Accounting Standard. Revenue from contracts with customers mainly represents proceeds from sales of real estate properties and utilities charge reimbursement.

[Notes on Significant Subsequent Events]

None

(9) Changes in Number of Investment Units Issued and Outstanding

Unitholders' capital and changes in the number of investment units issued and outstanding for the last five years are shown below.

Date	Description	Total number of outstanding investment units (units)		Unitholders' capital (Note 1) (thousand yen)		Comment
		Increase (decrease)	Balance	Increase (decrease)	Balance	
November 20, 2017	Distributions in excess of retained earnings (refund of investment)	-	1,100,000	(187,000)	105,799,665	(Note 2)
May 21, 2018	Distributions in excess of retained earnings (refund of investment)	-	1,100,000	(188,100)	105,611,565	(Note 3)
November 19, 2018	Distributions in excess of retained earnings (refund of investment)	-	1,100,000	(204,600)	105,406,965	(Note 4)
May 20, 2019	Distributions in excess of retained earnings (refund of investment)	-	1,100,000	(205,700)	105,201,265	(Note 5)
June 5, 2019	Public offering	104,761	1,204,761	12,271,808	117,473,073	(Note 6)
June 28, 2019	Third-party allotment	5,239	1,210,000	613,701	118,086,775	(Note 7)
September 18, 2019	Public offering	145,714	1,355,714	20,836,373	138,923,148	(Note 8)
October 10, 2019	Third-party allotment	7,286	1,363,000	1,041,861	139,965,010	(Note 9)
November 21, 2019	Distributions in excess of retained earnings (refund of investment)	-	1,363,000	(183,920)	139,781,090	(Note 10)
May 22, 2020	Distributions in excess of retained earnings (refund of investment)	-	1,363,000	(242,614)	139,538,476	(Note 11)
September 1, 2020	Public offering	261,904	1,624,904	44,710,941	184,249,417	(Note 12)
September 29, 2020	Third-party allotment	13,096	1,638,000	2,235,683	186,485,101	(Note 13)
November 18, 2020	Distributions in excess of retained earnings (refund of investment)	-	1,638,000	(278,052)	186,207,049	(Note 14)
April 27, 2021	Public offering	140,000	1,778,000	22,656,760	208,863,809	(Note 15)
May 21, 2021	Distributions in excess of retained earnings (refund of investment)	-	1,778,000	(373,464)	208,490,345	(Note 16)
May 25, 2021	Third-party allotment	7,000	1,785,000	1,132,838	209,623,183	(Note 17)
November 18, 2021	Distributions in excess of retained earnings (refund of investment)	-	1,785,000	(412,335)	209,210,848	(Note 18)
May 23, 2022	Distributions in excess of retained earnings (refund of investment)	-	1,785,000	(424,830)	208,786,018	(Note 19)

Note 1. The amount remaining after subtracting the amount of the deduction for unitholders' capital from unitholders' capital is stated.

Note 2. At the Board of Directors Meeting of LLR on October 13, 2017, LLR decided to make distributions in excess of retained earnings (refund of contributions that under tax law is equivalent to a refund of investment) at an amount of 170 yen per unit as distributions of funds for the third fiscal period (ended August 31, 2017) and payment of these commenced on November 20, 2017.

- Note 3. At the Board of Directors Meeting of LLR on April 13, 2018, LLR decided to make distributions in excess of retained earnings (refund of contributions that under tax law is equivalent to a refund of investment) at an amount of 171 yen per unit as distributions of funds for the fourth fiscal period (ended February 28, 2018) and payment of these commenced on May 21, 2018.
- Note 4. At the Board of Directors Meeting of LLR on October 15, 2018, LLR decided to make distributions in excess of retained earnings (refund of contributions that under tax law is equivalent to a refund of investment) at an amount of 186 yen per unit as distributions of funds for the fifth fiscal period (ended August 31, 2018) and payment of these commenced on November 19, 2018.
- Note 5. At the Board of Directors Meeting of LLR on April 15, 2019, LLR decided to make distributions in excess of retained earnings (refund of contributions that under tax law is equivalent to a refund of investment) at an amount of 187 yen per unit as distributions of funds for the sixth fiscal period (ended February 28, 2019) and payment of these commenced on May 20, 2019.
- Note 6. LLR issued new investment units for the purpose of raising funds to acquire new properties at an offer price of 121,387 yen per unit (underwriting price of 117,141 yen).
- Note 7. LLR issued new investment units through a third-party allotment associated with the public offering at an underwriting price of 117,141 yen for the purpose of obtaining funds for future acquisition of property and the repayment of loans.
- Note 8. LLR issued new investment units for the purpose of raising funds to acquire new properties at an offer price of 148,005 yen per unit (underwriting price of 142,995 yen).
- Note 9. LLR issued new investment units through a third-party allotment associated with the public offering at an underwriting price of 142,995 yen for the purpose of obtaining funds for future acquisition of property and the repayment of loans.
- Note 10. At the Board of Directors Meeting of LLR on October 17, 2019, LLR decided to make distributions in excess of retained earnings (refund of contributions that under tax law is equivalent to a refund of investment) at an amount of 152 yen per unit as distributions of funds for the seventh fiscal period (ended August 31, 2019) and payment of these commenced on November 21, 2019.
- Note 11. At the Board of Directors Meeting of LLR on April 17, 2020, LLR decided to make distributions in excess of retained earnings (refund of contributions that under tax law is equivalent to a refund of investment) at an amount of 178 yen per unit as distributions of funds for the eighth fiscal period (ended February 29, 2020) and payment of these commenced on May 22, 2020.
- Note 12. LLR issued new investment units for the purpose of raising funds to acquire new properties at an offer price of 176,677 yen per unit (underwriting price of 170,715 yen).
- Note 13. LLR issued new investment units through a third-party allotment associated with the public offering at an underwriting price of 170,715 yen for the purpose of obtaining funds for future acquisition of property and the repayment of loans.
- Note 14. At the Board of Directors Meeting of LLR on October 15, 2020, LLR decided to make distributions in excess of retained earnings (refund of contributions that under tax law is equivalent to a refund of investment) at an amount of 204 yen per unit as distributions of funds for the ninth fiscal period (ended August 31, 2020) and payment of these commenced on November 18, 2020.
- Note 15. LLR issued new investment units for the purpose of raising funds to acquire new properties at an offer price of 167,700 yen per unit (underwriting price of 161,834 yen).
- Note 16. At the Board of Directors Meeting of LLR on April 14, 2021, LLR decided to make distributions in excess of retained earnings (refund of contributions that under tax law is equivalent to a refund of investment) at an amount of 228 yen per unit as distributions of funds for the ninth fiscal period (ended February 28, 2021) and payment of these commenced on May 21, 2021.
- Note 17. LLR issued new investment units through a third-party allotment associated with the public offering at an underwriting price of 161,834 yen for the purpose of obtaining funds for future acquisition of property and the repayment of loans.
- Note 18. At the Board of Directors Meeting of LLR on October 15, 2021, LLR decided to make distributions in excess of retained earnings (refund of contributions that under tax law is equivalent to a refund of investment) at an amount of 231 yen per unit as distributions of funds for the ninth fiscal period (ended August 31, 2021) and payment of these commenced on November 18, 2021.
- Note 19. At the Board of Directors Meeting of LLR on April 15, 2022, LLR decided to make distributions in excess of retained earnings (refund of contributions that under tax law is equivalent to a refund of investment) at an amount of 238 yen per unit as distributions of funds for the ninth fiscal period (ended February 28, 2022) and payment of these commenced on May 23, 2022.

3. Reference Information

(1) Information on Price of the Managed Assets

A) Composition of LLR's Assets

Type of assets	Use	Area (Note 1)	Previous period (February 28, 2022)		Current period (August 31, 2022)	
			Total amount held (million yen) (Note 2)	Percentage to total assets (%) (Note 3)	Total amount held (million yen) (Note 2)	Percentage to total assets (%) (Note 3)
Real estate in trust	Logistics facilities	Tokyo area	224,978	58.4	224,459	58.4
		Osaka area	130,702	33.9	130,177	33.9
		Other	-	-	-	-
		Subtotal	355,680	92.3	354,637	92.3
Investment securities (Note 4)			513	0.1	513	0.1
Deposits / other assets			29,053	7.5	29,004	7.6
Total assets			385,248	100.0	384,155	100.0

	Previous period (February 28, 2022)		Current period (August 31, 2022)	
	Amount (million yen)	Percentage to total assets (%) (Note 3)	Amount (million yen)	Percentage to total assets (%) (Note 3)
Total liabilities	170,862	44.4	170,301	44.3
Total net assets	214,385	55.6	213,854	55.7
Total assets	385,248	100.0	384,155	100.0

Note 1. "Area" refers to the Tokyo area, the Osaka area, as well as other prefectural areas, and the "Tokyo area" is defined as the area within 60km of Tokyo (specifically within a 60km radius of JR Tokyo Station), and "Osaka area" is defined as the area within 45km of Osaka (specifically within a 45km radius of JR Osaka Station).

Note 2. "Total amount held" reflects the amount recognized on the balance sheet (for real estate in trust, the carrying value after depreciation) as of the closing date of the respective fiscal period, and was rounded down to the nearest million yen.

Note 3. "Percentage to total assets" was rounded to the second decimal place.

Note 4. "Investment Securities" were preferred shares investment of Kansai 1 Property TMK.

B) Investment Assets

(i) Main Issues of the Investment Securities

Type	Name of securities	Quantity (units)	Carrying amount (thousand yen)	Appraisal value (thousand yen) (Note 2)	Share of total assets (%)
Preferred securities	Kansai 1 Property TMK preferred securities (Note 1)	501,000	513,701	513,701	0.1

Note 1. The underlying asset related to the preferred securities is as shown below.

Name of Securities	Property Portfolio	Property Name	Property Location
Kansai 1 Property TMK preferred securities	Trust beneficiary interest	(Tentative name) Osaka Suminoe Logistics Center Project	Shibatani 1-10 and 1 other, Suminoe-ku, Osaka-city, Osaka prefecture

Note 2. The carrying amount is shown for the appraisal value.

(ii) Overview of Real Estate, etc.

(a) Portfolio Overview

The assets (real estate or beneficiary interests in trusts holding real estate as trust assets; collectively referred to as “asset holdings” hereinafter) held by LLR as of August 31, 2022 are presented below.

Area	Property number (Note 1)	Property name	Location	Form of possession	Property age (years) (Note 2)	As of end of	Acquisition price (million yen) (Note 3)	Investment ratio (%) (Note 4)	Appraisal value (million yen) (Note 5)	Gross floor area (㎡) (Note 6)	
						current period carrying amount (million yen)					
Tokyo area	Tokyo-1	LOGIPORT Hashimoto (Note 7)	Kanagawa Prefecture Sagamihara City	Trust beneficiary interest	8	20,623	21,200	5.9	25,200	145,801.69	
	Tokyo-2	LOGIPORT Sagamihara (Note 8)	Kanagawa Prefecture Sagamihara City	Trust beneficiary interest	9	22,606	23,020	6.4	27,400	200,045.57	
	Tokyo-3	LOGIPORT Kitakashiwa	Chiba Prefecture Kashiwa City	Trust beneficiary interest	10	24,802	25,300	7.1	31,900	104,302.62	
	Tokyo-5	LOGIPORT Nagareyama B	Chiba Prefecture Nagareyama City	Trust beneficiary interest	14	26,034	26,600	7.4	32,300	133,414.76	
	Tokyo-6	LOGIPORT Higashi Ogishima A	Kanagawa Prefecture Kawasaki City	Trust beneficiary interest	35	18,948	19,000	5.3	20,700	100,235.67	
	Tokyo-7	LOGIPORT Higashi Ogishima B	Kanagawa Prefecture Kawasaki City	Trust beneficiary interest	31	19,019	19,120	5.3	22,100	117,546.26	
	Tokyo-8	LOGIPORT Higashi Ogishima C	Kanagawa Prefecture Kawasaki City	Trust beneficiary interest	21	23,264	23,700	6.6	27,600	116,997.14	
	Tokyo-9	LOGIPORT Kawagoe	Saitama Prefecture Kawagoe City	Trust beneficiary interest	12	11,788	11,950	3.3	12,900	50,742.47	
	Tokyo-11	LOGIPORT Kashiwa Shonan	Chiba Prefecture Kashiwa City	Trust beneficiary interest	4	9,194	9,300	2.6	10,800	40,878.58	
	Tokyo-12	LOGIPORT Sayama Hidaka	Saitama Prefecture Hidaka City	Trust beneficiary interest	7	6,382	6,430	1.8	6,700	23,570.37	
	Tokyo-13	Higashi Ogishima (leasehold land)	Kanagawa Prefecture Kawasaki City	Trust beneficiary interest	-	1,264	1,189	0.3	1,720	-	
	Tokyo-14	LOGIPORT Kawasaki Bay (Note 9)	Kanagawa Prefecture Kawasaki City	Trust beneficiary interest	3	31,978	32,200	9.0	36,160	289,164.66	
	Tokyo-15	LOGIPORT Shinmoriya	Ibaraki Prefecture Tsukubamirai City	Trust beneficiary interest	3	8,549	8,580	2.4	10,000	37,089.81	
	Osaka area	Osaka-1	LOGIPORT Sakai Minamijimacho	Osaka Prefecture Sakai City	Trust beneficiary interest	6	8,004	8,150	2.3	9,390	30,696.61
		Osaka-2	LOGIPORT Sakai Chikko Shinmachi (Note 10)	Osaka Prefecture Sakai City	Trust beneficiary interest	4	4,292	4,160	1.2	5,040	20,428.39
Osaka-3		LOGIPORT Osaka Taisho (Note 11)	Osaka Prefecture Osaka City	Trust beneficiary interest	5	17,466	17,655	4.9	20,900	117,037.14	
Osaka-5		LOGIPORT Amagasaki	Hyogo Prefecture Amagasaki City	Trust beneficiary interest	5	48,250	48,200	13.5	62,500	261,007.41	

Area	Property number (Note 1)	Property name	Location	Form of possession	Property age (years) (Note 2)	As of end of current period carrying amount (million yen)	Acquisition price (million yen) (Note 3)	Investment ratio (%) (Note 4)	Appraisal value (million yen) (Note 5)	Gross floor area (m ²) (Note 6)
	Osaka-6	LOGIPORT Sakai (Note 12)	Osaka Prefecture Sakai City	Trust beneficiary interest	5	12,030	12,075	3.4	13,100	115,552.35
	Osaka-7	LOGIPORT Osaka Bay	Osaka Prefecture Osaka City	Trust beneficiary interest	5	40,132	40,000	11.2	44,500	139,551.94
Portfolio total / average					11	354,635	357,829	100.0	420,910	2,044,063.44

Note 1. "Property number" refers to the number assigned by classifying LLR's asset holdings into three areas, with those located in the Tokyo area designated as "Tokyo," those in the Osaka area as "Osaka," and those located in other prefectural areas as "Other areas."

Note 2. "Property Age" with respect to "LOGIPORT Amagasaki" was calculated by taking the period from October 13, 2017, when renovation work and conversion from a factory to logistics facility was completed, to August 31, 2022, and this result was rounded to the nearest decimal place. The number presented as the portfolio age average is the weighted average weighted by acquisition price, rounded to the nearest whole number.

Note 3. "Acquisition Price" is the purchase price for each of the trust beneficiary interests as shown in the trust beneficiary interest purchase agreement of the relevant property (excluding consumption taxes, local consumption taxes, and various acquisition costs, and is rounded down to the nearest million yen).

Note 4. The investment ratio is the percentage of the Acquisition Price of the relevant property to the total acquisition price, rounded to two decimal places. Therefore, the sum of the individual investment ratio figures may not necessarily match the portfolio total.

Note 5. "Appraisal value" represents the appraisal value as of August 31, 2022, shown in the real estate appraisal documents prepared by Tanizawa Sogo Appraisal Co, Ltd., CBRE K.K. or Japan Real Estate Institute, which have been contracted to appraise the asset holdings.

Note 6. "Gross floor area" reflects the figure shown in the registrations for all buildings associated with the real estate in trust (excluding ancillary buildings that are not subject to leasing) held by LLR.

Note 7. The as of end of current period carrying amount, Acquisition Price and appraisal value for LOGIPORT Hashimoto are stated as amounts proportional to LLR's ownership interest of the joint co-ownership interests within the trust beneficiary interest (equating to 55%), while the gross floor area is the figure for the entire property.

Note 8. The as of end of current period carrying amount, Acquisition Price and appraisal value for LOGIPORT Sagamihara are stated as amounts proportional to LLR's ownership interest of the joint co-ownership interests within the trust beneficiary interest (equating to 51%), while the gross floor area is the figure for the entire property.

Note 9. The as of end of current period carrying amount, Acquisition Price and appraisal value for LOGIPORT Kawasaki Bay are stated as amounts proportional to LLR's ownership interest of the joint co-ownership interests within the trust beneficiary interest (equating to 40%), while the gross floor area is the figure for the entire property.

Note 10. The appraised value of LOGIPORT Sakai Chikko Shinmachi includes the value related to the solar power generation equipment completed on August 31, 2020.

Note 11. The as of end of current period carrying amount, Acquisition Price and appraisal value for LOGIPORT Osaka Taisho are stated as amounts proportional to LLR's ownership interest of the joint co-ownership interests within the trust beneficiary interest (equating to 62.5%), while the gross floor area is the figure for the entire property.

Note 12. The as of end of current period carrying amount, Acquisition Price and appraisal value for LOGIPORT Sakai are stated as amounts proportional to LLR's ownership interest of the joint co-ownership interests within the trust beneficiary interest (equating to 50%), while the gross floor area is the figure for the entire property.

(b) Tenant Agreements

Information about the status of agreements with tenants for the asset holdings (leasable floor area, leased floor area, occupancy rate, total number of tenants, total annual lease revenue, total amount of lease and guarantee deposits) is presented below.

Area	Property number	Property name	Number of tenants (Note 1)	Annual lease revenue (million yen) (Note 2)	Lease & guarantee deposits (million yen) (Note 3)	Leasable floor area (㎡) (Note 4)	Leased floor area (㎡) (Note 5)	Occupancy rate (%) (Note 6)	
Tokyo area	Tokyo-1	LOGIPORT Hashimoto (Note 7)	17	1,206	303	130,052	130,052	100.0	
	Tokyo-2	LOGIPORT Sagamihara (Note 8)	18	1,340	318	180,971	180,495	99.7	
	Tokyo-3	LOGIPORT Kitakashiwa	6	1,447	402	100,211	100,211	100.0	
	Tokyo-5	LOGIPORT Nagareyama B	7	1,482	314	112,645	112,479	99.9	
	Tokyo-6	LOGIPORT Higashi Ogishima A	20	1,118	347	85,281	82,671	96.9	
	Tokyo-7	LOGIPORT Higashi Ogishima B	17	1,196	366	103,731	98,776	95.2	
	Tokyo-8	LOGIPORT Higashi Ogishima C	24	1,421	209	114,925	114,133	99.3	
	Tokyo-9	LOGIPORT Kawagoe	4	660	161	53,088	53,054	99.9	
	Tokyo-11	LOGIPORT Kashiwa Shonan	1	Not disclosed (Note 12)	Not disclosed (Note 12)	40,773	40,773	100.0	
	Tokyo-12	LOGIPORT Sayama Hidaka	1	Not disclosed (Note 12)	Not disclosed (Note 12)	23,565	23,565	100.0	
	Tokyo-13	Higashi Ogishima (leasehold land)	1	Not disclosed (Note 12)	Not disclosed (Note 12)	11,472	11,472	100.0	
	Tokyo-14	LOGIPORT Kawasaki Bay (Note 9)	14	1,535	354	261,801	261,607	99.9	
	Tokyo-15	LOGIPORT Shinmoriya	1	Not disclosed (Note 12)	Not disclosed (Note 12)	37,092	37,092	100.0	
	Osaka Area	Osaka-1	LOGIPORT Sakai Minamijimacho	1	Not disclosed (Note 12)	Not disclosed (Note 12)	30,690	30,690	100.0
		Osaka-2	LOGIPORT Sakai Chikko Shinmachi	1	Not disclosed (Note 12)	Not disclosed (Note 12)	20,427	20,427	100.0
Osaka-3		LOGIPORT Osaka Taisho (Note 10)	12	972	233	106,929	106,929	100.0	
Osaka-5		LOGIPORT Amagasaki	12	3,162	907	218,760	217,747	99.5	
Osaka-6		LOGIPORT Sakai (Note 11)	6	706	159	112,711	111,241	98.7	
Osaka-7		LOGIPORT Osaka Bay	11	1,959	784	136,516	136,516	100.0	
Portfolio total / average			174	20,192	5,348	1,881,650 1,480,915	1,869,939 1,470,289	99.4 99.3	

Note 1. “Number of tenants” is stated as the total number of lease agreements associated with the buildings shown for each of the trust properties as of August 31, 2022. If a master lease agreement has been executed for the trust property, it is stated as the total number of end tenants. However, if the same lessee has executed multiple lease agreements at the trust property, that lessee is counted as one tenant when arriving at calculating the total.

Note 2. “Annual lease revenue” is stated as the total annualized monthly rent calculated by multiplying the monthly lease amount (including common service fees) shown in each lease agreement associated with each trust property as of August 31, 2022 (excluding consumption taxes) by 12, rounded down to the nearest million yen. Therefore, the sum of the “annual lease revenue” for the individual trust properties may not necessarily match the portfolio total.

Note 3. “Lease & guarantee deposits” is stated as the aggregate amount of the lease and guarantee deposit balances shown in each

lease agreement associated with each trust property for each trust property as of August 31, 2022, rounded down to the nearest million yen. Therefore, the sum of the individual “lease & guarantee deposits” for the properties may not necessarily match the portfolio total.

- Note 4. “Leasable floor area” is the area that can be leased at the buildings associated with each trust property as of August 31, 2022, stated as the aggregate of the area considered leasable under the lease agreements or building drawings, rounded down to the nearest whole number. Additionally, in the “Portfolio total” row, the upper figure represents the aggregate leasable floor area for the buildings of each trust property. The lower figure represents the aggregate leasable floor area for the buildings of each trust property after factoring in LLR's share in the joint co-ownership interests in a trust beneficiary interest and calculating leasable floor area proportional to LLR's share, in cases of trust properties in which LLR has share of the joint co-ownership interests.
- Note 5. “Leased floor area” is stated as the aggregate leased floor area associated with the buildings shown in the lease agreements for each of the trust properties as of August 31, 2022. If a master lease agreement has been executed for the trust property, it is stated as the aggregate of the area which has actually been leased through the execution of lease agreements with end tenants, rounded down to the nearest whole number. Additionally, in the “Portfolio total/average” row, the upper figure represents the aggregate leased floor area for the buildings of each trust property. The lower figure represents the ratio of the aggregate leased floor area for the buildings of each trust property after factoring in LLR's share in the joint co-ownership interests in a trust beneficiary interest and calculating leased floor area proportional to LLR's share, in cases of trust properties in which LLR has share of the joint co-ownership interests.
- Note 6. “Occupancy rate” is stated as the ratio of leased floor area to leasable floor area with the buildings shown in the lease agreements for each of the trust properties as of August 31, 2022, rounded to the second decimal place. Additionally, in the “Portfolio total/average” row, the upper figure represents the ratio of the aggregate Leased Floor Area for a given building divided by the Leasable Floor Area for a given building, rounded to the second decimal place. The lower figure represents the ratio of the aggregate Leased Floor Area for a given building divided by the Leasable Floor Area for a given building, rounded to the second decimal place, after factoring in LLR's share in the joint co-ownership interests in a trust beneficial interest and calculating leasable and leased floor area proportional to LLR's share, in cases of trust properties in which LLR has share of the joint co-ownership interests.
- Note 7. The total number of tenants, leasable floor area, and leased floor area, and occupancy rate for “LOGIPORT Hashimoto” are stated as figures for the entire building, while the annual lease revenue and lease & guarantee deposits are stated as amounts proportional to LLR's ownership interest of the joint co-ownership interests within the trust beneficiary interest (55%).
- Note 8. The total number of tenants, leasable floor area, and leased floor area, and occupancy rate for “LOGIPORT Sagamihara” are stated as the figure for the entire building, while the annual lease revenue and lease & guarantee deposits are stated as amounts proportional to LLR's ownership interest of the joint co-ownership interests within the trust beneficiary interest (51%).
- Note 9. The total number of tenants, leasable floor area, and leased floor area, and occupancy rate for LOGIPORT Kawasaki Bay are stated as figures for the entire building, while the annual lease revenue and lease & guarantee deposits are stated as amounts proportional to LLR's ownership interest of the joint co-ownership interests within the trust beneficiary interest (40%).
- Note 10. The total number of tenants, leasable floor area, and leased floor area, and occupancy rate for LOGIPORT Osaka Taisho are stated as figures for the entire building, while the annual lease revenue and lease & guarantee deposits are stated as amounts proportional to LLR's ownership interest of the joint co-ownership interests within the trust beneficiary interest (62.5%).
- Note 11. The total number of tenants, leasable floor area, and leased floor area, and occupancy rate for “LOGIPORT Sakai” are stated as the figure for the entire building, while the annual lease revenue and lease & guarantee deposits are stated as amounts proportional to LLR's ownership interest of the joint co-ownership interests within the trust beneficiary interest (50%).
- Note 12. Not disclosed because approval for disclosure has not been obtained from the tenant.

(c) Appraisal report summary

Area	Property number	Property name	Appraiser	Appraisal date	Appraisal value (million yen)	Cost-approach value (million yen)	Income approach value (million yen)					
							Direct capitalization method		Discounted cash flow (DCF) method			
							Income-approach value	Capitalization rate (%)	Income-approach value	Discount rate (%)	Terminal capitalization rate (%)	
Tokyo area	Tokyo-1	LOGIPORT Hashimoto (Note 1)	Tanizawa Sogo Appraisal Co., Ltd.	August 31, 2022	25,200	21,300	25,200	3.7	25,200	3.8	3.9	
	Tokyo-2	LOGIPORT Sagamihara (Note 2)	Tanizawa Sogo Appraisal Co., Ltd.	August 31, 2022	27,400	24,300	27,600	3.8	27,300	3.9	4.0	
	Tokyo-3	LOGIPORT Kitakashiwa	CBRE K.K.	August 31, 2022	31,900	23,900	32,200	3.7	31,900	3.5	3.8	
	Tokyo-5	LOGIPORT Nagareyama B	CBRE K.K.	August 31, 2022	32,300	23,800	31,800	4.1	32,300	3.8	4.1	
	Tokyo-6	LOGIPORT Higashi Ogishima A	Tanizawa Sogo Appraisal Co., Ltd.	August 31, 2022	20,700	20,800	20,700	4.2	20,700	4.3	4.4	
	Tokyo-7	LOGIPORT Higashi Ogishima B	Tanizawa Sogo Appraisal Co., Ltd.	August 31, 2022	22,100	22,000	22,200	4.1	22,100	4.2	4.3	
	Tokyo-8	LOGIPORT Higashi Ogishima C	Tanizawa Sogo Appraisal Co., Ltd.	August 31, 2022	27,600	26,300	27,800	4.0	27,500	4.1	4.2	
	Tokyo-9	LOGIPORT Kawagoe	Tanizawa Sogo Appraisal Co., Ltd.	August 31, 2022	12,900	11,600	13,100	4.1	12,800	4.2	4.3	
	Tokyo-11	LOGIPORT Kashiwa Shonan	Tanizawa Sogo Appraisal Co., Ltd.	August 31, 2022	10,800	10,500	11,000	4.1	10,700	4.0 (Note 7)	4.3	
	Tokyo-12	LOGIPORT Sayama Hidaka	Tanizawa Sogo Appraisal Co., Ltd.	August 31, 2022	6,700	6,600	6,870	4.1	6,630	4.0 (Note 8)	4.3	
	Tokyo-13	Higashi Ogishima (leasehold land)	Tanizawa Sogo Appraisal Co., Ltd.	August 31, 2022	1,720	-	-	-	1,720	3.4 (Note 9)	3.5	
	Tokyo-14	LOGIPORT Kawasaki Bay (Note 3)	Japan Real Estate Institute	August 31, 2022	36,160	34,200	36,520	3.8	35,760	3.5	3.9	
	Tokyo-15	LOGIPORT Shinmoriya	Japan Real Estate Institute	August 31, 2022	10,000	7,940	10,100	4.1	9,900	3.6	4.2	
	Osaka Area	Osaka-1	LOGIPORT Sakai Minamijimacho	Japan Real Estate Institute	August 31, 2022	9,390	5,560	9,460	4.1	9,320	3.7	4.2
		Osaka-2	LOGIPORT Sakai Chikko Shinmachi (Note 4)	Tanizawa Sogo Appraisal Co., Ltd.	August 31, 2022	5,040	4,550	5,130	4.4	5,000	4.3 (Note 10)	4.6
Osaka-3		LOGIPORT Osaka Taisho (Note 5)	Tanizawa Sogo Appraisal Co., Ltd.	August 31, 2022	20,900	17,600	21,500	3.8	20,600	3.9	4.0	
Osaka-5		LOGIPORT Amagasaki	Tanizawa Sogo Appraisal Co., Ltd.	August 31, 2022	62,500	53,800	62,600	4.0	62,500	4.1	4.2	
Osaka-6		LOGIPORT Sakai (Note 6)	Tanizawa Sogo Appraisal Co., Ltd.	August 31, 2022	13,100	10,700	13,400	4.3	13,000	4.4	4.5	
Osaka-7		LOGIPORT Osaka Bay	Tanizawa Sogo Appraisal Co., Ltd.	August 31, 2022	44,500	43,200	45,900	3.7	43,900	3.8	3.9	
Portfolio total					420,910	368,650	423,080		418,830			

Note 1. The appraisal value, cost-approach value, and income-approach values based on the direct capitalization method, and DCF method for LOGIPORT Hashimoto are stated as amounts proportional to the joint co-ownership interests in trust beneficiary interests that LLR holds (55%).

Note 2. The appraisal value, cost-approach value, and income-approach values based on the direct capitalization method, and DCF method for LOGIPORT Sagamihara are stated as amounts proportional to the joint co-ownership interests in trust beneficiary interests that LLR holds (51%).

- Note 3. The appraisal value, cost-approach value, and income-approach values based on the direct capitalization method, and DCF method for LOGIPORT Kawasaki Bay are stated as amounts proportional to the joint co-ownership interests in trust beneficiary interests that LLR holds (40%).
- Note 4. LOGIPORT Sakai Chikko Shinmachis appraised value, cost approach valuation, direct capitalization and DCF method income approach valuation, each include a value attributed to the solar power generation equipment completed on August 31, 2020.
- Note 5. The appraisal value, cost-approach value, and income-approach values based on the direct capitalization method, and DCF method for LOGIPORT Osaka Taisho are stated as amounts proportional to the joint co-ownership interests in trust beneficiary interests that LLR holds (62.5%).
- Note 6. The appraisal value, cost-approach value, and income-approach values based on the direct capitalization method, and DCF method for LOGIPORT Sakai are stated as amounts proportional to the joint co-ownership interests in trust beneficiary interests that LLR holds (50%).
- Note 7. The discount rate for LOGIPORT Kashiwa Shonan is stated as the figure from the first fiscal year until the second fiscal year.
- Note 8. The discount rate for LOGIPORT Sayama Hidaka is stated as the figure from the first fiscal year.
- Note 9. The discount rate for Higashi Ogishima (leasehold land) is stated as the figure from the first fiscal year.
- Note 10. The discount rate for LOGIPORT Sakai Chikko Shinmachi is stated as the figure from the first fiscal year until the fifth fiscal year.

(d) Information about major real estate properties

Of the assets held by LLR, those properties where “total annual lease revenue” represents 10% or more of the “total annual lease revenue for the entire portfolio” as of August 31, 2022 are presented below.

Property name	Total annual lease revenue (million yen) (Note 1)	Share of lease revenue (%) (Note 2)
LOGIPORT Amagasaki	3,162	15.7
Total	3,162	15.7

Note 1. “Total annual lease revenue” is stated as the total annualized monthly rent (including common service fees) shown in each lease agreement associated with each trust property as of August 31, 2022 (excluding consumption taxes), calculated by multiplying by 12, rounded down to the nearest million yen.

Note 2. “Share of lease revenue” is the ratio of that property’s total annual lease revenue to the total annual lease revenue for the entire portfolio, rounded to the second decimal place.

(e) Information about Major Tenants

Within the assets held by LLR, as of August 31, 2022 there are no tenants for which the leased floor area represents 10% or more of the total leased floor area for the entire portfolio (for those assets for which a pass-through type master lease agreement has been executed, this includes the end tenants and excludes the master lessee that has executed the master lease agreement).

(f) Portfolio Diversification

The distribution of LLR's asset holdings according to classification by area as of August 31, 2022 is as shown below.

a. Share by area

Area	Number of properties	Gross floor area		Share		Acquisition price		Share (%)	
	(Note 1)	(m ²)	(Note 1)	(Note 2)	(%)	(Note 3)	(million yen)	(Note 1)	(Note 3)
		(Note 1)	(Note 2)	(Note 1)	(Note 3)	(Note 1)	(Note 4)	(Note 1)	(Note 3)
Tokyo area	13	1,359,789.60		66.5		227,589		63.6	
Osaka area	6	684,273.84		33.5		130,240		36.4	
Other	-	-		-		-		-	
Total	19	2,044,063.44		100.0		357,829		100.0	

Note 1. Because Higashi Ogishima (leasehold land) is leasehold land, they are included in the number of properties, Acquisition Price, and share thereof in the table above, but not included in gross floor area and share thereof.

Note 2. "Gross floor area" reflects the figure shown in the registrations for all buildings associated with the real estate in trust (excluding ancillary buildings that are not subject to leasing) held by LLR. The table above was created using the gross floor areas based on figures for the entire LOGIPORT Hashimoto, LOGIPORT Sagami-hara, LOGIPORT Kawasaki Bay, LOGIPORT Osaka Taisho, and LOGIPORT Sakai properties.

Note 3. "Share" is rounded to the second decimal place. Therefore, the tally may not equal to exactly 100%.

Note 4. "Acquisition Price" is the purchase price for each of the trust beneficiary interests as shown in the trust beneficiary interest purchase agreement of the relevant property (excluding consumption taxes, local consumption taxes, and various acquisition costs, and is rounded down to the nearest million yen).

b. Share by property age (Note 1)

Property age	Number of properties	Gross floor area		Share (%)	Acquisition Price	Share (%)
		(m ²)	(Note 3)			
(Note 2)		(Note 3)	(Note 4)	(Note 5)	(Note 4)	(Note 4)
20 years or more	3	334,779.07	16.4	61,820	17.3	
At least 15 years but less than 20 years	-	-	-	-	-	
At least 10 years but less than 15 years	3	288,459.85	14.1	63,850	17.9	
At least 5 years but less than 10 years	8	1,033,263.08	50.5	176,730	49.6	
Less than 5 years	4	387,561.44	19.0	54,240	15.2	
Total	18	2,044,063.44	100.0	356,640	100.0	

Note 1. Because Higashi Ogishima (leasehold land) is leasehold land, they are not included in the table above.

Note 2."Property Age" with respect to "LOGIPORT Amagasaki" was calculated by taking the period from October 13, 2017, when renovation work and conversion from a factory to logistics facility was completed, to August 31, 2022, and this result was rounded to the nearest decimal place.

Note 3. "Gross floor area" reflects the figure shown in the registrations for all buildings associated with the real estate in trust (excluding ancillary buildings that are not subject to leasing) held by LLR. The table above was created using the gross floor areas based on figures for the entire LOGIPORT Hashimoto, LOGIPORT Sagami-hara, LOGIPORT Kawasaki Bay, LOGIPORT Osaka Taisho, and LOGIPORT Sakai properties.

Note 4. "Share" is rounded to the second decimal place. Therefore, the tally may not equal to exactly 100%.

Note 5. "Acquisition Price" is the purchase price for each of the trust beneficiary interests as shown in the trust beneficiary interest purchase agreement of the relevant property (excluding consumption taxes, local consumption taxes, and various acquisition costs, and is rounded down to the nearest million yen).

c. Share by size (gross floor area) (Note 1)

Size (gross floor area) (m ²)	Number of properties	Gross floor area (m ²) (Note 2)	Share (%) (Note 3)	Acquisition Price (million yen) (Note 4)	Share (%) (Note 3)
At least 100,000 m ²	12	1,840,657.21	90.0	308,070	86.4
At least 50,000 m ² less than 100,000 m ²	1	50,742.47	2.5	11,950	3.4
At least 30,000 m ² less than 50,000 m ²	3	108,665.00	5.3	26,030	7.3
At least 10,000 m ² less than 30,000 m ²	2	43,998.76	2.2	10,590	3.0
Less than 10,000 m ²	-	-	-	-	-
Total	18	2,044,063.44	100.0	356,640	100.0

Note 1. Because Higashi Ogishima (leasehold land) is leasehold land, they are not included in the table above.

Note 2. "Gross floor area" reflects the figure shown in the registrations for all buildings associated with the real estate in trust (excluding ancillary buildings that are not subject to leasing) held by LLR. The table above was created using the gross floor areas based on figures for the entire LOGIPORT Hashimoto, LOGIPORT Sagamihara, LOGIPORT Kawasaki Bay, LOGIPORT Osaka Taisho, and LOGIPORT Sakai properties.

Note 3. "Share" is rounded to the second decimal place. Therefore, the tally may not equal to exactly 100%.

Note 4. "Acquisition Price" is the purchase price for each of the trust beneficiary interests as shown in the trust beneficiary interest purchase agreement of the relevant property (excluding consumption taxes, local consumption taxes, and various acquisition costs, and is rounded down to the nearest million yen).

d. Share by remaining lease term

Lease term (remaining lease term) (Note 1) (Note 2)	Leased floor area (m ²) (Note 3) (Note 5) (Note 6)	Share (%) (Note 4)	Annual lease revenue (million yen) (Note 3) (Note 5) (Note 6)	Share (%) (Note 4)
7 years or more	131,895	9.0	1,891	9.4
At least 5 years but less than 7 years	87,518	6.0	1,015	5.0
At least 3 years but less than 5 years	280,870	19.1	4,072	20.2
At least 1 year but less than 3 years	636,351	43.3	8,829	43.7
Less than 1 year	333,653	22.7	4,383	21.7
Total	1,470,288	100.0	20,192	100.0

Note 1. Because Higashi Ogishima (leasehold land) is both leasehold land, they are included in the table above based on their respective leaseback agreement terms for the leasehold land.

Note 2. "Lease term (remaining term)" is based on the remaining term of leases as of August 31, 2022, under the lease agreements for asset holdings that have been executed as of that date.

Note 3. "Leased floor area" is stated as the leased floor area associated with each trust property for each trust property as of August 31, 2022, while "annual lease revenue" is stated as the annualized monthly rent (including common service fees) shown in each lease agreement associated with each trust property for each trust property as of August 31, 2022 (for trust properties with multiple lease agreements, the aggregate thereof) (excluding consumption taxes) calculated by multiplying by 12, rounded down to the nearest million yen. These are then aggregated for each remaining lease term category.

Note 4. "Share" is rounded to the second decimal place. Therefore, the total may not add up to 100%.

Note 5. "Leased floor area" is rounded down to the nearest whole number. "Annual lease revenue" is rounded down to the nearest million yen.

Note 6. The table above was created using the leased floor area and annual lease revenue based on figures equivalent to LLR's respective shares in the joint co-ownership interests in LOGIPORT Hashimoto, LOGIPORT Sagamihara, LOGIPORT Kawasaki Bay, LOGIPORT Osaka Taisho, and LOGIPORT Sakai properties.

(g) Property Income/Expenses

(Unit: thousand yen)

Property number	Tokyo-1	Tokyo-2	Tokyo-3	Tokyo-5	Tokyo-6
Name of property	LOGIPORT Hashimoto	LOGIPORT Sagamihara	LOGIPORT Kitakashiwa	LOGIPORT Nagareyama B	LOGIPORT Higashi Ogishima A
Number of operating days in 13th period	184	184	184	184	184
(i) Total real estate leasing revenues	663,000	741,293	785,198	786,321	620,744
Rental revenues	598,791	667,900	700,458	724,911	558,558
Other rental revenues	64,209	73,393	84,740	61,410	62,186
(ii) Total real estate leasing expenses	205,329	235,223	318,452	302,884	202,524
Outsourcing costs	23,669	32,602	32,374	30,162	62,392
Utilities expenses	48,559	50,567	73,774	47,176	23,961
Taxes and public dues	53,073	59,626	73,211	51,856	41,253
Insurance premiums	925	1,084	1,474	1,740	1,316
Repair and maintenance	1,614	2,120	6,346	27,173	2,126
Depreciation	75,958	70,701	97,366	140,159	68,836
Other leasing expenses	1,527	18,520	33,904	4,616	2,638
(iii) Real estate leasing profit (= (i) - (ii))	457,671	506,070	466,745	483,437	418,219
(iv) Rent NOI (= (iii) + Depreciation)	533,629	576,771	564,112	623,596	487,056

(Unit: thousand yen)

Property number	Tokyo-7	Tokyo-8	Tokyo-9	Tokyo-11	Tokyo-12
Name of property	LOGIPORT Higashi Ogishima B	LOGIPORT Higashi Ogishima C	LOGIPORT Kawagoe	LOGIPORT Kashiwa Shonan	LOGIPORT Sayama Hidaka
Number of operating days in 13th period	184	184	184	184	184
(i) Total real estate leasing revenues	692,261	790,776	323,859		
Rental revenues	597,150	708,170	299,475		
Other rental revenues	95,111	82,606	24,384		
(ii) Total real estate leasing expenses	224,622	261,138	126,703		
Outsourcing costs	41,142	56,859	20,025		
Utilities expenses	35,276	32,662	19,424	Not disclosed (Note)	Not disclosed (Note)
Taxes and public dues	62,559	62,261	26,197		
Insurance premiums	1,653	1,796	645		
Repair and maintenance	5,572	8,973	4,656		
Depreciation	76,951	96,587	42,814		
Other leasing expenses	1,464	1,997	12,941		
(iii) Real estate leasing profit (= (i) - (ii))	467,639	529,638	197,155	191,912	120,655
(iv) Rent NOI (= (iii) + Depreciation)	544,591	626,226	239,970	227,954	141,608

Note: Not disclosed because approval for disclosure has not been obtained from the tenant.

(Unit: thousand yen)

Property number	Tokyo-13	Tokyo-14	Tokyo-15	Osaka-1	Osaka-2
Name of property	Higashi Ogishima (leasehold land)	LOGIPORT Kawasaki Bay	LOGIPORT Shinmoriya	LOGIPORT Sakai Minamijimacho	LOGIPORT Sakai Chikko Shinmachi
Number of operating days in 13th period	184	184	184	184	184
(i) Total real estate leasing revenues		819,305			
Rental revenues		774,888			
Other rental revenues		44,416			
(ii) Total real estate leasing expenses		280,831			
Outsourcing costs		23,856			
Utilities expenses	Not disclosed (Note)	31,561	Not disclosed (Note)	Not disclosed (Note)	Not disclosed (Note)
Taxes and public dues		89,120			
Insurance premiums		1,465			
Repair and maintenance		221			
Depreciation		107,494			
Other leasing expenses		27,111			
(iii) Real estate leasing profit (= (i) - (ii))	21,891	538,473	156,396	133,156	91,360
(iv) Rent NOI (= (iii) + Depreciation)	21,891	645,967	191,151	164,224	115,664

Note: Not disclosed because approval for disclosure has not been obtained from the tenant.

(Unit: thousand yen)

Property number	Osaka-3	Osaka-5	Osaka-6	Osaka-7
Name of property	LOGIPORT Osaka Taisho	LOGIPORT Amagasaki	LOGIPORT Sakai	LOGIPORT Osaka Bay
Number of operating days in 13th period	184	184	184	184
(i) Total real estate leasing revenues	484,887	1,678,399	370,389	1,029,086
Rental revenues	454,044	1,567,863	352,257	979,854
Other rental revenues	30,842	110,535	18,131	49,232
(ii) Total real estate leasing expenses	183,321	593,979	139,472	333,360
Outsourcing costs	20,591	55,210	17,118	23,869
Utilities expenses	24,732	88,514	14,461	35,514
Taxes and public dues	55,214	180,093	41,995	104,978
Insurance premiums	1,319	3,608	1,157	2,171
Repair and maintenance	5,291	9,110	4,880	9,725
Depreciation	71,923	232,636	53,783	150,272
Other leasing expenses	4,249	24,806	6,074	6,828
(iii) Real estate leasing profit (= (i) - (ii))	301,565	1,084,419	230,916	695,726
(iv) Rent NOI (= (iii) + Depreciation)	373,489	1,317,056	284,700	845,998

Note: Not disclosed because consent for disclosure has not been obtained from the tenant.

(2) Capital Expenditures on Portfolio Assets

A) Planned capital expenditures

The major planned capital expenditures associated with improvements to properties held by LLR as of the reporting date are presented below. Estimated work costs may include amounts that will ultimately be classified as an expense for accounting purposes.

Property number	Property name	Location	Purpose	Expected timing	Estimated work costs (million yen) (Note)		
					Total amount	Current payment amount	Total amount paid
Osaka-5	LOGIPORT Amagasaki	Hyogo Prefecture Amagasaki City	Security camera installation work within east parking area	February, 2023	27	-	-
Tokyo-5	LOGIPORT Nagareyama B	Chiba Prefecture Nagareyama City	Heavyweight shutters renewal work	February, 2023	20	-	-

Note: All amounts are rounded down to the nearest million yen.

B) Capital expenditures during the period

A summary of the main projects, treated as capital expenditures, associated with real estate held by LLR that were undertaken during the period is presented below. Capital expenditures were 389 million yen for the period, and there were also 99 million yen in maintenance expenses classified as other operating expenses.

Property number	Property name	Location	Purpose	Implementation period	Amount paid (million yen) (Note)
Tokyo-3	LOGIPORT Kitakashiwa	Chiba Prefecture Kashiwa City	Air conditioner unit installation work within leased area	From June, 2022 To July, 2022	70
Tokyo-5	LOGIPORT Nagareyama B	Chiba Prefecture Nagareyama City	LED installation work within leased area	From July, 2022 To August, 2022	41
Other capital expenditures					277
Total					389

Note: All amounts are rounded down to the nearest million yen.

C) Funds accumulated for purposes of the long-term repair plans (reserve fund for building repairs)

None