

Securities Code 3487

CRE Logistics REIT

Financial Results Briefing for the 13th Fiscal Period

Ended December 2022 (July 1, 2022 to December 31, 2022)



LojiSquare Kuki

Located in the exclusive industrial zone in Kuki Shobu Industrial Park, the property is surrounded by many warehouses and factories, enabling tenants to operate 24 hours a day.

February 16, 2023
CRE REIT Advisers, Inc.

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Glossary

Term	Definition
Appraisal value	The appraisal value or an investigated value as of the end of the period is stated based on the Certificate of Incorporation of CRE REIT and the Regulation on Accountings of Investment Corporations (Cabinet Office Order No.47 of 2006 including subsequent revisions)
Unrealized gains	(Appraisal value) - (Book value) as of the end of the period
LTV	(Outstanding balance of interest-bearing debt) / (Total Assets)
LTV based on appraisal value	(Outstanding balance of interest-bearing debt) / (Total assets + Unrealized gains)
NAV	Net assets + Unrealized gains - Total amount of distributions
NAV per unit	(Net assets + Unrealized gains - Total amount of distributions) / Total number of investment units outstanding
Acquisition price	The purchase agreement price for each of the trust beneficiary rights stated in the sales agreement and does not include national and local consumption taxes or sales commission and other expenses that are incurred in the acquisition
NOI yield	Ratio of actual NOI of the portfolio assets to their acquisition price
Appraisal NOI yield	Ratio of the appraisal NOI of each asset (based on the relevant real estate appraisal report with valuation dated as of the end of the period) to the acquisition price of each asset
Occupancy ratio	The ratio of the leased area to the leasable area
CRE	CRE, INC.
CRE Group	CRE, INC. and its subsidiaries and affiliates

- This material is not a disclosure material under the Financial Instruments and Exchange Act, the Act on Investment Trusts and Investment Corporations or the Securities Listing Regulations of the Tokyo Stock Exchange.
- As of the date of this material, the auditing procedures for financial statements pursuant to the Financial Instruments and Exchange Act have not been completed.
- The purpose of this material is to provide information and not to offer, solicit the purchase of or sell certain products. When you make an investment, please do so at your own discretion and risk.
- The market price of investment securities of CRE REIT will be affected by the demand and supply of investors at an exchange and will fluctuate under the influence of the interest rate environment, economic conditions, the real estate market conditions and other factors surrounding the market. Accordingly, the investment securities may possibly not be sold at a higher price than the acquisition price, and investors could suffer a loss as a result.
- The investment securities of CRE REIT need to be purchased and sold through a securities company with which you undertake business. At that time, please read the contents of the document provided before concluding the contract (or a prospectus) carefully.
- While this material contains forward-looking statements and results forecasts, these statements do not guarantee the future results and financial conditions of CRE REIT.
- Unless otherwise noted, in this material, monetary amounts and energy amounts are rounded down to the nearest indicated unit, and areas, numbers of years and ratios are rounded off to the nearest indicated unit. Any average or ratio pertaining to assets is the weighted average based on the acquisition price, unless otherwise noted.

Three Characteristics Pursued Consistently since Publicly Listed in February 2018

1. Portfolio Focused on LogiSquare

Investment in high quality logistics-related facilities that satisfy tenant needs with location, basic specifications, expandability and comfortability

2. Long-term, Stable Asset Management

Long-term leasing contracts and CRE's high-level management skills

3. Clear External Growth Strategy

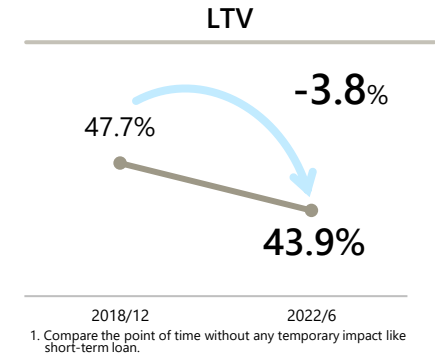
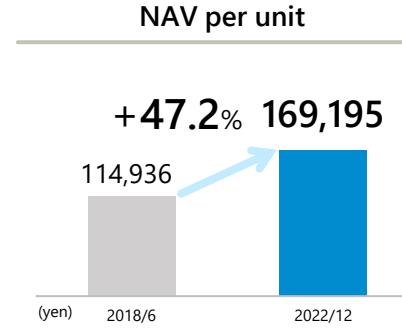
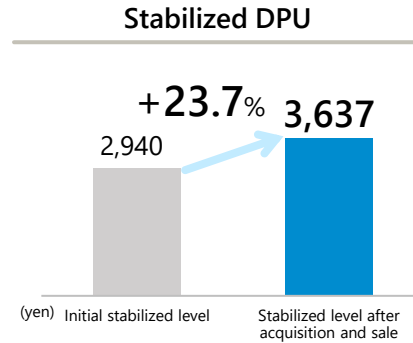
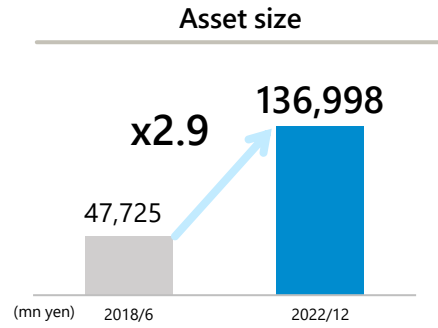
Strong sponsor support agreement with CRE



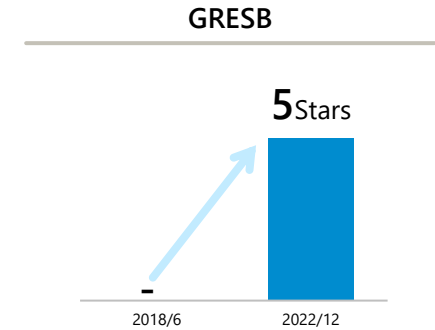
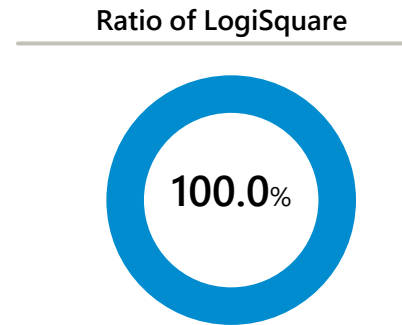
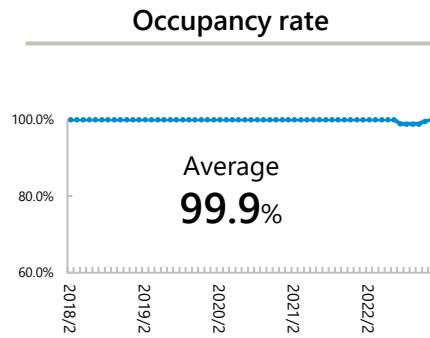
Solid Track Record over the Past Five Years since Publicly Listed

- Disciplined Asset Management in Line with its Characteristics to Achieve Consecutive Growth

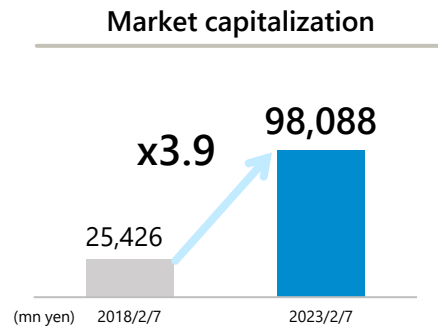
Disciplined property acquisition and its effects



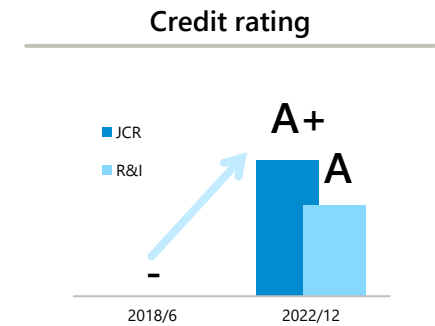
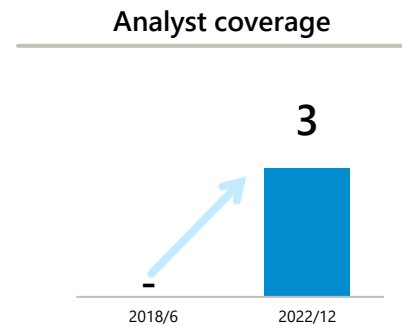
Portfolio status and changes



Market / External evaluation



- ### Index
- MSCI Global Small Cap Index
 - FTSE Global Equity Index Series
 - FTSE EPRA Nareit Global Real Estate Index Series



1. Financial Results and Forecasts



Summary

External Growth

- Acquired an additional 20% quasi co-ownership interest in LogiSquare Sayama Hidaka in July 2022 using cash in hand. Raised **the stabilized DPU to 3,637 yen**.
- Due to the sale of LogiSquare Chitose in August 2022, DPU for the FP 2022/12 resulted at **6,274 yen, the highest ever for CRE REIT**.

Internal Growth

- Cumulative increase in leasing revenues is expected to grow to **26 million yen (46 yen/unit)** in the FP 2023/6.
- **Limited impact of electricity prices hikes**. Net utility expenses are at the same level as FP 2022/6.

Financial Management

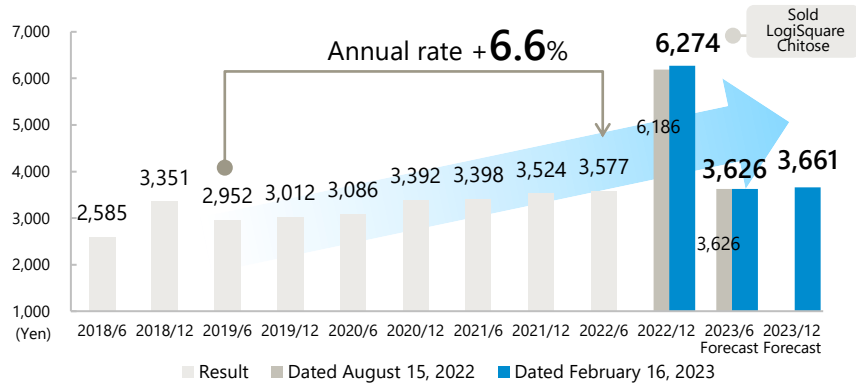
- LTV temporarily decreased to 43.0% due to gain on sale of LogiSquare Chitose and repayment of borrowings. For the time being, **CRE REIT will operate at around 44.0%**.
- Appropriately control funding costs by introducing floating interest rates.

ESG

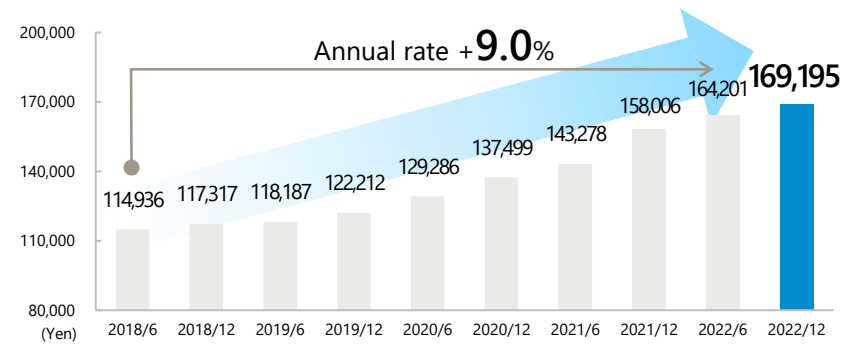
- **100.0% of portfolio is green buildings** after certification on all assets.
- **5 Stars in GRESB 2022**, a leap from 3 Stars in GRESB 2021.
- **Revise of asset management fee structure to be more aligned with unitholder's interests** at the General Meeting of Unitholders held on September 28, 2022.

Increasing DPU and NAV per Unit while Lowering LTV

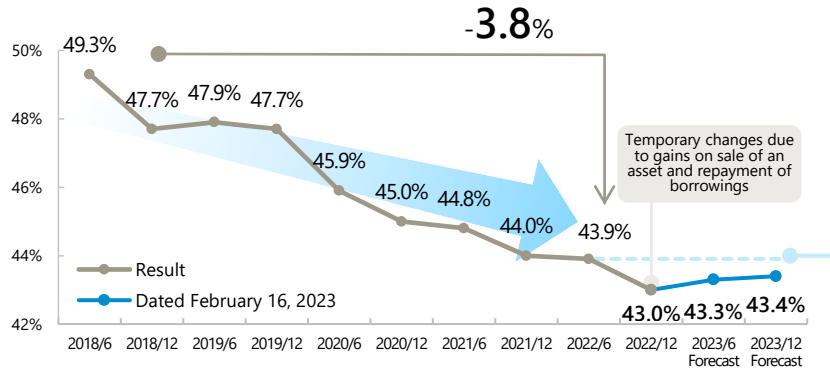
DPU



NAV per unit

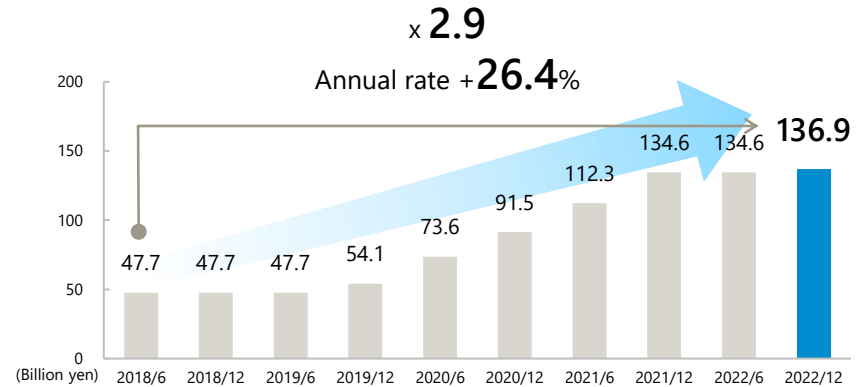


LTV



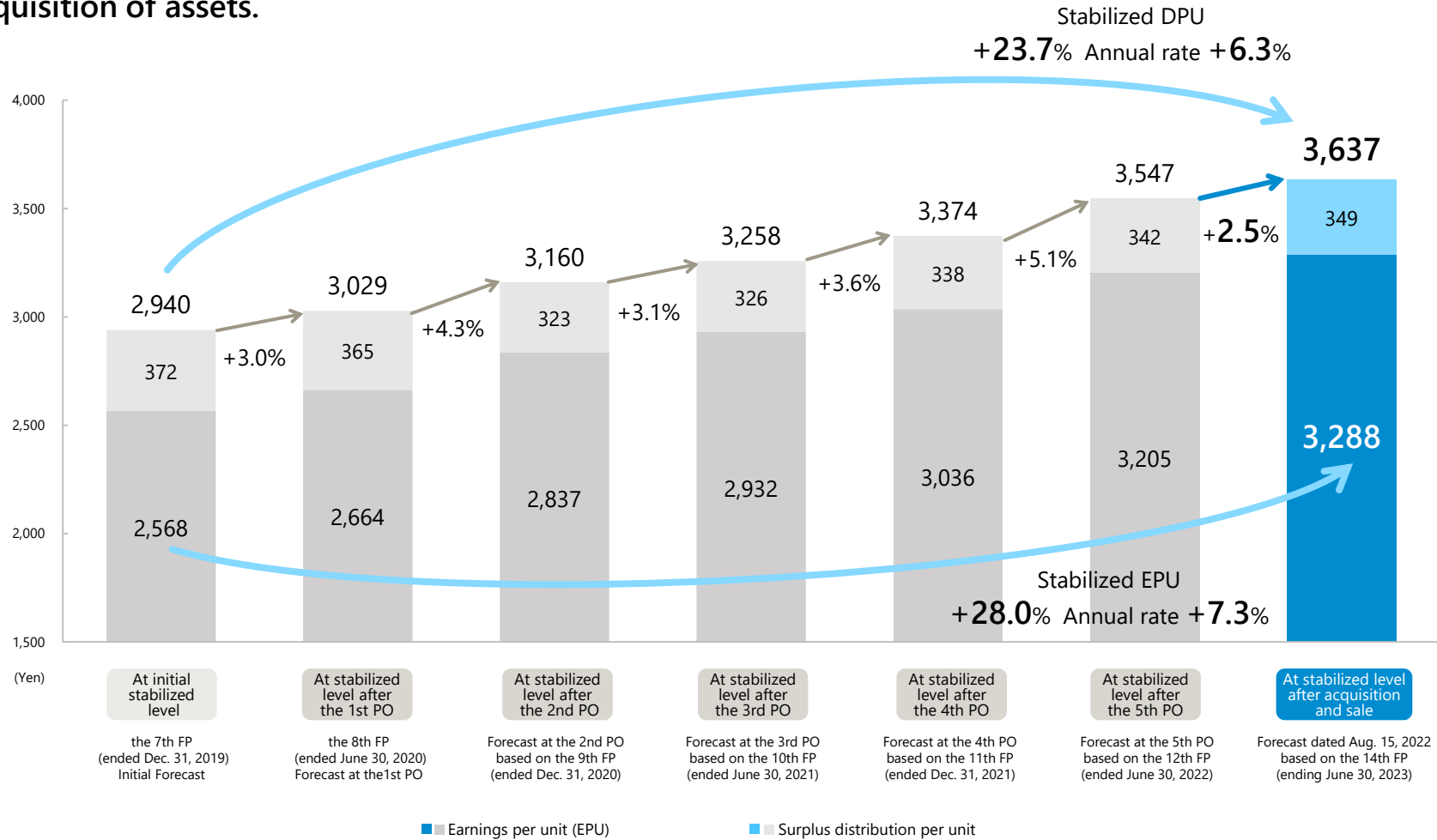
- For the time being, CRE REIT will operate at around 44.0%.
- Increase leverage at acquisition in the future.

Asset size



Realize External Growth that Contributes to the Increase in Stabilized DPU

Increase stabilized DPU by an average annual growth rate of 6.3% through five public offerings and acquisition of assets.



Highlights on the 13th FP

– Achieved Highest Results through the Sale of LogisSquare Chitose

DPU

13th FP Results (2022/12)	6,274 yen (vs forecast: +88 yen, +1.4%)
14th FP Forecasts (2023/6)	3,626 yen
15th FP Forecasts (2023/12)	3,661 yen

NAV per unit

13th FP Results (2022/12)	169,195 yen (vs previous FP +4,994 yen, +3.0%)
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Portfolio

Portfolio size	19 properties 136 billion yen
Occupancy rate	100.0%
Average remaining lease term	4.3 years
Average property age	5.1 years

Asset

	13th FP (2022/12)	Compared to 12th FP
Appraisal value	156,160 mn yen	+4,540 mn yen
Unrealized gains	22,392 mn yen	+2,820 mn yen
Unrealized gains ratio	16.7%	+1.9%
Repair expense	27 mn yen	+20 mn yen
Capital expenditure	20mn yen	+9 mn yen

Debt

	13th FP (2022/12)	Compared to 12th FP
Interest-bearing debt	60,669 mn yen	-1,200mn yen
LTV	43.0%	-0.9%
LTV based on appraisal value	37.1%	-1.5%
Ratio of fixed interest debt	92.0%	-2.1%
Ratio of long-term debt	100.0%	-%
Average borrowing interest rate	0.579%	-0.001%

Equity

	13th FP (2022/12)	Compared to 12th FP
Net assets per unit	135,815 yen	+2,696 yen
NAV	95,544 mn yen	+2,820 mn yen
NAV per unit	169,195 yen	+4,994 yen
Total number of investment units outstanding	564,700 units	- units

Results for the 13th Fiscal Period

Unit: million yen

	12th FP (2022/6) Results (A)	13th FP (2022/12) Forecasts (B)	13th FP (2022/12) Results (C)	vs. 12th FP (C) - (A)	vs. Forecast (C) - (B)	Major factors for difference
Leasing revenues	3,871	3,943	3,950	+ 78	+ 6	<vs. previous period>
Gain on the property sale	—	1,774	1,807	① + 1,807	⑥ + 32	① Gain on the property sale +1,807 • Gain on sale of LogiSquare Chitose +1,807
Leasing expenses (excluding depreciation)	702	761	757	+ 55	-3	② Net leasing revenues +8 • Increase due to additional acquisition of LogiSquare Sayama Hidaka +54 • Decrease due to sale of LogiSquare Chitose -30 • Increase in repair expenses -18
NOI	3,169	3,182	3,193	+ 23	⑦ + 10	③ General and administrative expenses, etc. +117 • Increase in asset management fees +111 • Non-deductible consumption tax from sale of LogiSquare Chitose +6
Depreciation	642	657	657	+ 15	+ 0	④ Non-operating expenses -17 • Decrease in loan-related expenses and interest expenses -11
Net leasing revenues (NOI - Dep.)	2,527	2,524	2,535	② + 8	+ 10	⑤ OPD per unit -341 Considering the levels of net income from gain on sale, CRE REIT will not implement continuous surplus distributions.
General and administrative expenses, etc.	407	526	524	③ + 117	- 1	<vs. forecast>
Operating income	2,119	3,772	3,818	+ 1,698	+ 45	⑥ Gain on the property sale +32 • Decrease of sales costs +32
Non-operating income	0	—	0	- 0	+ 0	⑦ NOI +10 • Improvement in net utility expenses +5 • Occupancy of 9% vacant floor of LogiSquare Sayama Hidaka +2
Non-operating expenses	292	278	274	④ - 17	- 3	
Ordinary income	1,828	3,494	3,543	+ 1,715	+ 49	
Net income	1,827	3,493	3,542	+ 1,715	+ 49	
Distributions per unit (yen)	3,577	6,186	6,274	+ 2,697	+ 88	
Earnings per unit (yen)	3,236	6,186	6,274	+ 3,038	+ 88	
OPD per unit (yen)	341	—	—	⑤ - 341	—	

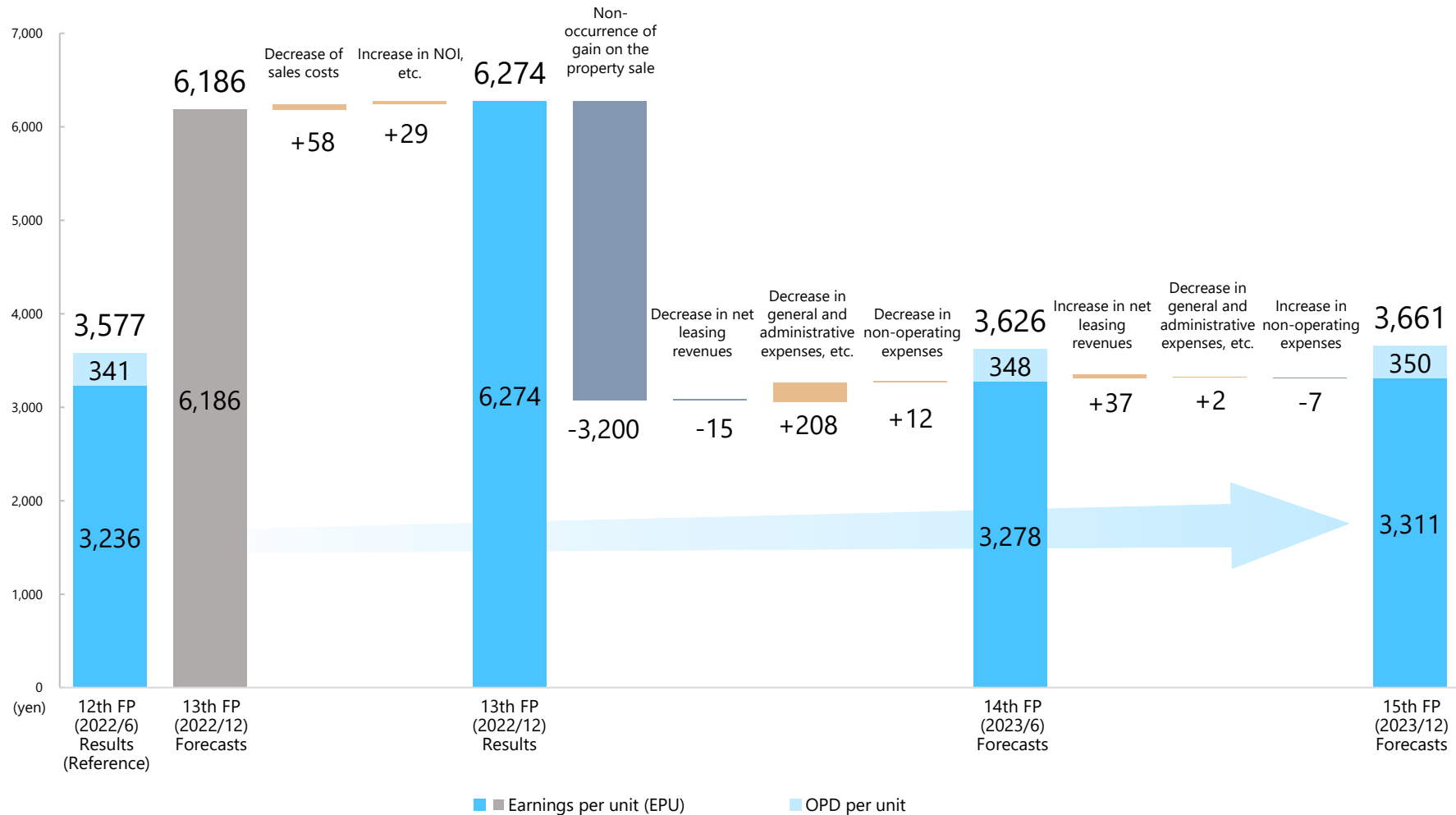
Forecasts for the 14th and 15th Fiscal Periods

Unit: million yen

	13th FP (2022/12) Results (A)	14th FP (2023/6) Forecasts (B)	Difference (B) - (A)	15th FP (2023/12) Forecasts (C)	Difference (C) - (B)	Major factors for difference
Leasing revenues	3,950	3,989	+ 39	4,025	+ 35	
Gain on the property sale	1,807	—	① - 1,807	—	—	<14th FP> ① Gain on the property sale -1,807 • Non-occurrence of gain on sale -1,807
Leasing expenses (excluding depreciation)	757	806	+ 48	818	+ 11	
NOI	3,193	3,183	- 9	3,207	+ 24	
Depreciation	657	656	- 0	659	+ 3	
Net leasing revenues (NOI - Dep.)	2,535	2,526	② - 8	2,547	⑤ + 20	② Net leasing revenues -8 • Rent increase +17 • Full-period contribution of LogiSquare Sayama Hidaka additionally acquired +11 • Start expensing of Property taxes and City planning taxes on LogiSquare Sayama Hidaka additionally acquired -10 • Leasing costs -29 • Decrease in repair expenses +9 • Decrease due to sale of LogiSquare Chitose -2 • Deterioration in net utility expenses -2
General and administrative expenses, etc.	524	406	③ - 117	405	- 1	③ General and administrative expenses, etc. -117 • Decrease in asset management fees -106 • Non-occurrence of non-deductible consumption tax -6
Operating income	3,818	2,119	- 1,698	2,142	+ 22	
Non-operating income	0	0	- 0	—	- 0	
Non-operating expenses	274	267	④ - 7	271	+ 4	④ Non-operating expenses -7 • Decrease in interest expenses -4
Ordinary income	3,543	1,852	- 1,691	1,870	+ 17	
Net income	3,542	1,851	- 1,691	1,869	+ 17	
Distributions per unit (yen)	6,274	3,626	- 2,648	3,661	+ 35	<15th FP> ⑤ Net leasing revenues +20 • Rent increase +12 • Decrease in Leasing costs +22 • Increase in repair expenses -10
Earnings per unit (yen)	6,274	3,278	- 2,996	3,311	+ 33	
OPD per unit (yen)	—	348	+ 348	350	+ 2	

Comparison of Each Period

Steady growth on EPU by continuous rent increase



2. Clear Growth Strategy to Continuously Improve the Unitholder Value



Rich Pipeline Enabling Future External Growth

Aiming for continuous distributions growth in cooperation with CRE Group

Pipeline

17 properties / Total floor area 922,480 m²

Properties with exclusive negotiation right



LogiSquare Shiroi
 (1) Dec. 2022
 (2) 28,503m²
 (3) Shiroi-shi, Chiba



LogiSquare Hirakata
 (1) Jan. 2023
 (2) 42,875m²
 (3) Hirakata-shi, Osaka



LogiSquare Ichinomiya
 (1) Sep. 2023
 (2) 60,641m²
 (3) Ichinomiya-shi, Aichi



LogiSquare Kakegawa ^{new!}
 (1) Jan. 2024
 (2) 14,236m²
 (3) Kakegawa-shi, Shizuoka

Properties under development by CRE



LogiSquare Atsugi I
 (1) Mar. 2023
 (2) 18,236m²
 (3) Aikawa-machi, Kanagawa



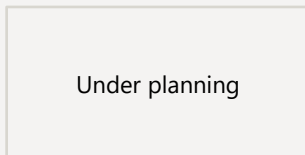
LogiSquare Fujimino A,B,C
 (1) A: Jan. 2024 (2)A:112,295m²
 B: Oct. 2024 B:116,319m²
 C: 2025 C: 43,283m²
 (3) Fujimino-shi, Saitama



LogiSquare Matsudo
 (1) May 2023
 (2) 15,642m²
 (3) Matsudo-shi, Chiba



LogiSquare Kyotanabe A,B
 (1) A: Feb. 2025 (2)A:160,530m²
 B: 2026 B: 87,534m²
 (3) Kyotanabe-shi, Kyoto



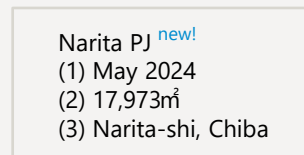
LogiSquare Atsugi II
 (1) Around summer 2024
 (2) 19,000m²
 (3) Atsugi-shi, Kanagawa



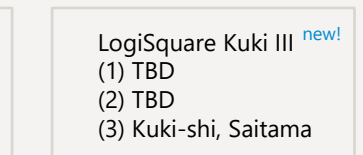
LogiSquare Asaka A,B ^{new!}
 (1) A: 2026 (2)A: 96,000m²
 B: 2026 B: 65,500m²
 (3) Asaka-shi, Saitama



LogiSquare Fukuoka Ogori
 (1) Feb. 2024
 (2) 23,913m²
 (3) Ogori-shi, Fukuoka



Narita PJ ^{new!}
 (1) May 2024
 (2) 17,973m²
 (3) Narita-shi, Chiba



LogiSquare Kuki III ^{new!}
 (1) TBD
 (2) TBD
 (3) Kuki-shi, Saitama

(1)Completion date (planned) (2)Total floor area (planned) (3)Location

1. As of February 16, 2023, CRE REIT has not engaged in specific negotiations with the CRE Group companies regarding the pipeline nor does it have any plan to acquire from the pipeline at the present time or guarantee any future acquisition from the pipeline.

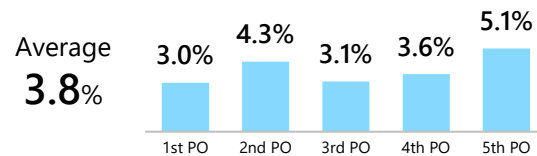
Put “CRE REIT’s Approach to Property Acquisitions” into Practice

CRE REIT’s Approach to Property Acquisitions

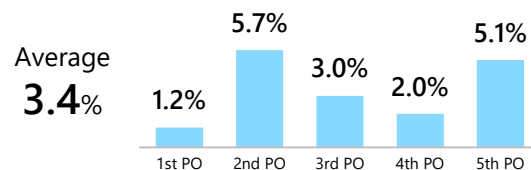
- 1. CRE REIT will acquire properties without dilution of DPU and NAV per unit for the improvement of unitholder value.**
During all from the 1st to the 5th public offering, CRE REIT acquired and will acquire properties at an appraisal NOI yield above the implied cap rate and upheld the above prerequisite. CRE REIT plans to maintain this approach moving forward.
- 2. Achieve flexible external growth, with consideration for investment unit price, including utilizing the bridge function.**
CRE REIT acquired three properties from leasing company at IPO and one property from leasing company at 1st public offering. The timing of property sales by the sponsor and acquisitions by CRE REIT can be adjusted.
- 3. Acquisition of medium-sized properties and acquisition of quasi co-ownership interests using cash in hand is also possible.**
Availability to invest in properties with a total floor area of 5,000m² or larger, allows the acquisition of properties that cost several billion yen using retained cash in hand from accumulated depreciation.

Acquisition of property without dilution of DPU and NAV per unit

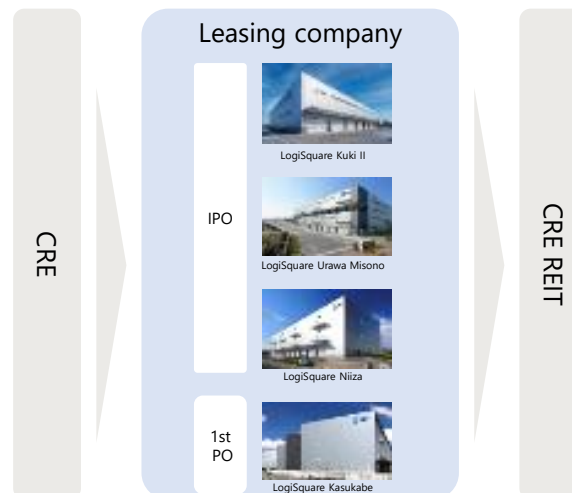
Stabilized DPU growth rate at PO



NAV per unit growth rate at PO



Timely external growth utilizing the bridge function



Acquisition of property using only cash in hand

Cash in hand **3,877** mn yen

Acquisition of LogiSquare Sayama Hidaka (20%)
Acquisition price **3,612** mn yen

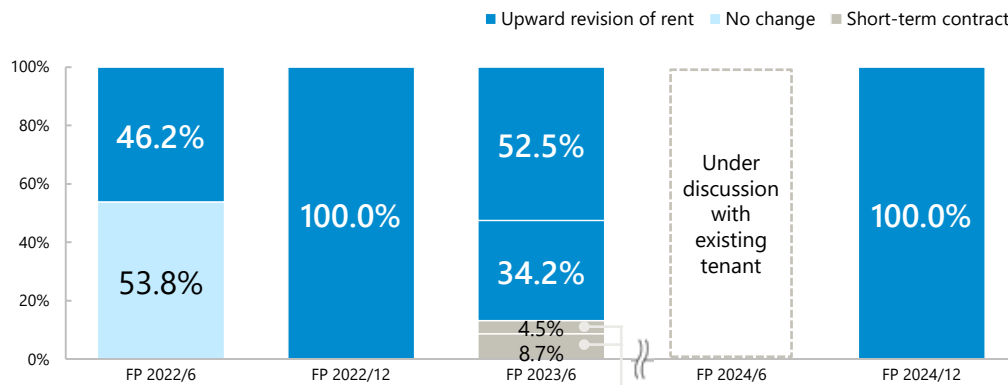
Sale of LogiSquare Chitose
Book value **1,290** mn yen

Repayment of borrowings **1,200** mn yen

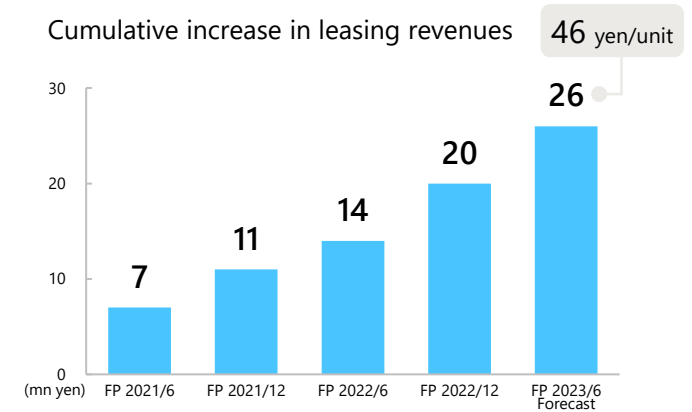
1. “NAV per unit growth rate at PO” is the ratio of NAV per unit after each PO to NAV per unit as of the end of the most recent fiscal period of each PO.

Increase Rents through Elaborate Communication with Tenants

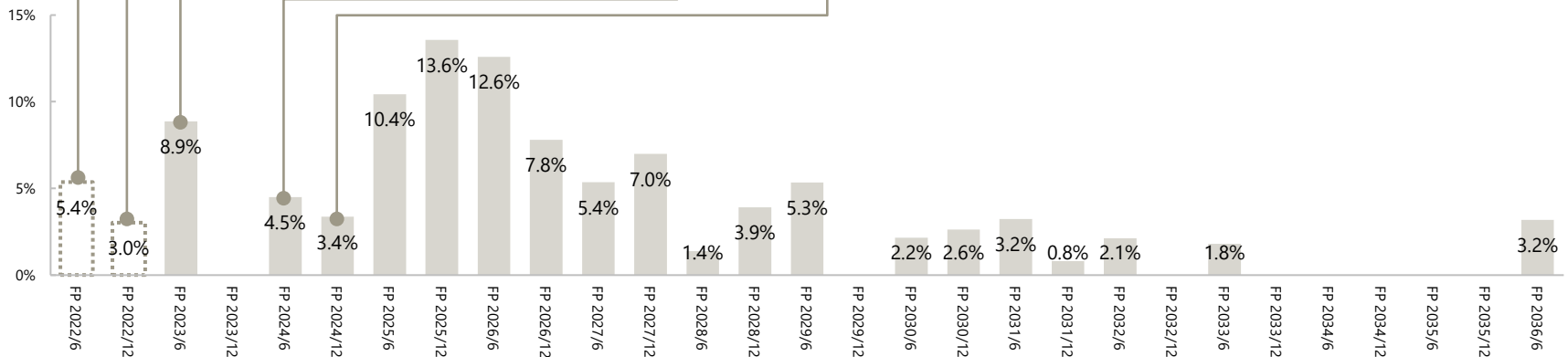
Increased rents for 5 of 6 tenants, excluding short-term contracts



Accumulation of rent increase



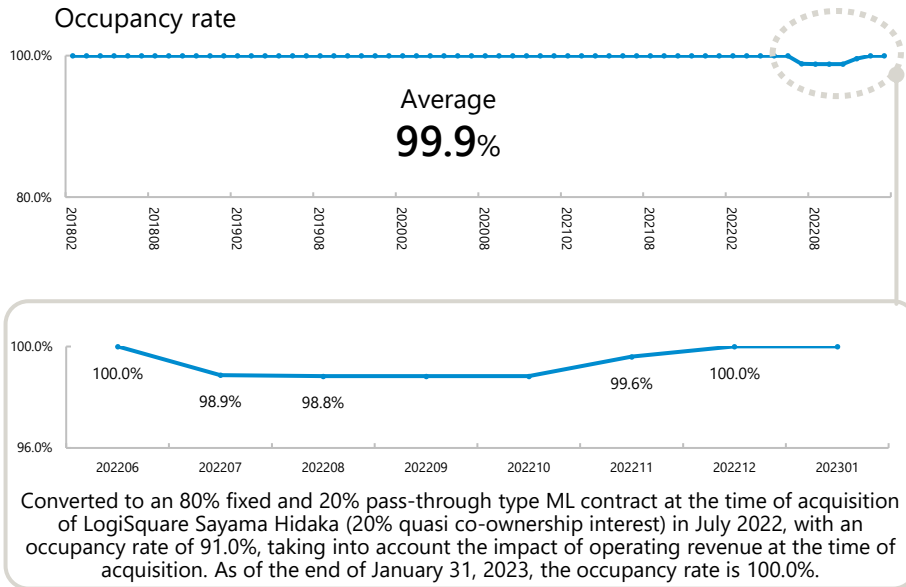
Diversification of lease terms (based on leased area)



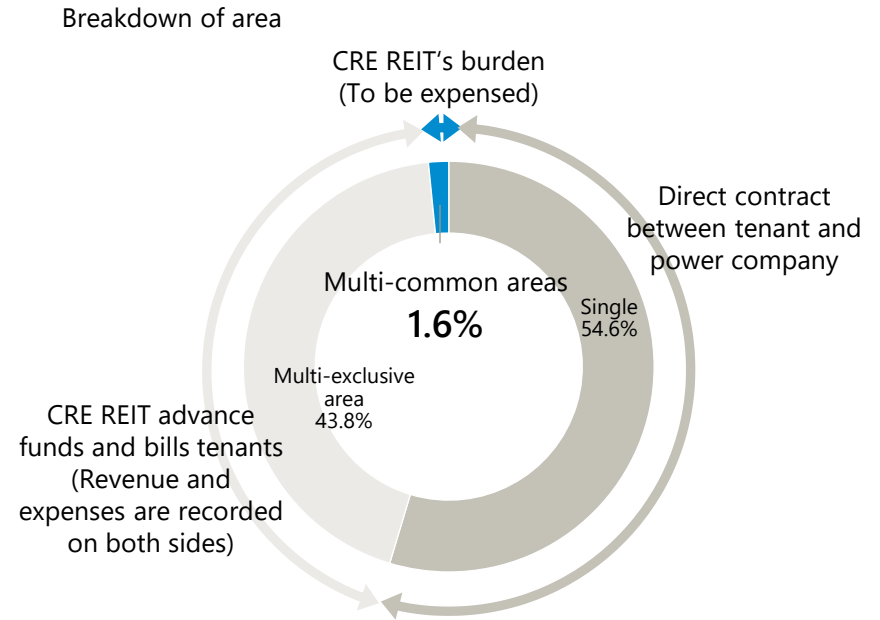
1. "Cumulative increase in leasing revenues" in each fiscal period is the sum of the amount of increase in leasing revenue per fiscal period due to changes in rent and common area charges after the expiration of long-term contracts (lease contracts with a lease term exceeding one year) made since the establishment of CRE REIT until the end of the relevant fiscal period (calculated based on the actual rent after taking into account actual reductions due to granting free rent, etc.).

Steady and Stable Management of Properties

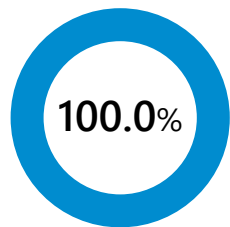
Occupancy rates remain high



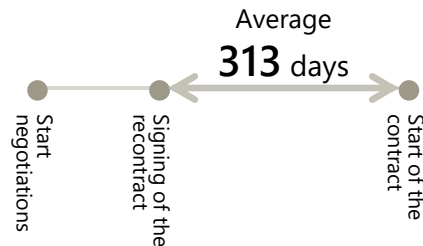
Limited impact of electricity prices hikes



Recontracting rate



No. of days from the signing of the recontract to the start of the contract



Utilities

	(mn yen)			
	FP 2022/6	FP 2022/12	FP 2023/6 Forecast	FP 2023/12 Forecast
Utility revenues	74	112	130	154
Utility expenses	85	122	143	167
Net utility expenses	-10	-10	-12	-12

If the impact of LogiSquare Sayama Hidaka (20% quasi co-ownership interest), which was additionally acquired in July 2022, is subtracted, the net utility expenses is -9 million yen. The decrease was due to lower electricity consumption in common areas in the summer (fiscal period ended December) and a decrease in basic rates at LogiSquare Osaka Katano due to a reduction in the contracted electricity consumption.

1. "Recontracting rate" is calculated for long-term contracts.

2. "No. of days from the signing of the recontract to the start of the contract" is a simple average for each number of long-term contracts.

3. The pie chart of "Limited impact of electricity prices hikes" is based on leased area. "Single" refers to a single-tenant property where the entire property is leased to a single tenant, and "Multi" refers to a multi-tenant property where the property is leased to multiple tenants. "Multi-common areas" is calculated by subtracting the leasable area from the total floor area of the multi-tenant property, and is set to 0 if it is a negative value.

Stable Financial Management (1) Diversification of Financing Methods

R&I and JCR both improved their credit ratings

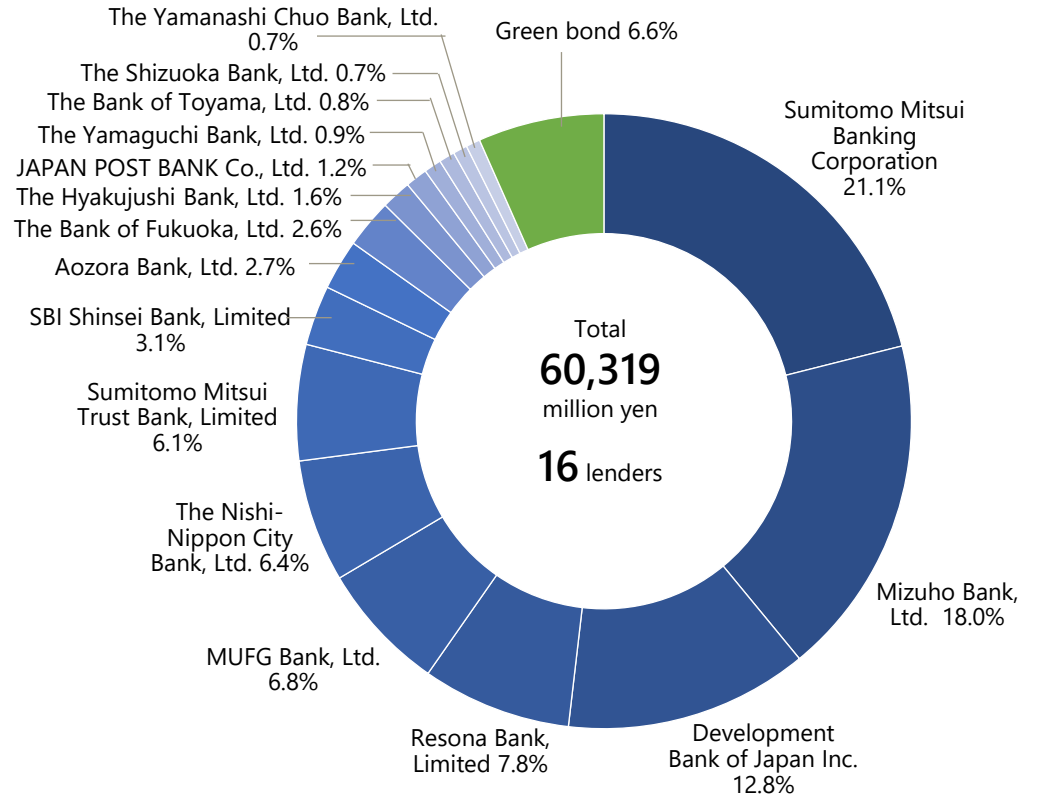
Rating and Investment Information, Inc. (R&I)	A- (Positive)	A (Stable)	Announced on March 31, 2022
Japan Credit Rating Agency, Ltd. (JCR)	A (Stable)	A+ (Stable)	Announced on June 2, 2022

Investment corporation bond

	Amount of issue (million yen)	Interest rate	Date of issue	Duration
1st investment corporation bond (Green bond)	2,000	0.530%	September 8, 2020	5 years
2nd investment corporation bond (Green bond)	2,000	0.720%	November 26, 2021	10 years

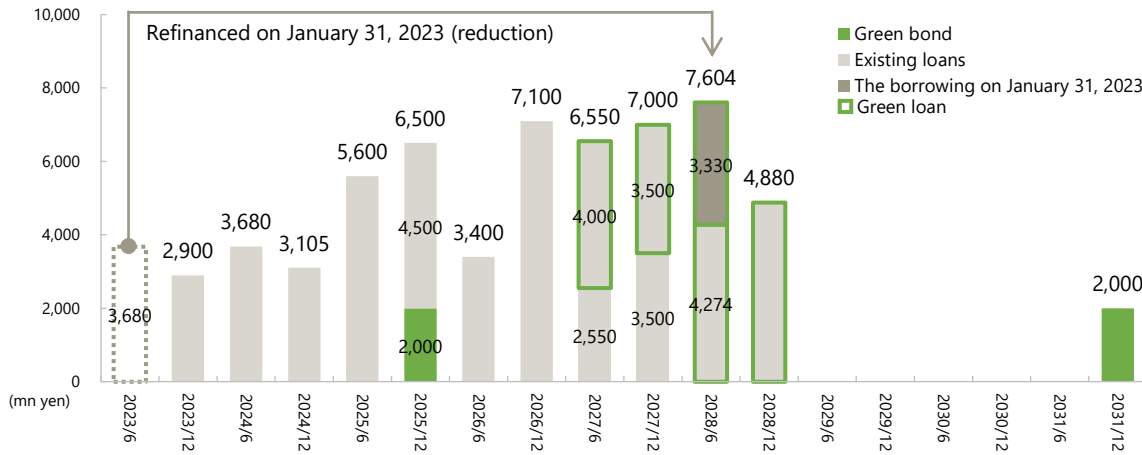
Diversify interest-bearing debt sources

Breakdown of interest-bearing debt sources (as of January 31, 2023)



Stable Financial Management (2) Promote Diversification of Maturity

Promote diversification of maturity (as of January 31, 2023)



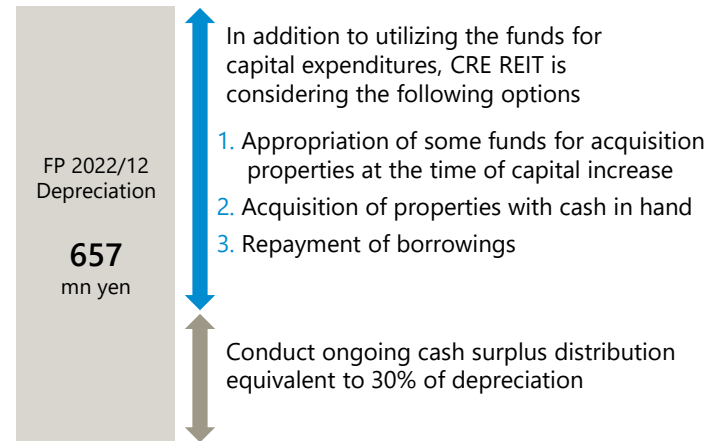
Approach to interest-bearing debt

- Set the LTV level of CRE REIT at around 45%, and work to reduce it according to the market environment.
- Appropriately control funding costs by introducing floating interest rates while promoting stable funding through long-term loans.
- Going forward, continue to actively promote procurement with green qualifying debt.

Appropriate LTV control

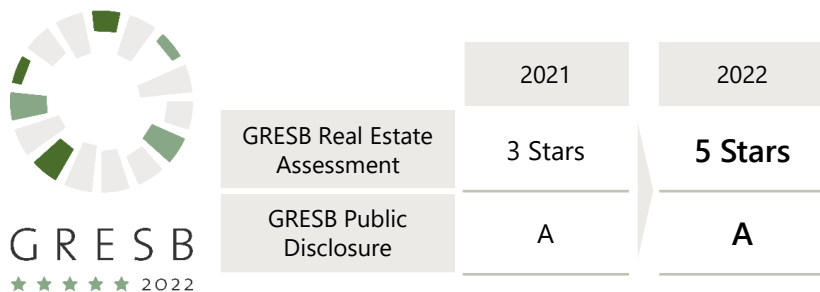
	13th FP (2022/12)	After the refinance (January 31, 2023)	Difference
Interest-bearing debt	60,669 mn yen	60,319 mn yen	-350 mn yen
LTV	43.0 %	2023/12 Forecast 43.4 %	+ 0.5 %
Ratio of fixed interest debt	92.0 %	86.4 %	- 5.6 %
Ratio of long-term debt	100.0 %	100.0 %	— %
Average interest rate	0.579 %	0.573 %	- 0.006 %
Average remaining term of interest-bearing debt	3.3 years	3.5 years	+ 0.2 years

Approach to the use of cash in hand



Promoting ESG Efforts

Awarded GRESB 5 Stars



Win Capital Eye Awards “BEST ISSUER OF 2021”



Capital Eye Awards 2021
Real Estate Investment Trusts Category

CRE REIT is a forerunner of allocating all new investment units to domestic and overseas institutional investors at the public offering using Reg. S only with prospectus documented in Japanese. And it is also the first case to deliver the prospectus only electronically in Japan, following the concept of “Green Equity”. Furthermore, by first adoption of Hard-Pot Method and one-day subscription period in the past POs CRE REIT has been contributing to the diversification of offering methods in J-REIT.

Announced on April 1, 2022

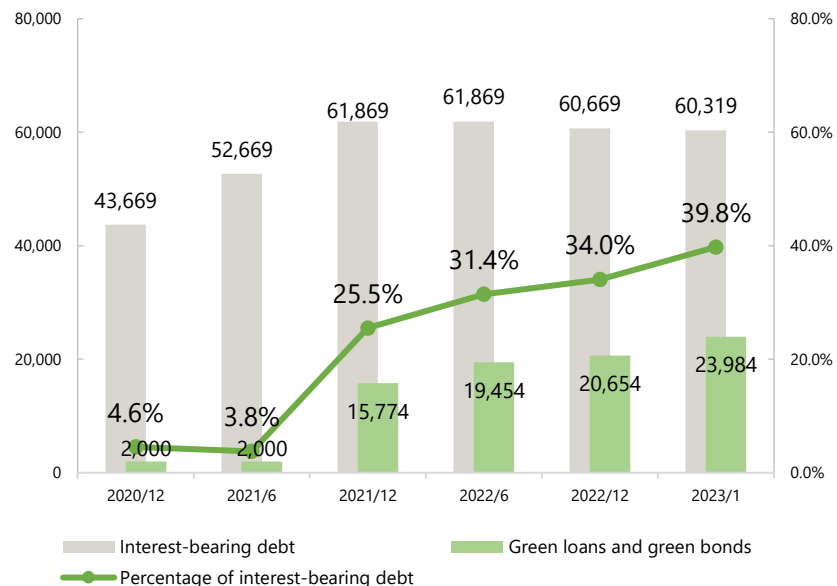
Disclosed in line with TCFD recommendations and revamped goals



Newly disclosed qualitative scenario analysis, goals, etc. (announced on Aug. 15, 2022)

Promote green finance

Amount and percentage of green loans and green bonds

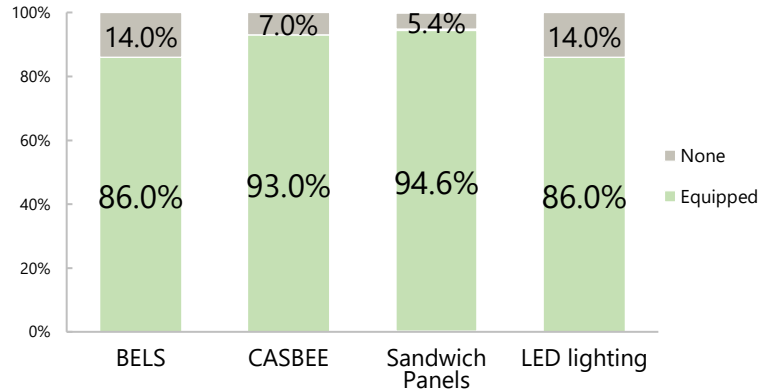


Status of green equity offerings

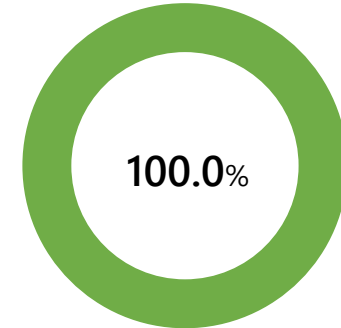
	Payment date	Amount of raised funds
5th public offering	September 15, 2021	13,147 million yen

Promoting ESG Efforts – Environment (1)

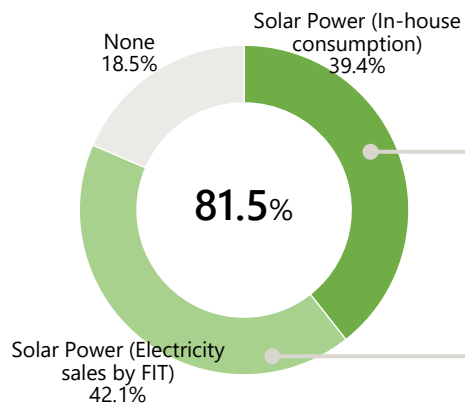
100.0% of portfolio are composed of Green Buildings



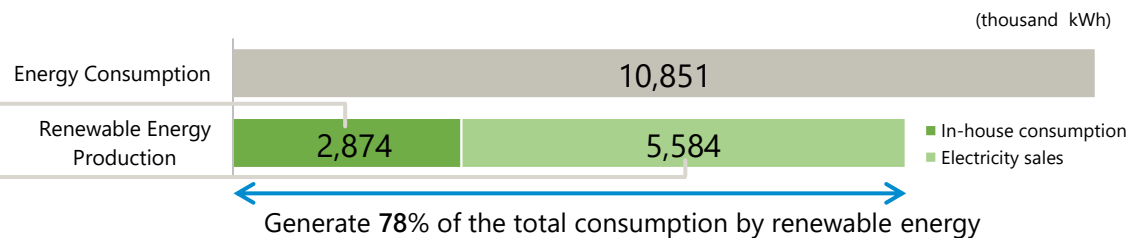
Include green lease clauses in all contracts re-signed in 2022



Over 80% of portfolio have installed solar power



Electricity consumption and energy production of all properties from April to September 2022



Regarding "In-house consumption", the produced electricity can be used without transmission loss, and provided directly to tenants, therefore, CRE REIT will actively introduce "In-house consumption" for the properties to be acquired in the future.

1. Based on total floor area. As of February 16, 2023.
 2. CRE REIT leases roof top space and the lessees produce renewable energy by installing solar panels.

Promoting ESG Efforts – Environment (2)

In-house consumption of solar power

Ensure a part of the electricity consumed in facilities from the electricity generated by solar power.



Human detecting sensors

Promote energy saving by installing human detecting sensors in facilities.



Installation of water-saving sanitation appliances

Promote the reduction of water usage by installing high-performance water-saving sanitation appliances.



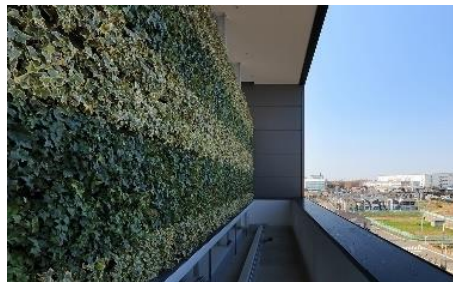
Installation of roof watering equipment

Contribute to the reduction of temperatures inside warehouses by installing well water-based roof watering equipment.



Green walls

Green walls have the effect of lowering the surface temperature of buildings and contributes to the reduction of CO₂ in the atmosphere.



Soil contamination countermeasures

Enbio Holdings, Inc., a CRE group company, revitalizes old factory sites as the land for logistics facilities by actively utilizing in-situ cleaning methods that decompose underground contaminants without excavating contaminated soil.



Promoting ESG Efforts – Environment (3)

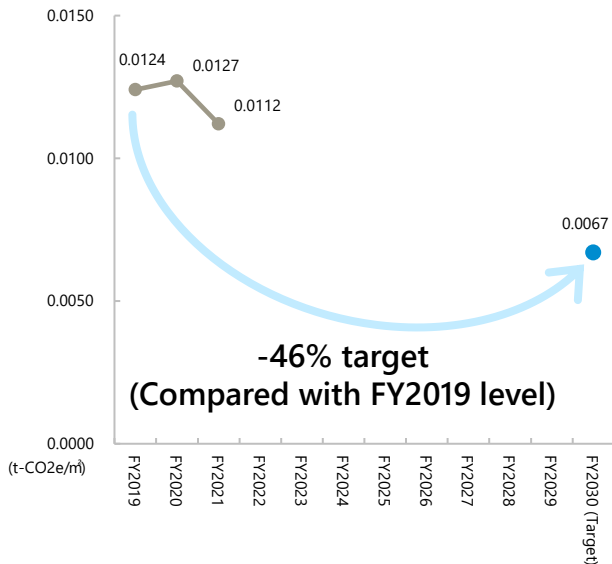
Target setting and performance monitoring

- To manage and monitor risks and opportunities, the Asset Manager has set the following new targets, etc. and monitors performance.

Greenhouse gas emissions

The Asset Manager aims to reduce annual emissions intensity (market basis) (t-CO₂e/m²) related to energy consumption of CRE REIT’s portfolio by 46% from the fiscal year 2019 level by the fiscal year 2030.

Greenhouse gas emissions (intensity)



Coverage rate for environment-related data

The Asset Manager targets to maintain CRE REIT’s portfolio coverage rate for annual energy data (energy consumption, renewable energy production), annual greenhouse gas emissions and water consumption at 100% until the fiscal year 2027.

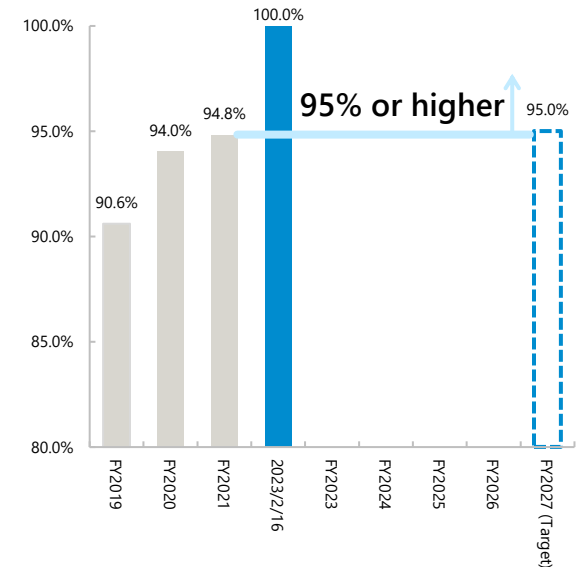
Coverage rate for environment-related data

	FY2021 coverage rate results	Coverage rate targets
Energy consumption (based on floor area)	100%	100%
Renewable energy production	100%	100%
Greenhouse gas emissions (based on floor area)	100%	100%
Water consumption (based on floor area)	100%	100%

Percentage of green building certifications acquired

The Asset Manager aims to increase green building eligibility criteria properties to at least 95% of CRE REIT’s portfolio (based on total floor area) by the fiscal year 2027.

Percentage of green building certifications acquired (based on total floor area)



1. A fiscal year is April 1 until March 31. For example, the fiscal year 2019 is from April 1, 2019 to March 31, 2020.

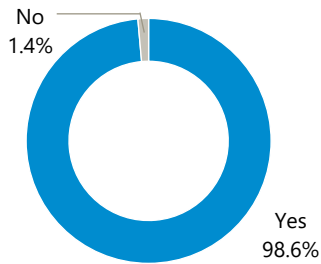
2. The eligibility criteria for green buildings in CRE REIT are DBJ Green Building Certification (5 Stars or 4 Stars), CASBEE Certification (S Rank or A Rank), or BELS evaluation (5 Stars or 4 Stars), and properties that have acquired or renewed, or will acquire or renew any of the relevant certifications will fall under the green buildings.

Promoting ESG Efforts – Social (1)

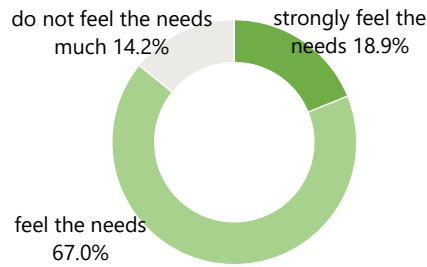
Conduct tenant satisfaction surveys

- We will continue to consider improvement measures to increase tenant satisfaction and property value.
- We have confirmed that tenants are becoming more aware of ESG and environmental issues.

Do you want to stay in LogiSquare in the future?



Do you feel the needs to incorporate a greenhouse gas reduction perspective into your business?



1. Based on leased area.
2. The above survey was conducted in October 2022 by CRE REIT and the Asset Manager for all tenants of assets held.

Hold educational field trip for nearby elementary school students



The tenant conducted an educational field trip for nearby elementary school students at LogiSquare Osaka Katano in May and June 2022.

Establish a favorable relation between the employees and the Asset Manager

- Quarterly Employee satisfaction survey

Asset Manager conducts questionnaires on employee engagement four times a year and confirms that the employees are proactively engaging in their work and are motivated to contribute to the organization. If problems are identified, the employees themselves devise and implement improvement measures.

- The president has 1 on 1 meeting with all employees quarterly

The President of the Asset Manager interviews each employee every quarter. These interviews are opportunities to discuss various matters, including target-setting, progress of work and career building.



- Employee turnover rate remains low

FY 2022/7	FY 2021/7	FY 2020/7
0.0% (-)	7.7% (1 employee)	0.0% (-)

Promoting ESG Efforts – Social (2)

The business continuity of tenants and the improvements in amenities

- Support for business continuity planning measures
 - Hold logistics facilities located in an inland area where the risk of liquefaction is low.
 - Install power receiving and transforming equipment at elevated locations as a flood control measure.
 - Introduce earthquake early warning systems.
 - Install AEDs.
 - Install emergency power supply systems.
 - Install short circuit isolators in fire alarms to prevent the spread of fires.
- Amenity Improvements
 - Adopt warm-color lighting in entrances and truck berths, etc.
 - Install restrooms for outside drivers.
 - Renovate smoking rooms to respond to the revision to the Health Promotion Act in April 2020.



Active disclosure to investors

- Rationalize disclosures by correcting information gaps among investors.
 - Promote fair disclosure and the rationalization of disclosure by enhancing supplementary explanation materials.
- IR activities in consideration of COVID-19
 - Since March 2020, CRE REIT hold conference calls and web conferences with institutional investors in Japan and overseas to have the same dialogue as usual.



Efforts for officers and employees

- Support for skill development
 - Encourage employees to acquire qualifications by paying for expenses and bonuses for acquisition of qualifications.

License holders (including those that have passed examinations)

Qualification name	Percentage of staff holding qualification or having passed exam (1)
Real estate broker	73.3%
ARES (Association for Real Estate Securitization) Certified Master	53.3%
CMA (Certified Member Analyst of the Securities Analysts Association of Japan) holder	20.0%
Real estate consulting master	13.3%

1. Calculated with the 15 people involved in the operation of CRE REIT (as of December 31, 2022) as the denominator.

- Improvement of the work environment
 - Refresh and expand the work space by relocating offices.
 - Introduce staggered commuting and working from home as a measure against COVID-19.

Contribution to regional and social development

- CRE Activities
 - The CRE Group has cooperated with a local government in the excavation of the remains of 74 pit houses from the Middle Jomon Era (about 5,000 years-old), which were discovered during the development of LogiSquare Sayama Hidaka, and has collaborated with the local government in the preservation of archaeological records and tours of the site.
 - Hold a CRE forum for the purpose of sharing logistics issues faced by companies.
- Install fire cisterns to provide tap water that can be used as a firefighting irrigation.
- Cooperate for traffic restrictions during the Saitama International Marathon.



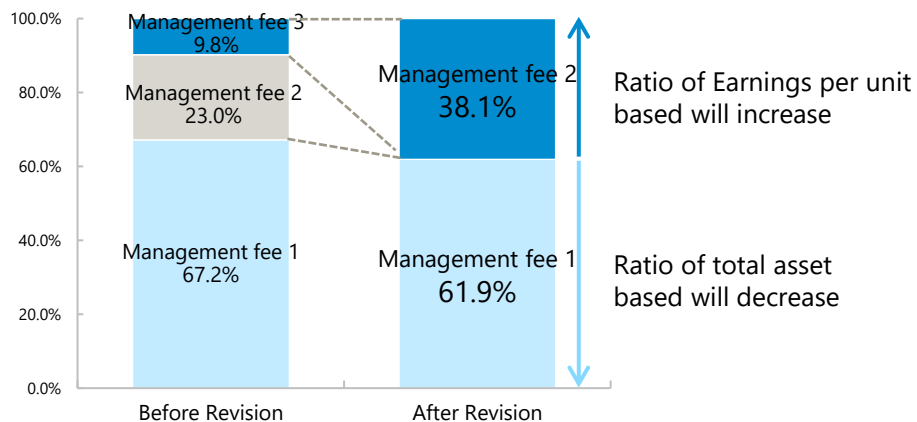
Promoting ESG Efforts – Governance (1)

Revise of asset management fee structure to be more aligned with unitholder’s interests

- Amended Articles of Incorporation at the General Meeting of Unitholders held on September 28, 2022 with the following revision of fee structure from the fiscal period ending June 2023.
- By reducing management fee 1 based on total asset and unifying management fees 2 and 3, aim to increase the linkage with earnings per unit.

	Before Revision	After Revision
Management fee 1	Total assets × 0.325% (Upper limit)	Reduce Total assets × 0.3%
Management fee 2	Income before income taxes × 4.0% (Upper limit)	Unify Income before income taxes × Earnings per unit × 0.0019%
Management fee 3	Earnings per unit × 10,000	
Fee on acquisition	Acquisition cost × 1.0% (Upper limit) (0.5% (Upper limit) in case of transactions with interested party)	Acquisition cost × 1.0% (0.5% in case of transactions with interested party)

Estimate based on result in FP ended June 2022



Promoting ESG Efforts – Governance (2)

Holding investment units by officers and employees of the sponsor and the Asset Manager

- The sponsor's president holds units of CRE REIT. Many officers and employees of the Asset Manager hold investment units of CRE REIT based on a cumulative investment system and internal regulations.

	Title	Name	Units held
CRE	President	Tadahide Kameyama	722 units
the Asset Manager	President	Tsuyoshi Ito	1,174 units
	Managing Director	Takeshi Oka	62 units
	14 out of 16 employees		156 units

1. As of December 31, 2022. Also, the number of each held unit is rounded down to the nearest unit.

High independence of the Asset Manager

- The Asset Manager was established as an independent asset management company, and all of its employees are employed by the Asset Manager. CRE is not involved in their recruitment or personnel evaluation.

Category	Number of persons
Full-time directors	2
Employees	16
(Of which, employees seconded from CRE)	–
Total	18

1. As of December 31, 2022



3. Characteristics of CRE Logistics REIT, Inc.

LogiSquare Urawa Misono

located a 6 minutes walk from Urawa Misono Station, and approximately 700 m from Urawa IC, making it easily accessible from the heart of the city and enables the proximity of work and home.

Characteristics/Advantages of CRE REIT

Characteristics

1. Portfolio focused on LogiSquare
2. Long-term, stable asset management
3. Clear external growth strategy

High-quality portfolio

(1) Stable cash flow	Occupancy rate 100.0%	Ratio of fixed-term leases 100.0%	Ratio of fixed rent 100.0%
(2) Long-term contracts with diverse tenants	Average lease contract term 7.6 years	Average remaining lease term 4.3 years	Ratio of single-tenant facilities 53.2%
(3) Good location	Ratio of Tokyo Metropolitan and Kansai area 97.9%	Average mileage to interchange 2.5 km	Ratio of properties within 10 mins' walk of public transportation 85.6%

Advantages

Our sponsor is real estate company specializing in logistics properties

(1) Leasing capability	Companies that have concluded lease contracts with CRE directly 1,196 companies	Master lease occupancy rate of logistics real estate 98.4%	Holding of private viewings, including for other listed REITs
(2) Property management (PM) capability	Managed floor area 1,603 properties 6.1 million m ²	PM entrusted by other companies 65%	Ranking for PM company focusing on logistics facilities 3rd place
(3) Development capability	<ul style="list-style-type: none"> Requests obtained from tenants through day-to-day management and leasing activities are fully reflected in facility development. Has been developing suitable properties for REIT since 2006 when real estate securitization first appeared in Japan. 		

Capable of flexibly acquiring properties, taking into consideration investment unit price

- Can leverage the bridge function. Acquired three properties at the time of the IPO and one property following the first follow-on offering by leveraging the bridge function.
- In position to acquire the properties on the scale of hundreds of millions to billions of yen and quasi-co-ownership interests using cash in hand.
- Already secured pipeline of 17 properties with total floor area of 922 thousand m².

1: As of the end of July 2022. Produced by the Asset Manager based on data provided by CRE. Figures include data relating to property management of other real estate besides logistics facilities and master leases.

2: "PM entrusted by other companies" is area managed by CRE less area relating to PM contracts with CRE REIT and area relating to properties in which CRE is involved as master lessee (area managed under PM contracts with other listed logistics REITs and private funds, etc.) as a ratio of the total area managed by CRE.

High-Quality Portfolio (1) Stable Cash Flow

Form of contract that enables stable operation

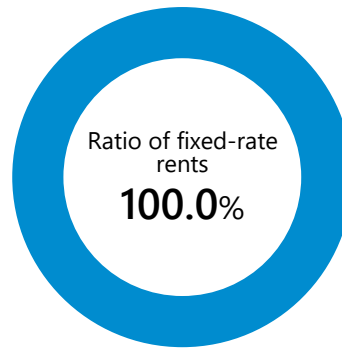
- In many cases, tenants who cancel early before the end of the contract term are required to pay the equivalent of rent for the whole remaining lease term as a penalty for breach of contract.
- Intention for renewal or termination is ascertained a year before the expiry of a contract.

Inclusion of newly built properties

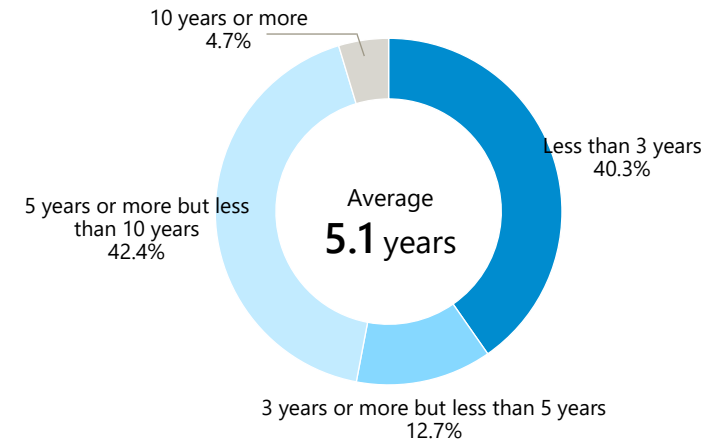
Ratio of fixed-term lease contracts



Ratio of fixed-rate rents

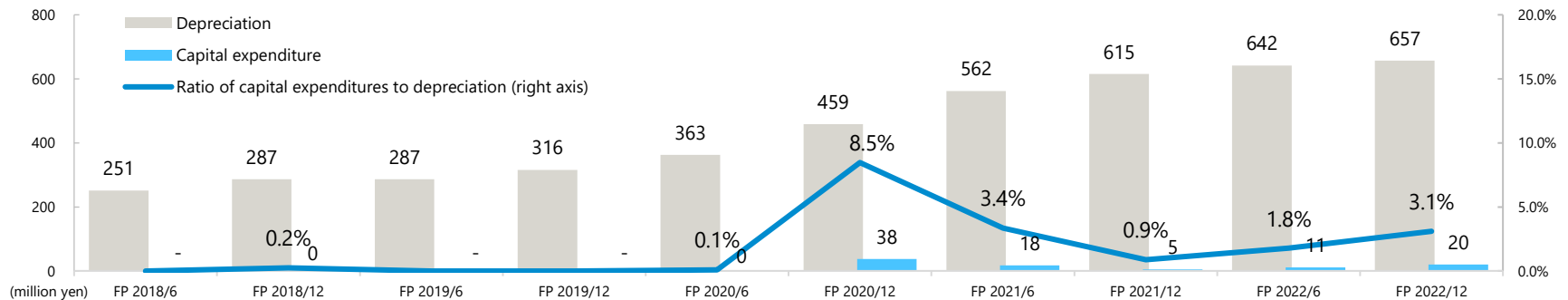


Property age



Capital expenditure remain low

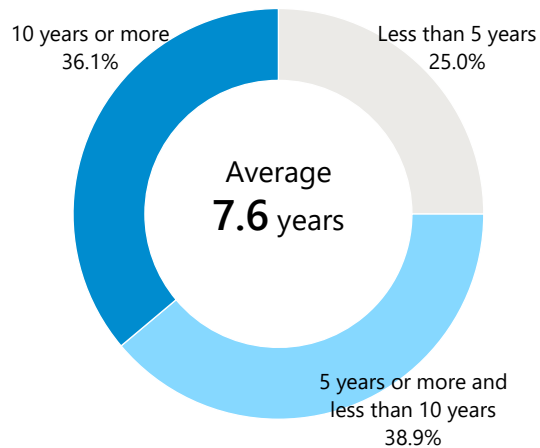
- As the portfolio is mainly composed of newly built properties, capital expenditure is relatively low.



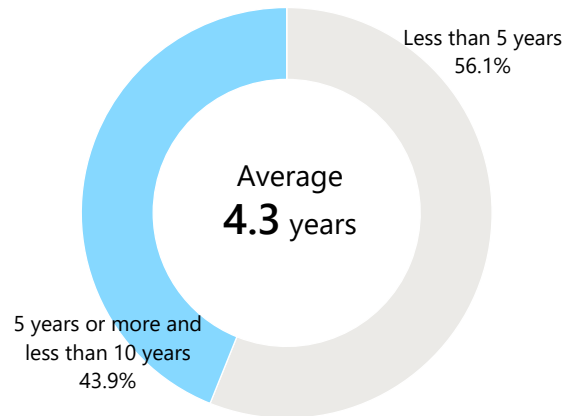
High-Quality Portfolio (2) Long Term Lease Contracts

Contribution to the stability of portfolio based on long-term contracts that take into consideration tenant business plans.

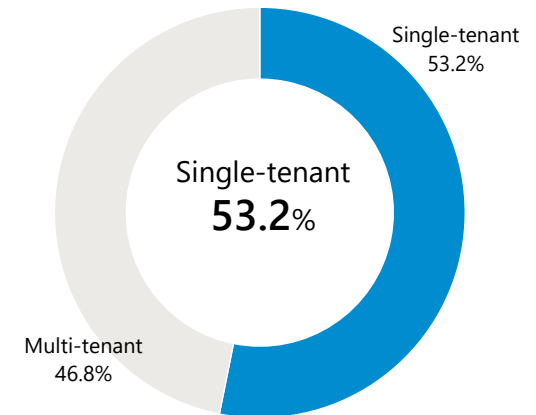
Average lease contract term



Average remaining lease term



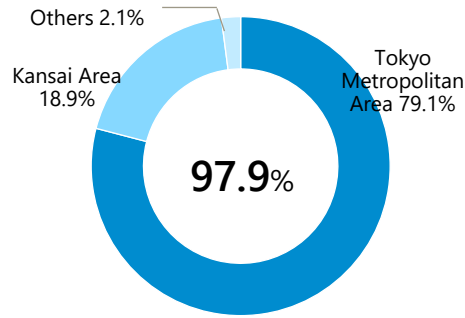
Tenant composition



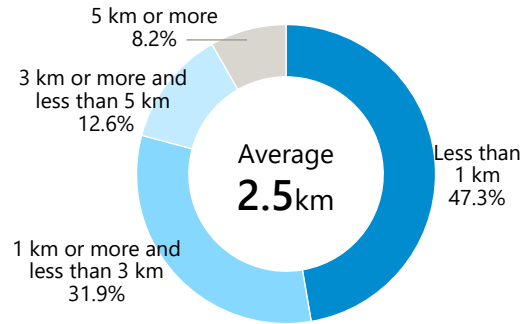
High-Quality Portfolio (3) Good Location

Properties are mostly located in a place suited for logistics where strong demand is expected, meeting tenants' needs to secure labor.

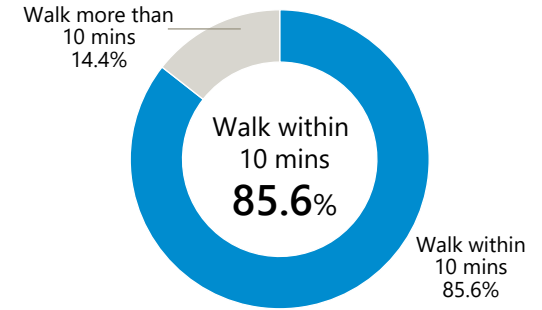
Ratio in Tokyo Metropolitan and Kansai area



Distance to an interchange

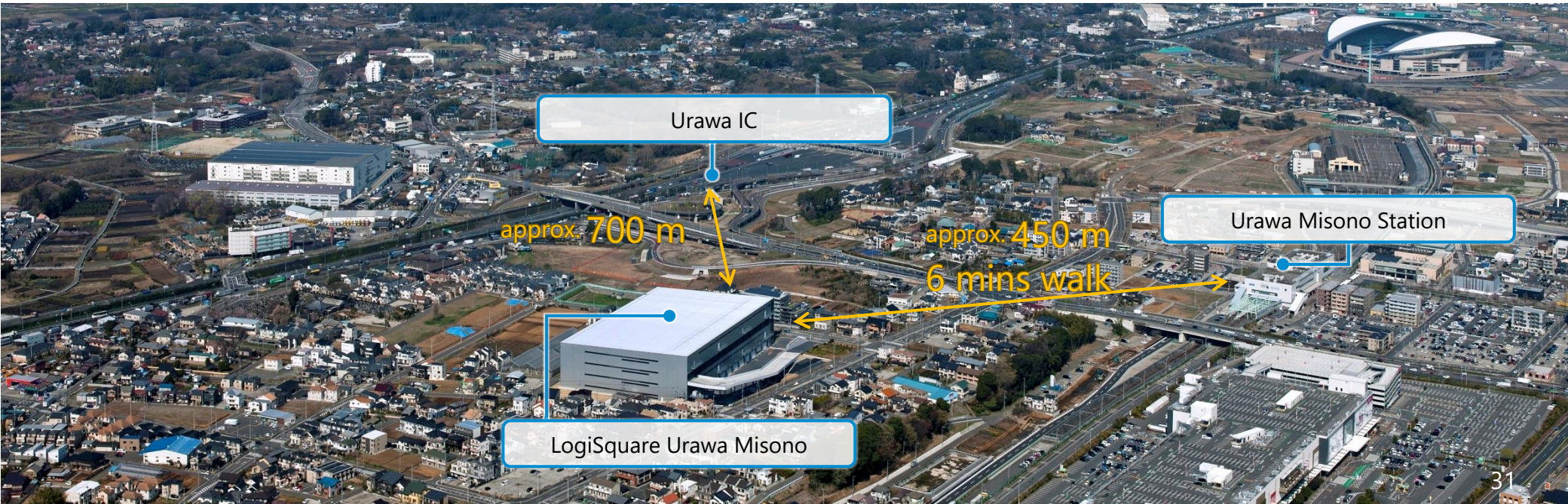


Walking distance from public transportation facilities



Example: LogiSquare Urawa Misono

The property is located approximately 700 m from Urawa IC (Tohoku Expressway) and approximately 450 m and a 6 minutes walk from Urawa Misono Station on the Saitama Rapid Railway Line. A large-scale community development project is underway in the surrounding area, which will become a potential advantage in securing employees because of the convenience in their commutes.



Features of LogiSquare

LogiSquare is the brand name of high-quality logistics facilities developed by CRE to meet tenant needs.

Semi-flexible pavement is used to inhibit rutting.

Sandwich panels are used on exterior walls to reduce heating and cooling loads and to give the exterior an attractive appearance.

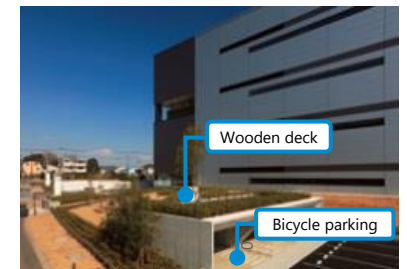


Facility has roof spraying system that uses well water to reduce the internal temperature.

The facility has a total of 44 truck berths on the first and third floors to allow the docking of up to 44 large trucks simultaneously.



Truck berths are large enough to fit a whole 40ft container truck.



Rest area with wooden deck



LogiSquare Urawa Misono

The facility has truck berths on the first and third floors. To prevent congestion and accidents, the facility is designed to separate traffic flows and equipped with dedicated gates for the first/second floor tenants and the third/fourth floor tenants, respectively.

1. The logistics facility shown above is an example of the features of LogiSquare. Not all facilities held by CRE REIT have the features shown above.

Features of LogiSquare

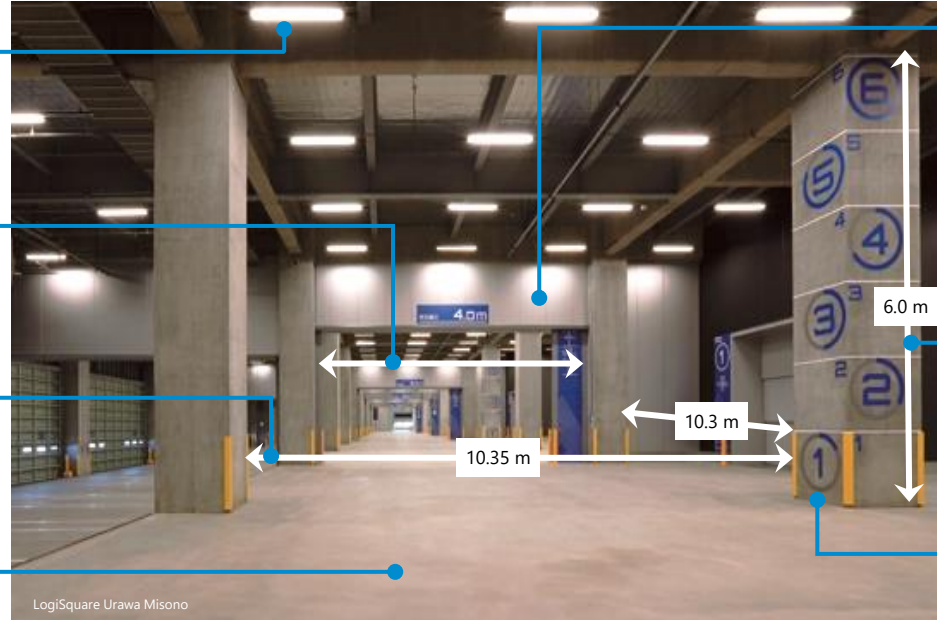
LogiSquare not only improves the efficiency of warehouse operations, creates a pleasant working environment for tenants but helps minimize costs in the future for CRE REIT.

LED lighting throughout helps save energy.

Openings in fire partitions are as wide as possible.

Pillar span 10.3 m × 10.35 m

Floor loading 1.5 t/m²



Fireproof partition walls are made of fire-resistant heat-insulating panels that have excellent insulation properties, seismic resistance and an aesthetically pleasing appearance.

The facility has an effective ceiling height of 6.0 m, or 5.5 m even if cooling panels are installed.

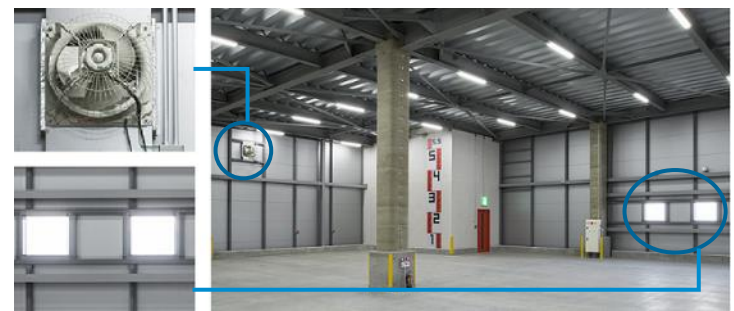
Internal signage is designed to visually communicate warehouse functions.



Interior walls between offices and the warehouse space have windows in them to facilitate communication.



The women's restroom has lockers and designed to make female employees feel comfortable.

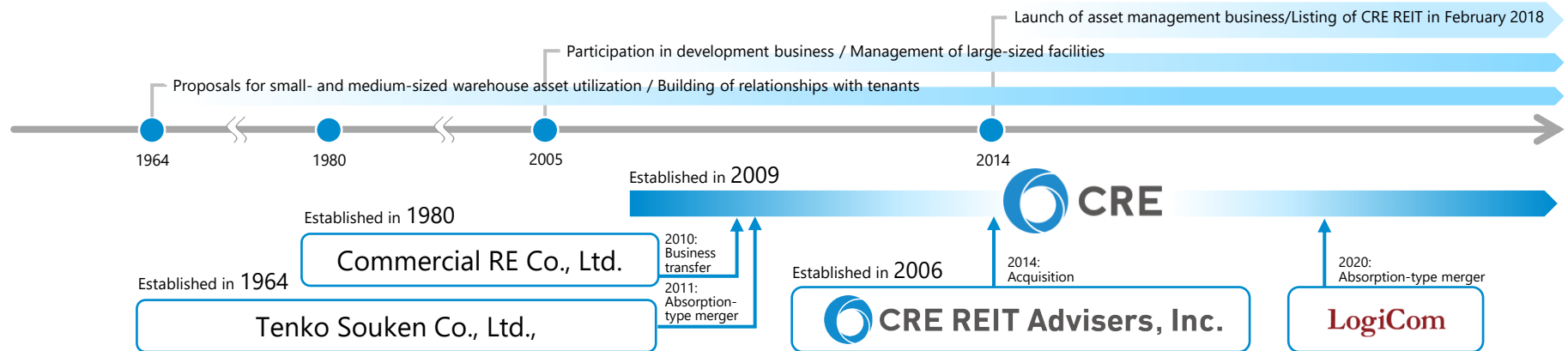


To help minimize costs in the future, the facility already has windows and ventilation built in to ensure compliance with laws and regulations in case it is necessary to expand office areas in the future.

1. The logistics facility shown above is an example of the features of LogiSquare. Not all facilities held by CRE REIT have the features shown above.

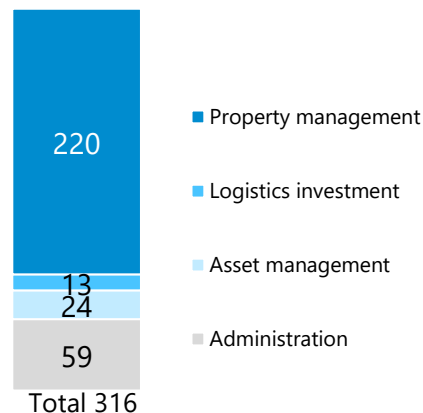
Our Sponsor is Real Estate Company Specializing in Logistics Properties

The sponsor has a track record of more than 50 years in the field of logistics real estate in Japan.



Involvement of all employees in logistics properties

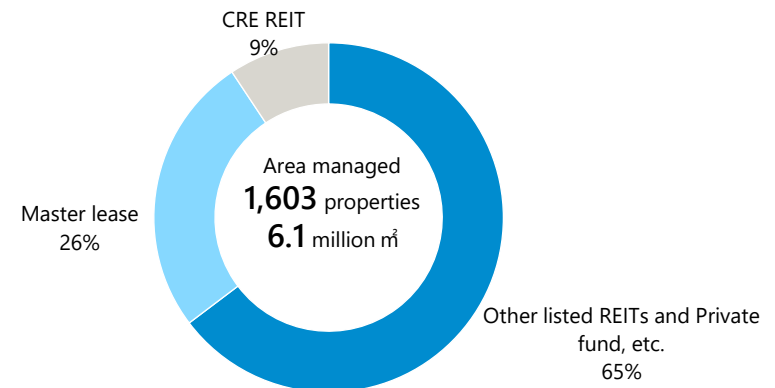
Number of employees on a consolidated basis (as of July 31, 2022)



Source: Prepared by the Asset Manager based on Annual Report for Fiscal Year ended July, 2022 of CRE, Inc.

Proven track record in providing services to other companies

CRE REIT can draw on the sponsor's knowhow gained through the management of 6.1 million m² floor area

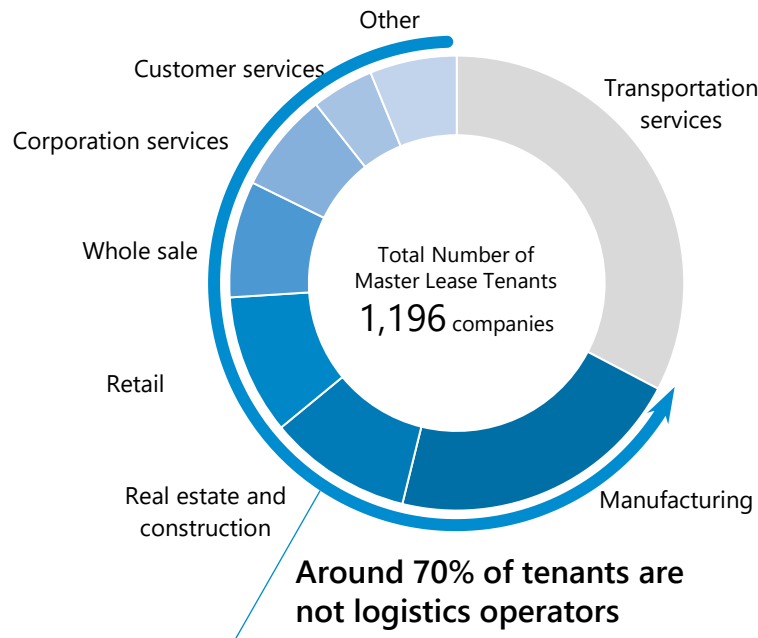


1. As of July 31, 2022. Includes results under the property managements and master lease agreements for the properties other than logistics-related facilities.

CRE's Leasing/Property Management Capability – Strength in Wide Tenant Networks

Fast grasp of rent trends, including actual rents paid and rent increases and decreases, by entering into contracts directly with a diverse range of tenants, not just logistics service providers.

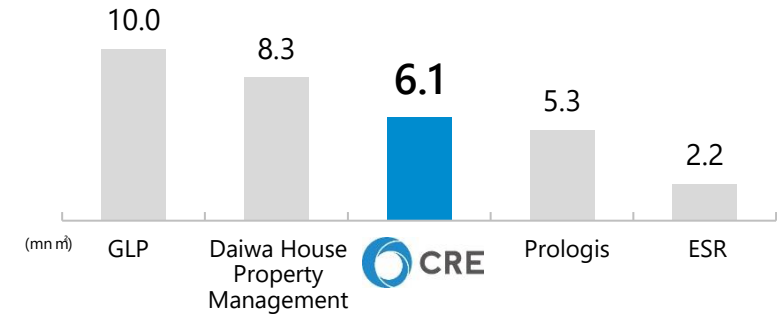
- CRE can gain an understanding of rent levels by entering contracts with tenants directly under master lease arrangements
- CRE builds relationships with tenants from a variety of industries not only logistics operators.



1. As of July 31, 2022. Figures include tenants of properties other than logistics-related facilities. The classification of tenants is made by the Assets Manager based on hearing surveys at the execution of lease contracts, considering major items and industries of each tenants. Therefore, those ratios may differ from actual ratios.

Ranks Third Among Logistics Facilities-focusing PM companies

Top 5 based on the entrusted areas



- Major Clients**
- LaSalle LOGIPORT REIT
 - Star Asia Investment Corporation
 - Kenedix Retail REIT Corporation
 - United Urban Investment Corporation
 - Japan Logistics Fund, Inc.
 - Industrial & Infrastructure Fund Investment Corporation
 - Mitsubishi Estate Logistics REIT Investment Corporation
 - Mitsubishi Jisho Investment Advisors, Inc.
 - Morgan Stanley Capital K.K
 - Mitsui & Co., Realty Management Ltd.
 - Yamato Transport Co. Ltd.
 - TLC REIT Management Inc.
- (No particular order)

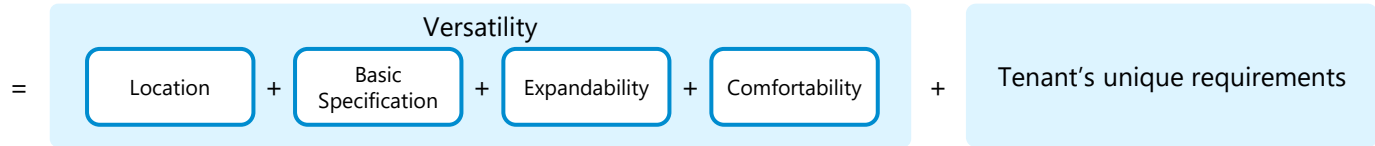
1. Prepared by the Asset Manager based on Monthly Property Management Magazine from SOGO UNICOM Co., Ltd. (November 2022 edition). "Logistics facilities-focusing PM companies" refer to property management companies where 70% or more of their entrusted areas are the areas of logistics facilities. "Entrusted areas" include the management areas of real estate other than logistics facilities.

2. Prepared by the Asset Manager based on CRE Inc.'s Consolidated Results for Fiscal Year 2022 (August 1, 2021 to July 31, 2022).

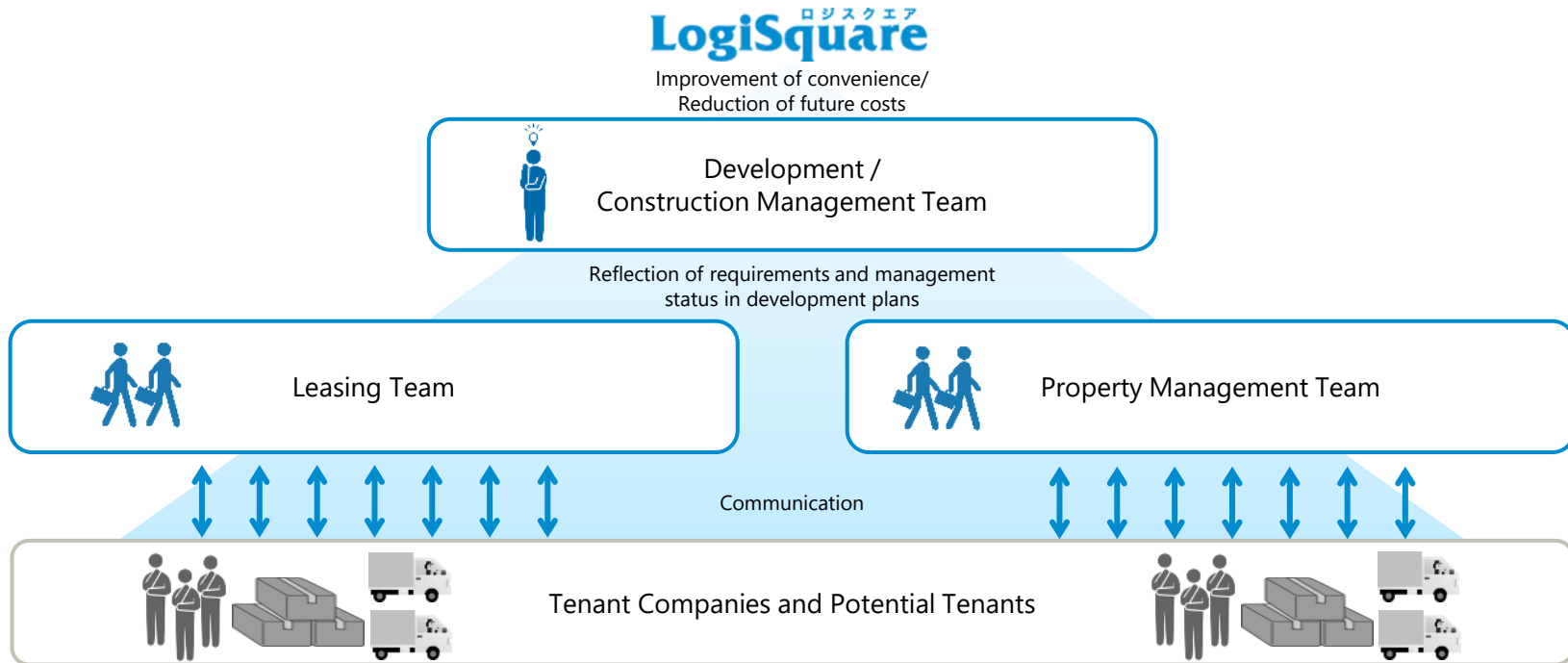
CRE's Development Capability – Development Ensuring Versatility and Incorporating Tenant Requirements

Realization of Long-term Contracts and Mitigation of Re-tenant Risk by Ensuring Versatility and Incorporating Tenant Requirements

LogiSquare ロジスクエア = High-quality logistics facilities developed by CRE to meet tenant needs



Improvement of Convenience by the Full Reflection of the Requirements Learned Through Day-to-Day Management and Leasing Activities in Development Plans

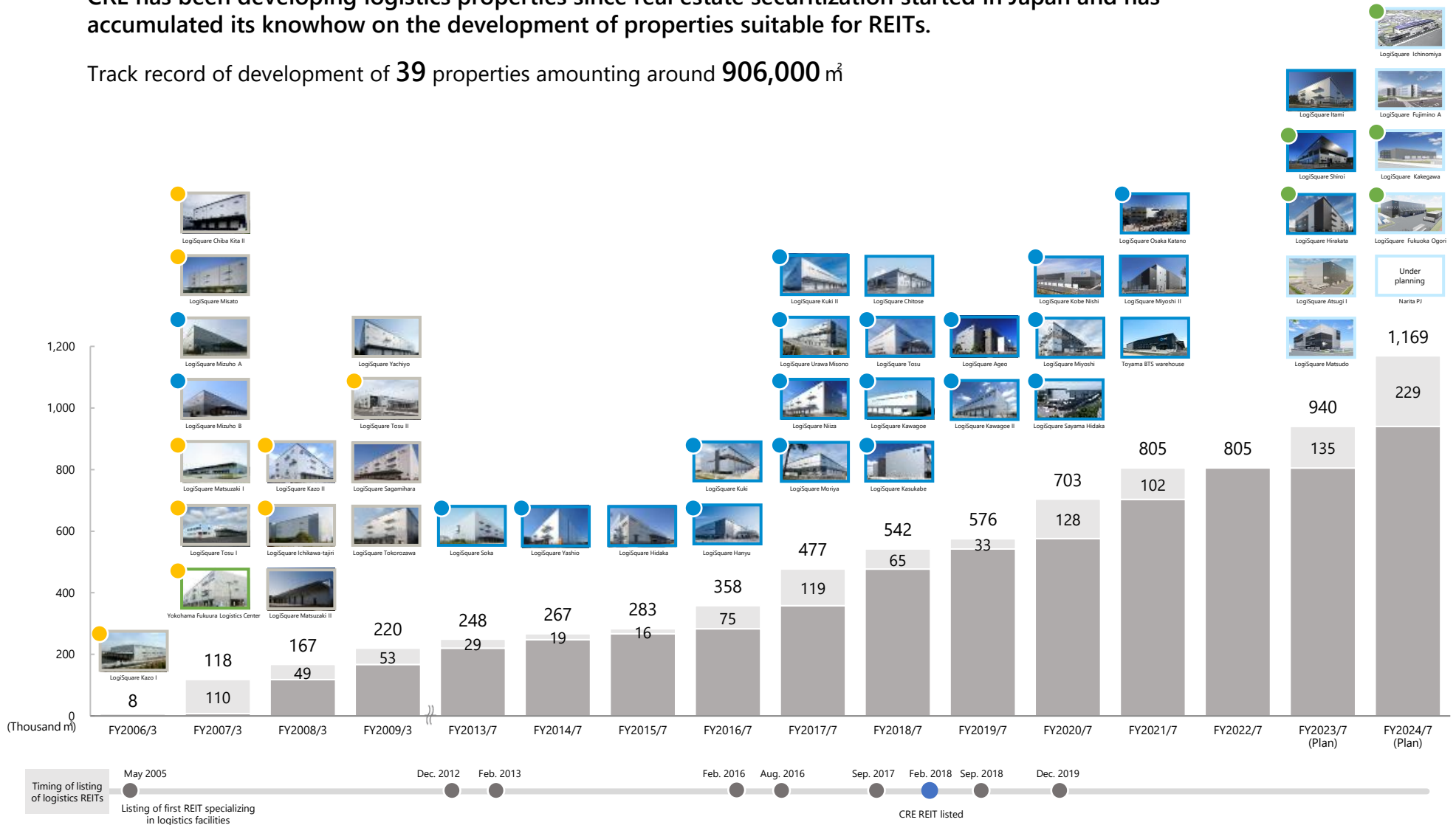


3. Characteristics of CRE Logistics REIT, Inc.

CRE's Development Capability – Development Since the Start of Real Estate Securitization in Japan

CRE has been developing logistics properties since real estate securitization started in Japan and has accumulated its knowhow on the development of properties suitable for REITs.

Track record of development of **39** properties amounting around **906,000 m²**



The above chart includes assets not in our portfolio, CRE REIT has not engaged in specific negotiations with the CRE Group companies on any of the above assets that are not portfolio assets, nor does it have any plan to acquire them at the present time or guarantee future acquisition. The above chart also includes the properties that have already been sold to third parties. Furthermore, with respect to properties to be developed by CRE (planned), as of February 16, 2023, the development has not completed and the pictures, total floor area and development completion timing are based on plans as of February 16, 2023 and may change in the future. The development completion dates of the above assets are stated as the building completion dates.

4. Market Environment



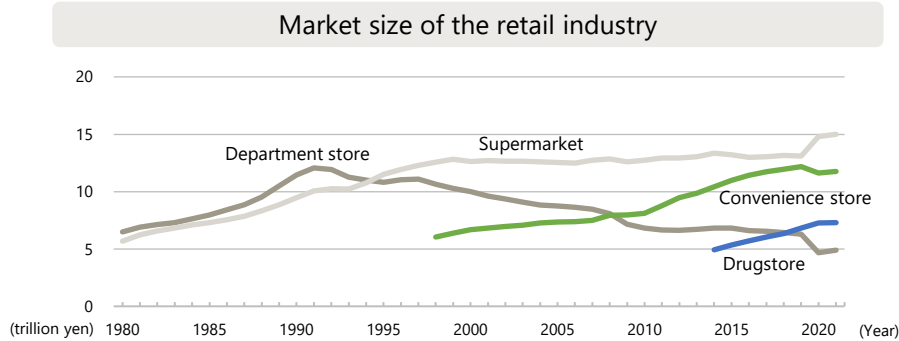
LogiSquare Moriya

Located in the Moriya-shi Matsunami land rezoning project area, within walking distance of Moriya Station on the Tsukuba Express Line and has great advantages in terms of securing employees.

The Background of Solid Demand for Rental Logistics Facilities (1)

1. Market size expansion of convenience stores and drugstores

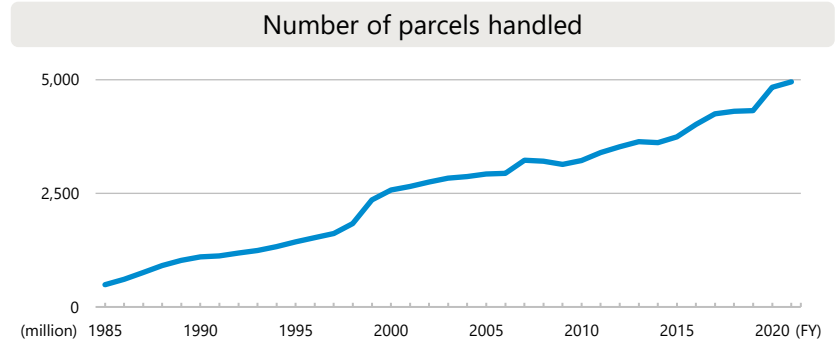
- Convenience stores and drugstores are open for long hours and have small storage capabilities, requiring multiple small-lot shipments per day.
- The increase in the number of smaller stores and shorter delivery times led to optimization of distribution channels and streamlining and efficiency of logistics.



Source: Prepared by the Asset Manager based on Dynamic Statistics of Commerce by the Ministry of Economy, Trade and Industry

2. Internet shopping flourishes

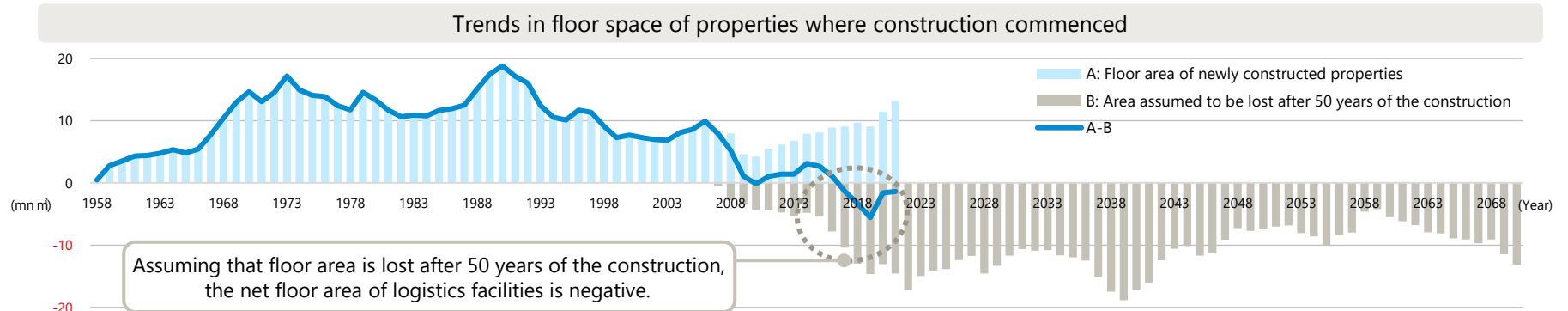
- The number of deliveries to individual customers has increased due to the growing popularity of Internet shopping.
- In addition to the traditional storage function, logistics facilities are now also required to be able to collect and deliver goods for frequent shipment and distribution processing, such as packaging and wrapping.



Source: Prepared by the Asset Manager based on Delivery Service Record by the Ministry of Land, Infrastructure, Transport and Tourism

3. Aging logistics facilities

- Construction of new warehouses peaked during the period of high economic growth and the economic bubble, and the facilities built in those periods, which are now 40-50 years old, are considered to have reached the end of their service lives.
- Assuming that the floor area of properties over 50 years old, which is considered the life span of a logistics facility, has been lost, the net floor area of logistics facilities has turned negative since 2017.

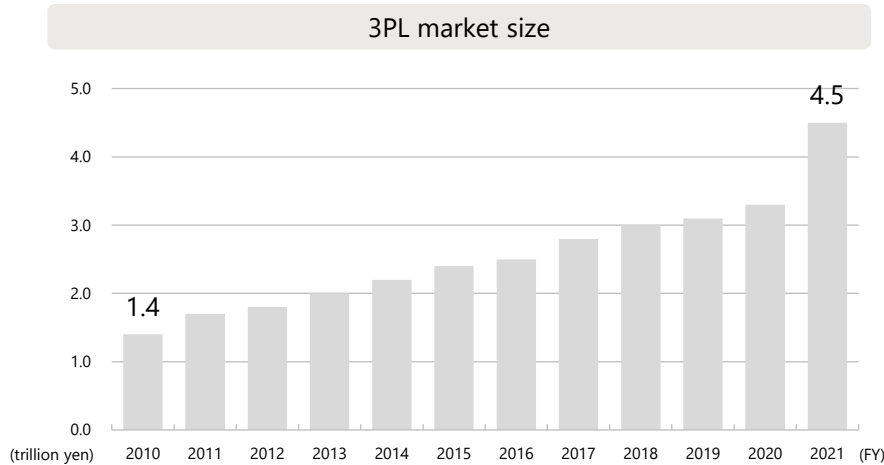


Source: Prepared by the Asset Manager based on the Japan Construction Starts Report by the Ministry of Land, Infrastructure, Transport and Tourism and the Statistical Yearbook of Construction by the Ministry of Construction

The Background of Solid Demand for Rental Logistics Facilities (2)

4. Market size expansion of third-party logistics (3PL)

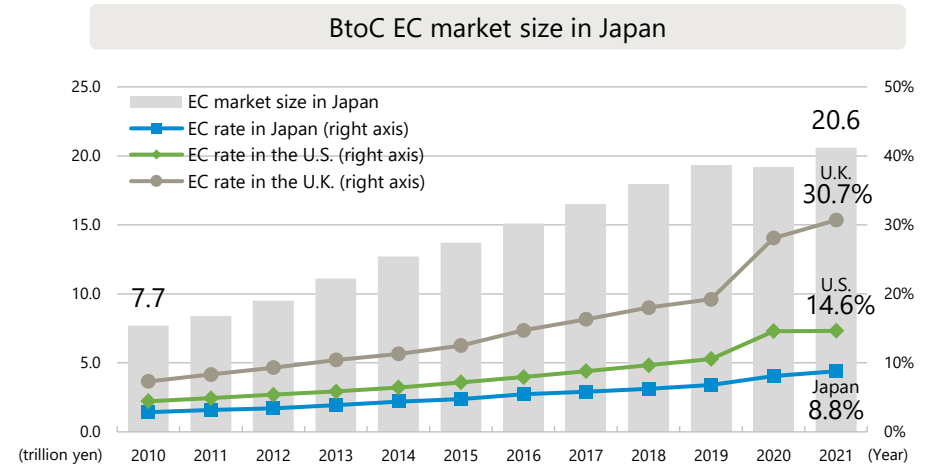
- The market for third-party logistics (3PL) is growing as companies are increasingly outsourcing their logistic operation comprehensively.



Source: Prepared by the Asset Manager based on "The monthly Logistics Business September 2022" issued by Rhinos Publications, Inc.

5. Room for expansion of e-commerce (EC) market size

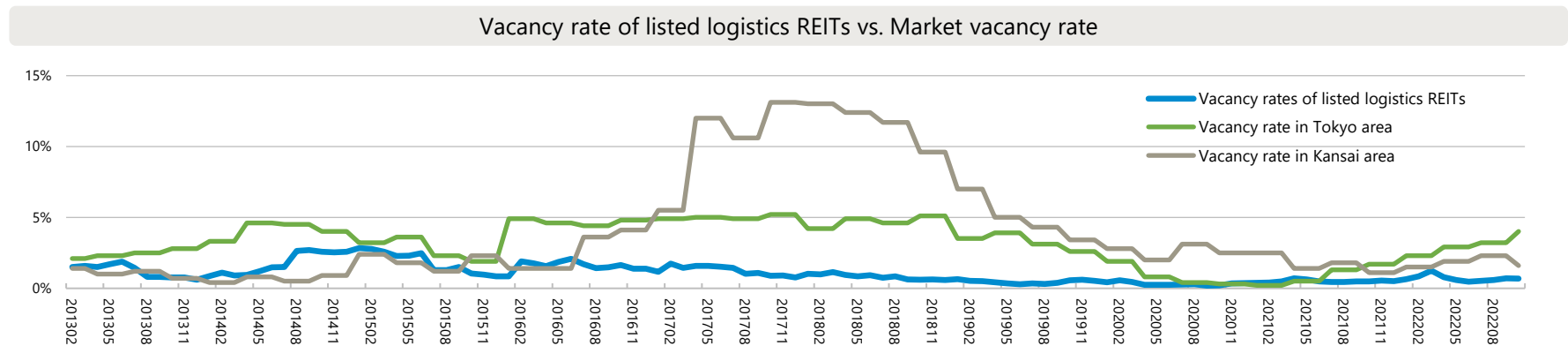
- While the EC market is expanding year by year, the EC rate in Japan is low compared with the U.S. and U.K. and there is still much room for expansion.



Source: Prepared by the Asset Manager based on Market Research on E-commerce by the Ministry of Economy, Trade and Industry, and data of the United States Census Bureau (U.S.) and Office for National Statistics (U.K.).




Note: The ratio of the EC market size to the amount of all commercial transactions (the commercial transaction market size). The EC rate in Japan refers to the value in the field of product sales.

Reference: Vacancy rates of listed logistics REITs have remained stable and low compared to the overall market



Source: Prepared by the Asset Manager based on websites of listed logistics REITs and "Industrial Market Research October 2022" of K.K. Ichigo Real Estate Service.

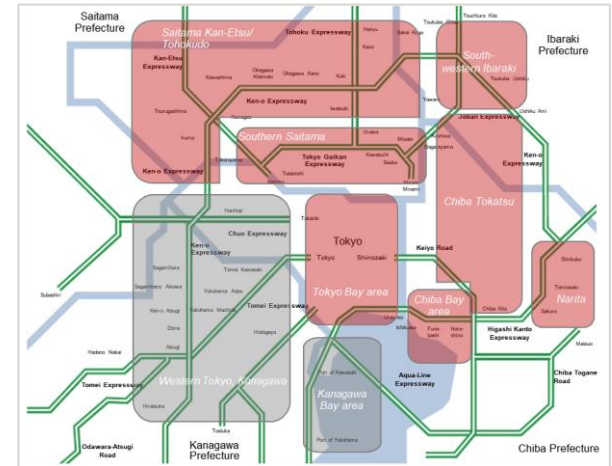
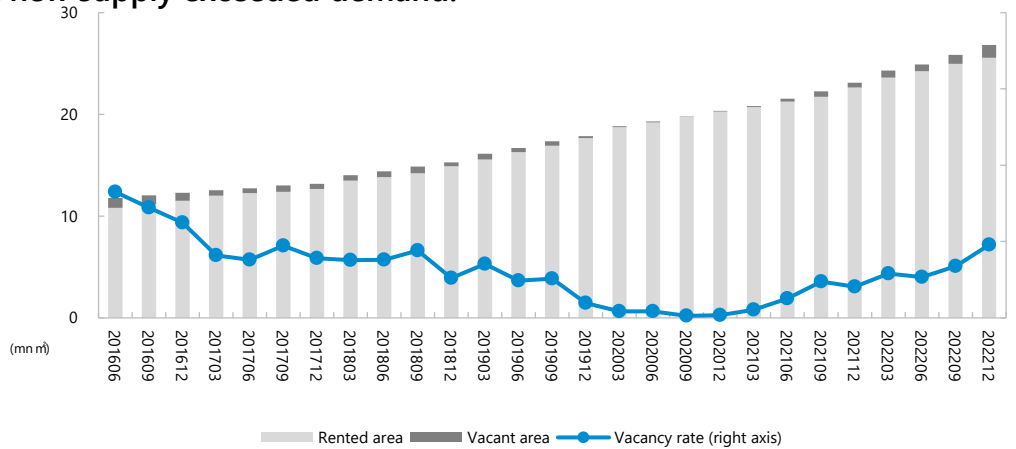
Market Trends (1) Tokyo Metropolitan Area and Kansai Area

-  Vacancy rate: Less than 5%
-  Vacancy rate: 5% or more and less than 10%
-  Vacancy rate: 10% or more

Tokyo metropolitan area

Vacancy rate: **4.79%** QoQ: **Slightly Deteriorated**

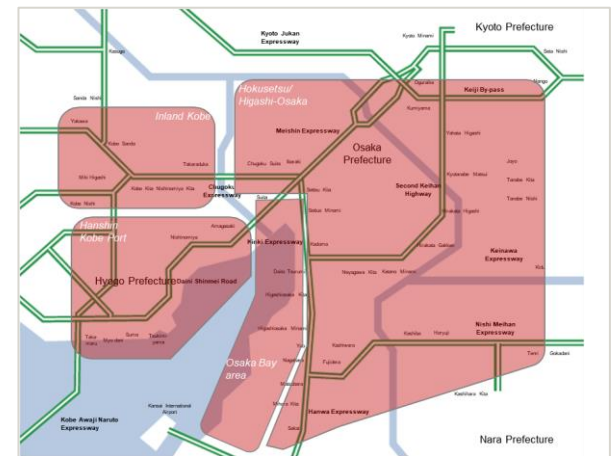
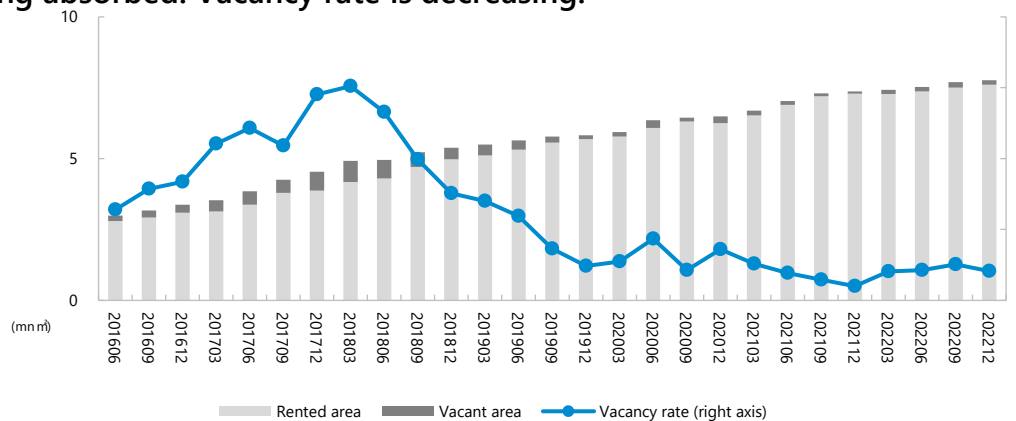
Demand was high, exceeding 200,000 tsubo for 5 consecutive quarters, but new supply exceeded demand.



Kansai area

Vacancy rate: **2.06%** QoQ: **Slightly Improved**

While new supply has not yet been absorbed, existing properties are being absorbed. Vacancy rate is decreasing.

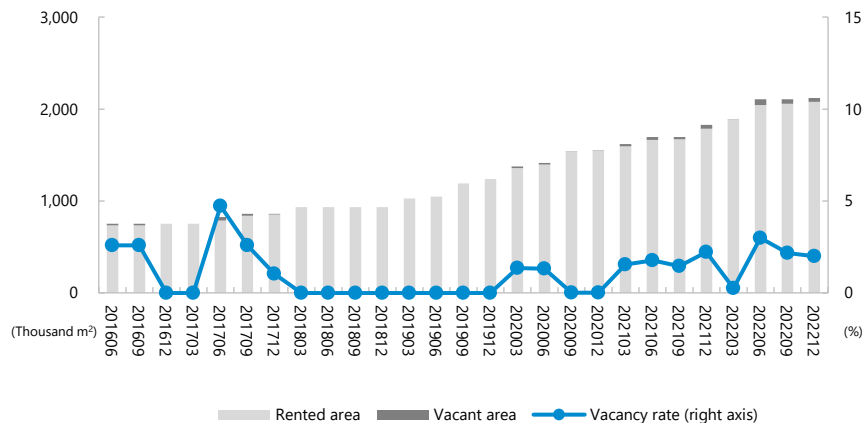


Market Trends (2) Saitama Prefecture Each Area

Southern Saitama area

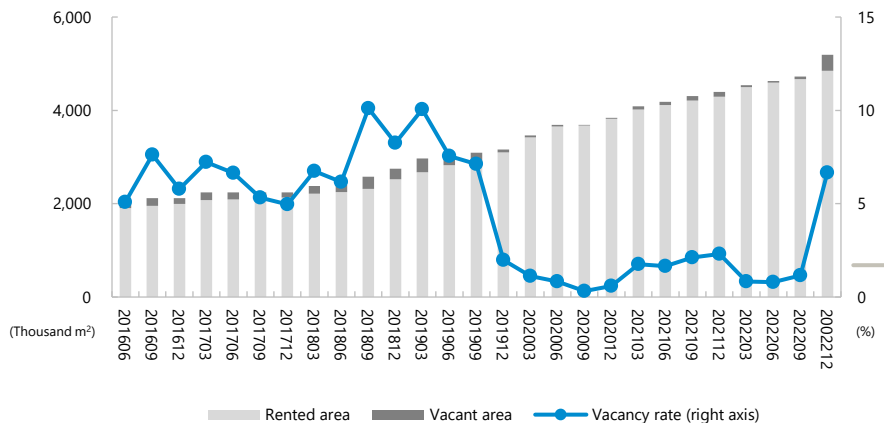
	Niiza	Urawa Misono
Soka	Yashio	Miyoshi

Vacancy rate: **2.00%** QoQ: **Slightly Improved**



Saitama Kan-Etsu/ Tohokudo area

Vacancy rate: **6.66%** QoQ: **Deteriorated**



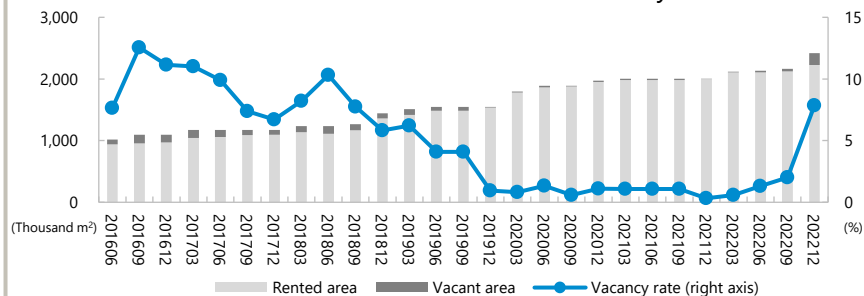
Source: Prepared by the Asset Manager based on data from "LogiSquare Market Report on Warehouses and Logistics Properties December 2022" of CRE, Inc.

Breakdown: Saitama Kan-Etsu/ Tohokudo area

Saitama Kan-Etsudo area

	Kawagoe	Mizuho A
Mizuho B	Kawagoe II	Sayama Hidaka

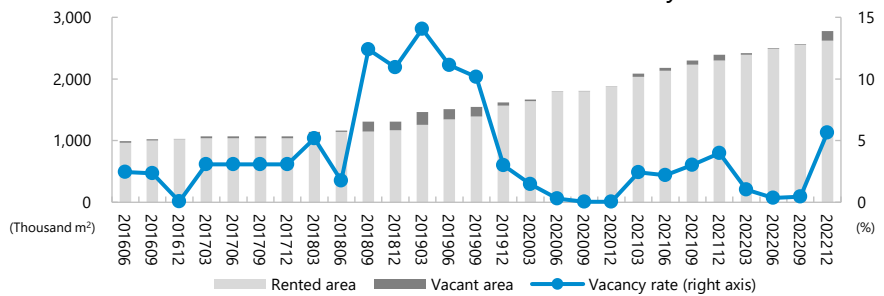
Vacancy rate: **7.85%**



Saitama Tohokudo area

	Kuki	Hanyu
Kuki II	Kasukabe	Ageo

Vacancy rate: **5.63%**



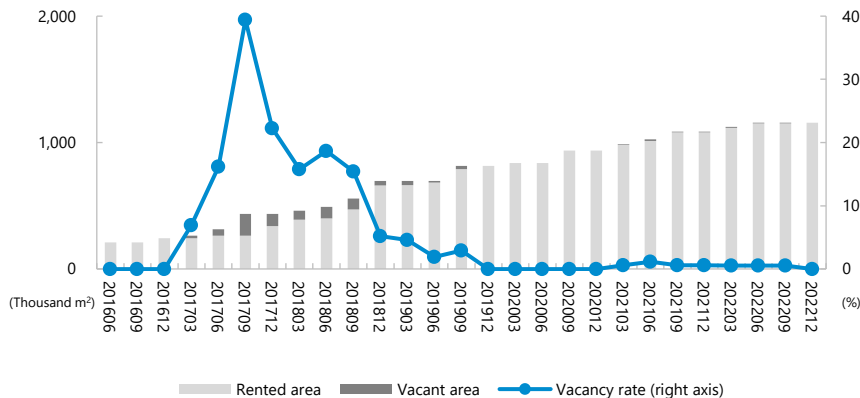
Source: Prepared by the Asset Manager based on data from CRE, Inc.

Market Trends (3) Other Each Area

Southwestern Ibaraki area

Moriya

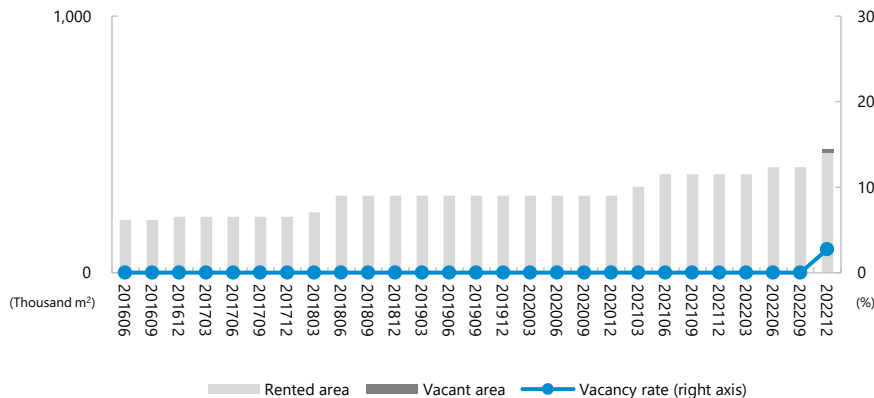
Vacancy rate: **0.00%** QoQ: **Slightly Improved**



Tosu area

Tosu

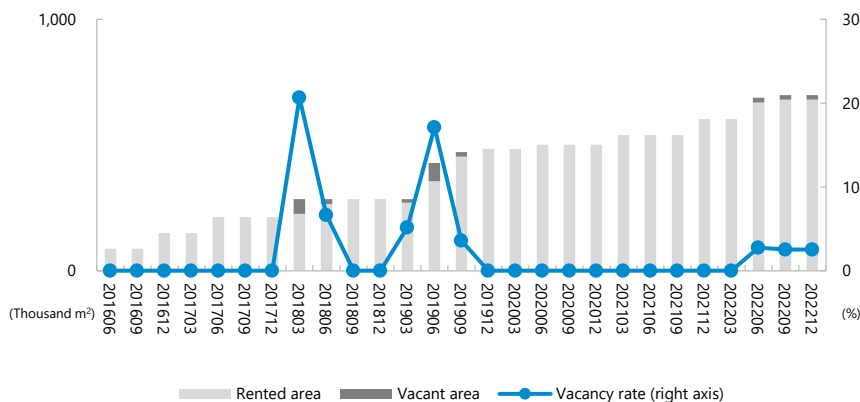
Vacancy rate: **2.76%** QoQ: **Deteriorated**



Inland Kobe area

Kobe Nishi

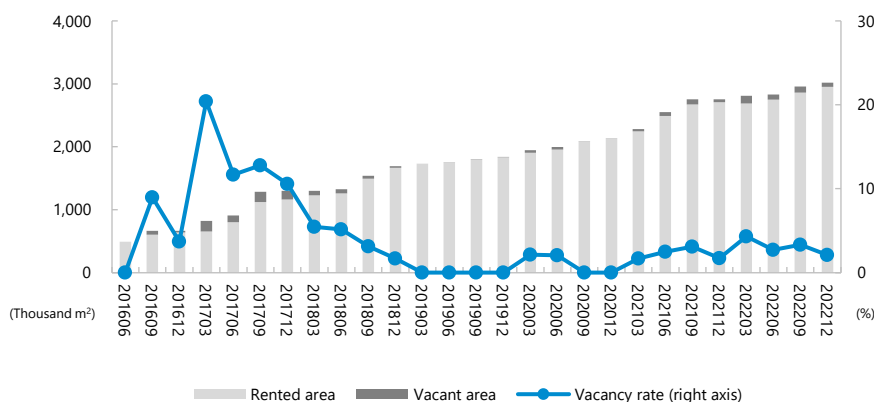
Vacancy rate: **2.52%** QoQ: **Flat**



Hokusetsu Higashi-Osaka area

Osaka
Katano

Vacancy rate: **2.11%** QoQ: **Improved**



Source: Prepared by the Asset Manager based on data from "LogiSquare Market Report on Warehouses and Logistics Properties December 2022" of CRE, Inc.

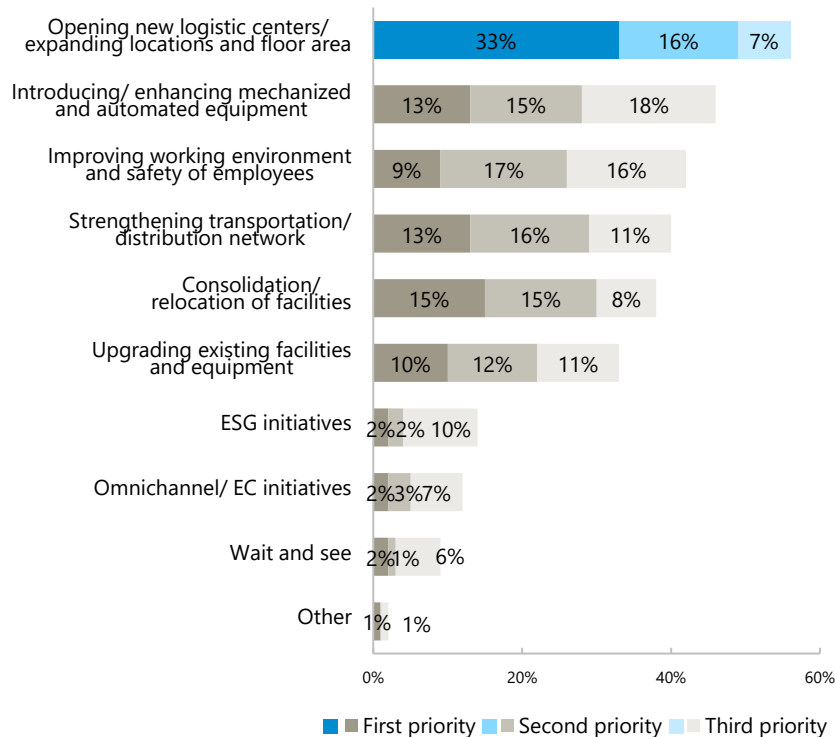
Rising Demand for Rental Logistics Facilities

- Rising Importance of Logistics Network Strategy

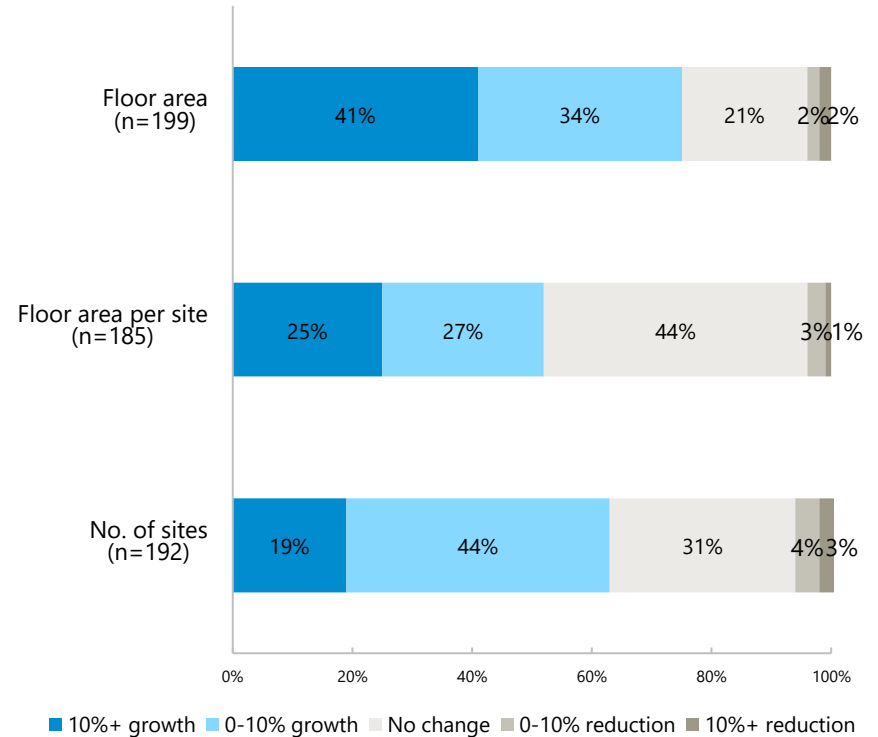
- 56% of companies using logistics facilities focus on “Opening new logistic centers/ expanding locations and floor area”.

- 75% of the companies responded that they plan to expand their total floor area.

Priority measures for next three years



Expansion plans for the next three years



Number of responses: 195
 Survey period: March 2, 2022 to March 15, 2022
 Survey targets: Companies in Japan that use logistics facilities (owned or leased)
 Source: Prepared by the Asset Manager based JAPAN 2022 LOGISTICS OCCUPIER SURVEY from CBRE, INC.

Survey period: March 2, 2022 to March 15, 2022
 Survey targets: Companies in Japan that use logistics facilities (owned or leased)
 Source: Prepared by the Asset Manager based JAPAN 2022 LOGISTICS OCCUPIER SURVEY from CBRE, INC.



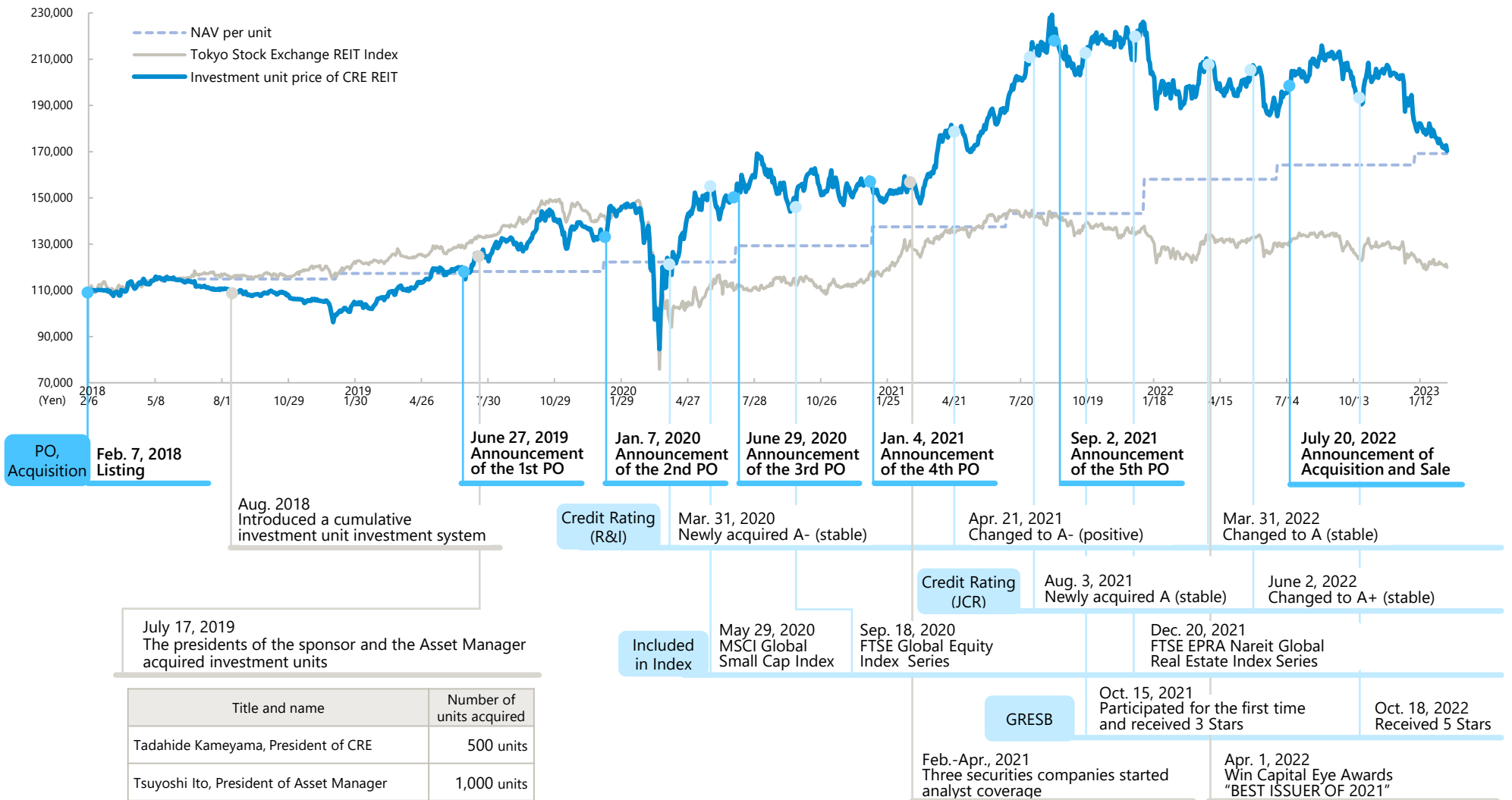
5. Appendix

LogiSquare Tosu

Located in Tosu-shi, the largest logistics center in Kyushu.

Increasing Investment Unit Price through the Various Timely Actions

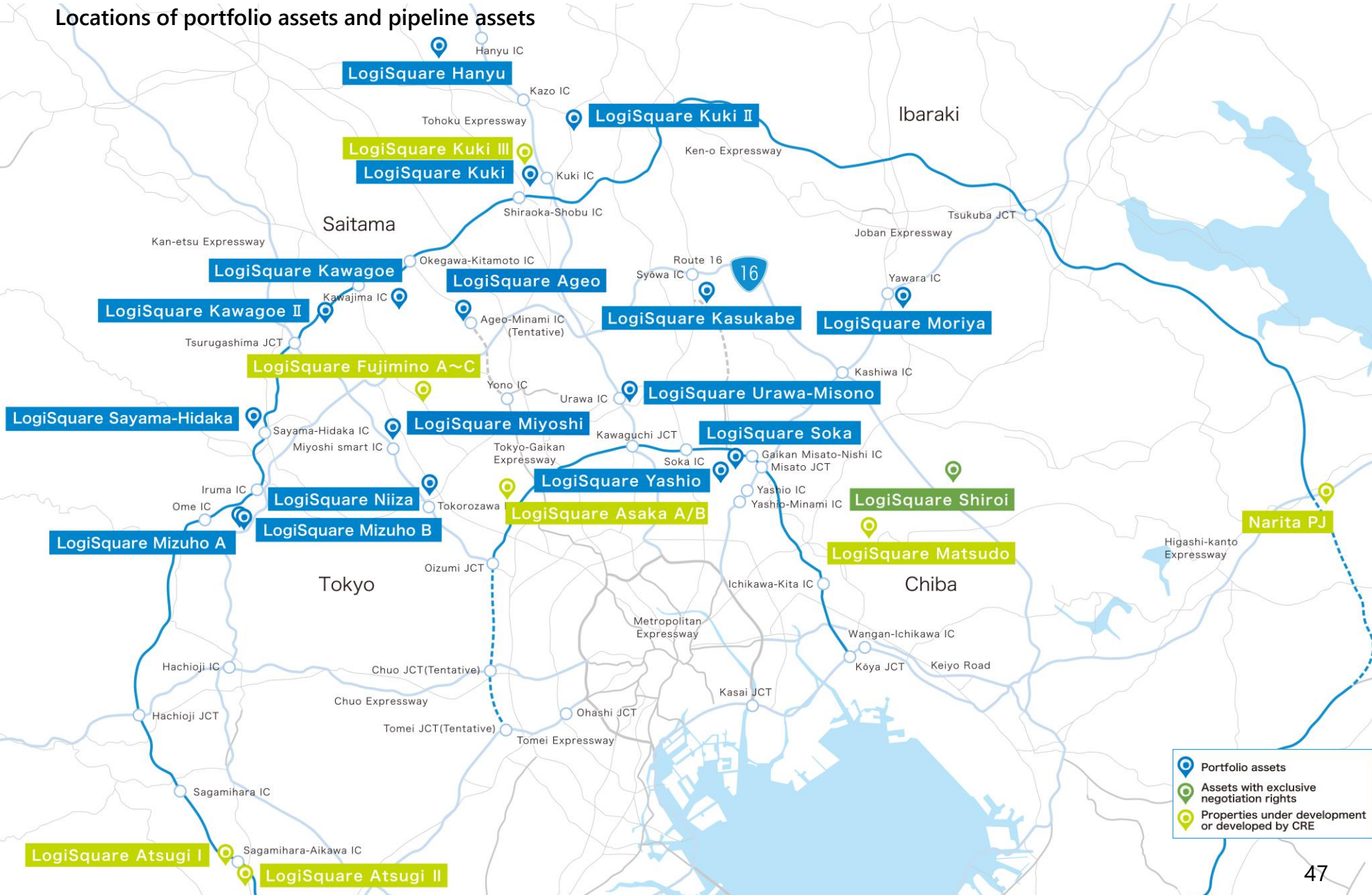
Trend in investment unit price (closing price) (as of February 15, 2023)



1. Trends in the closing price of the Tokyo Stock Exchange REIT Index at Tokyo Stock Exchange, Inc. (hereinafter "TSE") show trends in relativized figures on the assumption that the closing price (1,661.29pt) of the TSE REIT Index on the previous business day of the listing of CRE REIT (February 7, 2018) is the same as the issue price (110,000 yen per unit) of CRE REIT at the time of listing.

Portfolio Centered on Metropolitan Areas (1) Tokyo Metropolitan Area

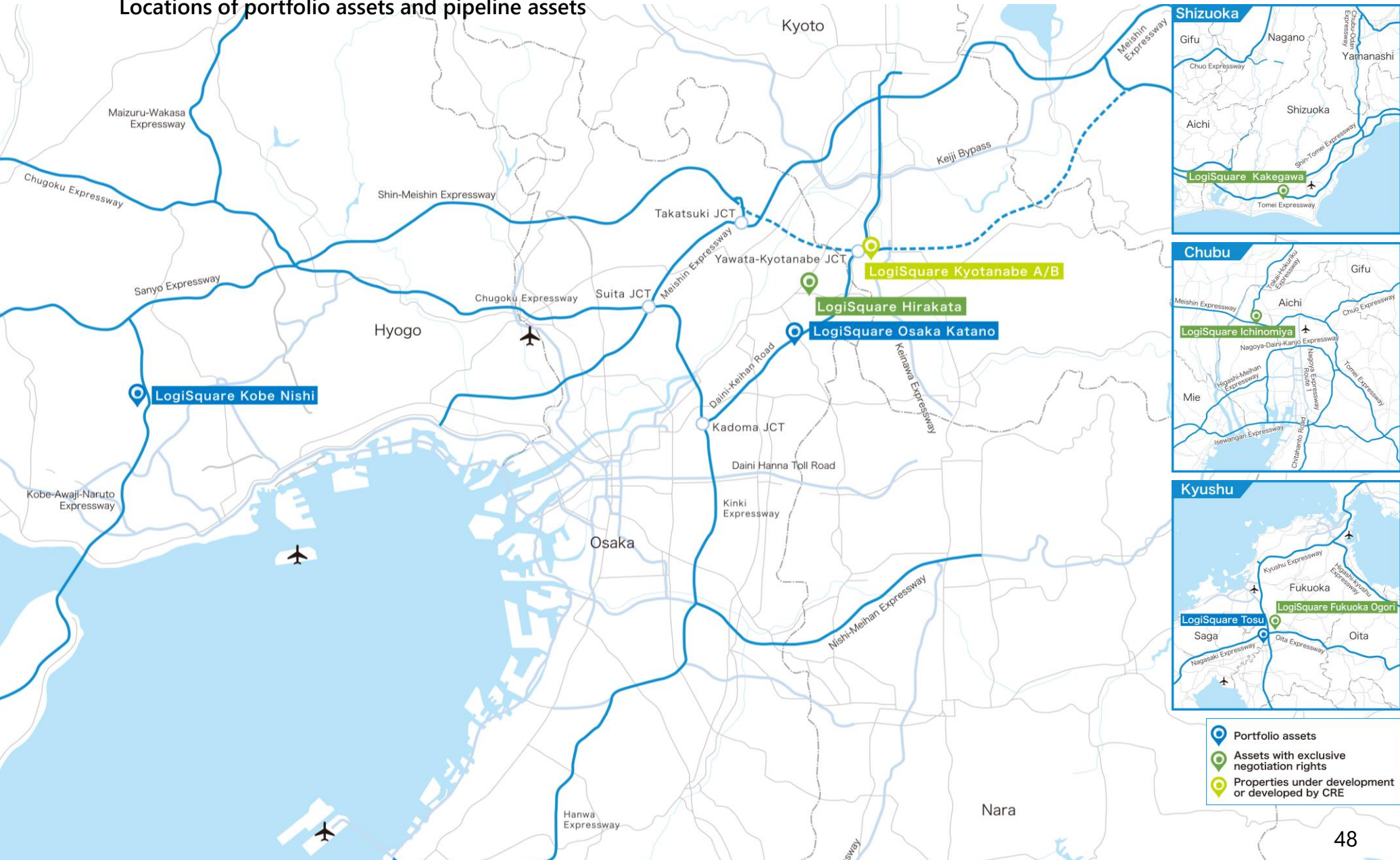
Locations of portfolio assets and pipeline assets



-  Portfolio assets
-  Assets with exclusive negotiation rights
-  Properties under development or developed by CRE

Portfolio Centered on Metropolitan Areas (2) Kansai Area and Other

Locations of portfolio assets and pipeline assets



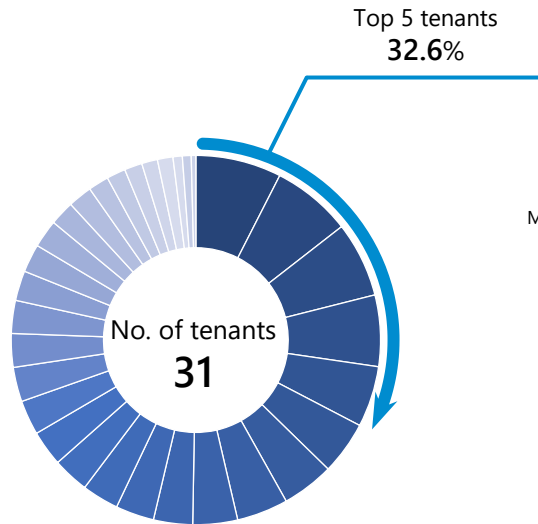
Portfolio List

No.	Property name	Location	Acquisition price (mn yen)	Appraisal value (mn yen)	Appraisal NOI yield (%)	Total floor area (㎡)	Age (years)	Number of tenants	Occupancy rate(%)	Developer
M-1	LogiSquare Kuki	Kuki-shi, Saitama	9,759	11,500	4.8	40,907.13	6.6	1	100.0	CRE
M-2	LogiSquare Hanyu	Hanyu-shi, Saitama	6,830	7,530	4.9	33,999.61	6.5	1	100.0	CRE
M-3	LogiSquare Kuki II	Kuki-shi, Saitama	2,079	2,430	5.2	11,511.22	5.9	1	100.0	CRE
M-4	LogiSquare Urawa Misono	Saitama-shi, Saitama	13,060	15,500	4.8	48,738.29	5.8	3	100.0	CRE
M-5	LogiSquare Niiza	Niiza-shi, Saitama	6,960	7,990	4.9	25,355.82	5.8	1	100.0	CRE
M-6	LogiSquare Moriya	Moriya-shi, Ibaraki	6,157	7,810	5.6	32,904.90	5.7	2	100.0	CRE
M-7	LogiSquare Kawagoe	Kawagoe-shi, Saitama	1,490	1,780	5.1	7,542.56	4.9	1	100.0	CRE
M-8	LogiSquare Kasukabe	Kasukabe-shi, Saitama	4,900	5,910	5.1	21,315.54	4.6	1	100.0	CRE
M-9	LogiSquare Soka	Soka-shi, Saitama	8,109	9,640	4.6	28,817.59	9.5	1	100.0	CRE
M-10	LogiSquare Yashio	Yashio-shi, Saitama	5,073	5,950	4.6	19,068.60	8.9	1	100.0	CRE
M-11	LogiSquare Mizuho A	Mizuho-machi, Tokyo	2,794	3,250	4.9	13,755.16	15.9	1	100.0	CRE
M-12	LogiSquare Mizuho B	Mizuho-machi, Tokyo	3,584	4,110	4.8	16,016.37	15.9	1	100.0	CRE
M-13	LogiSquare Ageo	Ageo-shi, Saitama	4,908	5,570	4.6	19,142.84	3.7	2	100.0	CRE
M-14	LogiSquare Miyoshi	Miyoshi-machi, Saitama	11,700	13,400	4.6	37,931.49	2.6	1	100.0	CRE
M-15	LogiSquare Sayama Hidaka	Hanno-shi, Saitama	17,678	19,300	4.4	73,728.44	2.6	5	100.0	CRE
M-16	LogiSquare Kawagoe II	Kawagoe-shi, Saitama	3,244	3,620	4.8	14,281.38	3.5	1	100.0	CRE
K-1	LogiSquare Kobe Nishi	Kobe-shi, Hyogo	3,479	3,770	4.6	16,006.20	2.7	1	100.0	CRE
K-2	LogiSquare Osaka Katano	Katano-shi, Osaka	22,370	23,700	4.4	76,393.17	2.0	5	100.0	CRE
O-1	LogiSquare Tosu	Tosu-shi, Saga	2,823	3,400	5.3	16,739.40	4.9	1	100.0	CRE
19 properties Total/Average			136,998	156,160	4.7	554,155.71	5.1	31	100.0	–

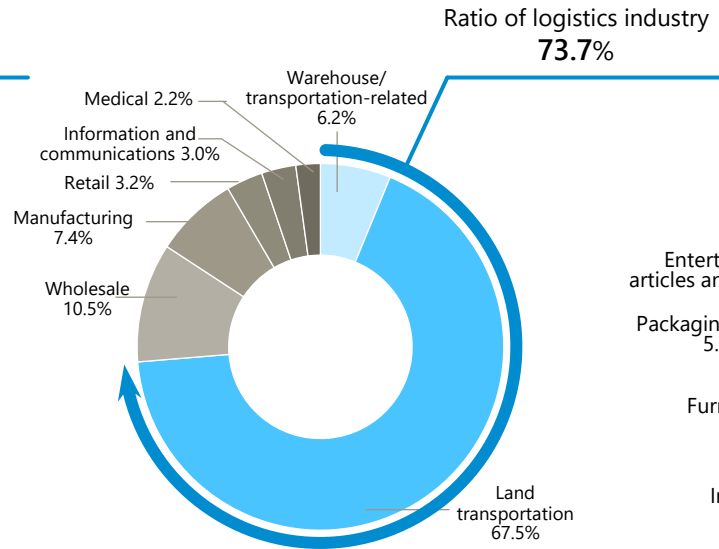
Portfolio Diversification

More than 70% of the tenants are in the logistics industry and handle a wide variety of products.

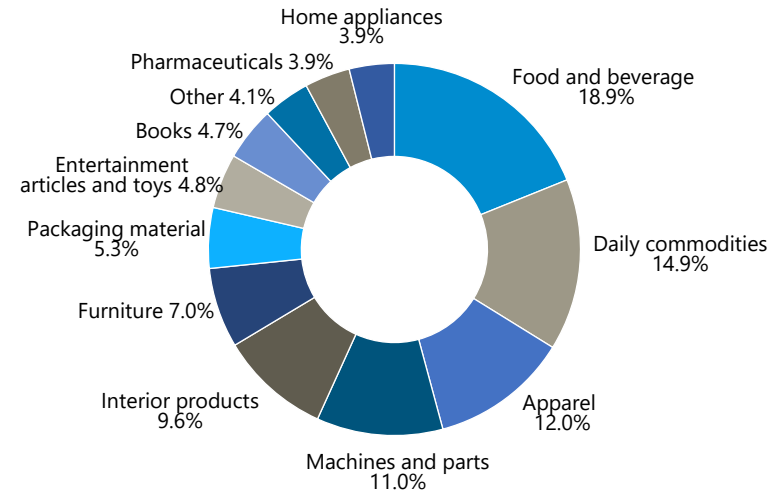
Diversification of tenants



Tenant industries



Products handled by tenants



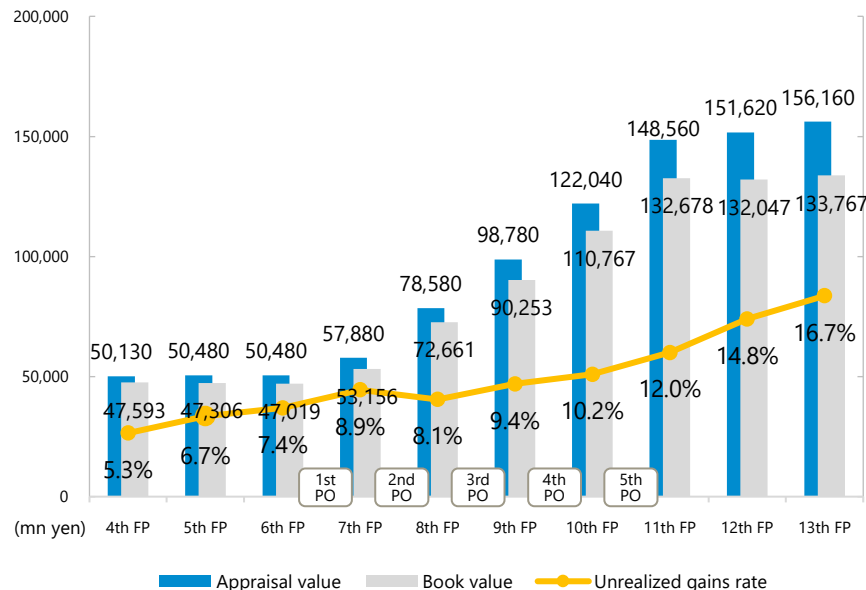
1. Based on leased area.

2. The classification in each graph is on visual contact or hearing results, and only major items are stated by Asset manager. Therefore, those ratios may differ from actual ratios.

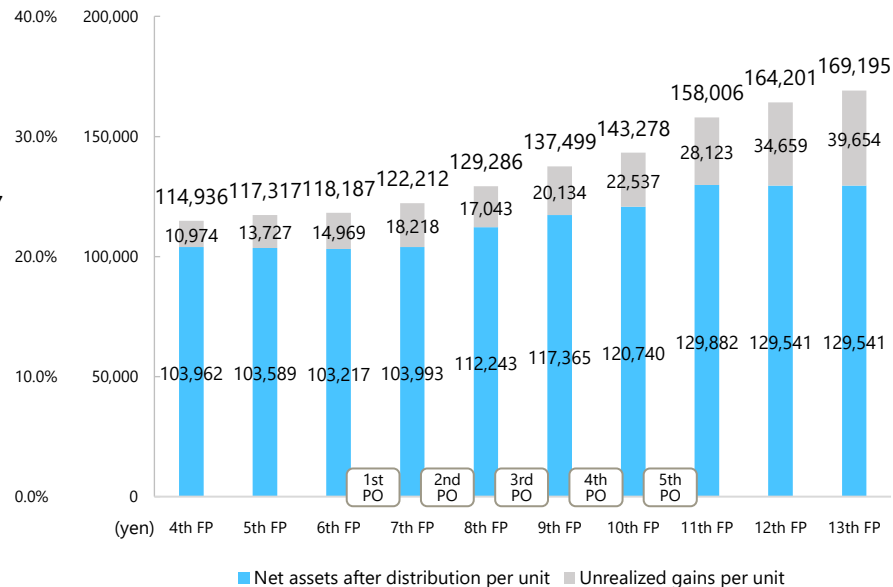
Overview of Appraisal Value

	12th FP (2022/6)	13th FP (2022/12)	Compared to 12th FP
Appraisal value	151,620 mn yen	156,160 mn yen	+ 4,540 million yen
Book value	132,047 mn yen	133,767 mn yen	+ 1,719 million yen
Unrealized gains	19,572 mn yen	22,392 mn yen	+ 2,820 million yen
Unrealized gains rate	14.8 %	16.7 %	+ 1.9 %
NAV per unit	164,201 yen	169,195 yen	+ 4,994 yen

Appraisal value / Unrealized gains rate



NAV per unit



Overview of Appraisal Value

No.	Property name	Acquisition month and year	Acquisition price (mn yen)	Book value at the end of the 13th FP (mn yen)	At the end of the 13th FP		At the end of the 12th FP		Changes		Unrealized gains (mn yen)	Unrealized gains rate (%)
					Appraisal value (mn yen)	Direct capitalization rate (%)	Appraisal value (mn yen)	Direct capitalization rate (%)	Appraisal value (mn yen)	Direct capitalization rate (%)		
M-1	LogiSquare Kuki	Jul. 2016	9,759	8,964	11,500	4.0	11,300	4.1	+ 200	- 0.1	2,535	28.3
M-2	LogiSquare Hanyu	Jul. 2016	6,830	6,270	7,530	4.4	7,440	4.5	+ 90	- 0.1	1,259	20.1
M-3	LogiSquare Kuki II	Feb. 2018	2,079	1,969	2,430	4.3	2,400	4.4	+ 30	- 0.1	460	23.4
M-4	LogiSquare Urawa Misono	Feb. 2018	13,060	12,563	15,500	3.9	15,300	4.0	+ 200	- 0.1	2,936	23.4
M-5	LogiSquare Niiza	Feb. 2018	6,960	6,667	7,990	4.2	7,890	4.3	+ 100	- 0.1	1,322	19.8
M-6	LogiSquare Moriya	Feb. 2018	6,157	5,864	7,810	4.3	7,700	4.4	+ 110	- 0.1	1,945	33.2
M-7	LogiSquare Kawagoe	Jul. 2019	1,490	1,462	1,780	4.1	1,730	4.2	+ 50	- 0.1	317	21.7
M-8	LogiSquare Kasukabe	Jul. 2019	4,900	4,789	5,910	4.0	5,760	4.1	+ 150	- 0.1	1,120	23.4
M-9	LogiSquare Soka	Feb. 2020	8,109	8,109	9,640	3.7	9,370	3.8	+ 270	- 0.1	1,530	18.9
M-10	LogiSquare Yashio	Feb. 2020	5,073	5,080	5,950	3.7	5,790	3.8	+ 160	- 0.1	869	17.1
M-11	LogiSquare Mizuho A	Feb. 2020	2,794	2,817	3,250	4.0	3,170	4.1	+ 80	- 0.1	432	15.4
M-12	LogiSquare Mizuho B	Feb. 2020	3,584	3,591	4,110	4.0	4,010	4.1	+ 100	- 0.1	518	14.4
M-13	LogiSquare Ageo	Jul. 2020	4,908	4,851	5,570	4.0	5,420	4.1	+ 150	- 0.1	718	14.8
M-14	LogiSquare Miyoshi	Jul. 2020	11,700	11,501	13,400	4.0	13,400	4.0	—	—	1,898	16.5
M-15	LogiSquare Sayama Hidaka	Jan. 2021 80% July 2022 20%	17,678	17,580	19,300	3.8	15,000	3.9	+ 4,300	- 0.1	1,719	9.8
M-16	LogiSquare Kawagoe II	Jan. 2021	3,244	3,225	3,620	4.1	3,530	4.2	+ 90	- 0.1	394	12.2
K-1	LogiSquare Kobe Nishi	Jan. 2021	3,479	3,469	3,770	4.2	3,670	4.3	+ 100	- 0.1	300	8.6
K-2	LogiSquare Osaka Katano	Sep. 2021	22,370	22,310	23,700	4.1	23,700	4.1	—	—	1,389	6.2
O-1	LogiSquare Tosu	Apr. 2018	2,823	2,677	3,400	4.2	3,420	4.3	- 20	- 0.1	722	27.0
O-2	LogiSquare Chitose	Sold in August 2022			—	—	1,620	5.1	- 1,620	—	—	—
End of 13th FP Total / Average		—	136,998	133,767	156,160	—	151,620	—	+ 4,540	—	22,392	16.7

Status of Investors

Major investors (as of December 31, 2022)

Name	Number of investment units(units)	Ratio (%)
The Master Trust Bank of Japan, Ltd. (Trust Account)	131,350	23.3
Custody Bank of Japan, Ltd. (Trust Account)	117,255	20.8
The Nomura Trust and Banking Co., Ltd. (Investment Trust Account)	28,470	5.0
CRE, Inc.	20,390	3.6
The Bank of Yokohama, Ltd.	10,199	1.8
JP MORGAN CHASE BANK 385771	9,061	1.6
STATE STREET BANK WEST CLIENT - TREATY 505234	8,375	1.5
SSBTC CLIENT OMNIBUS ACCOUNT	7,201	1.3
JP MORGAN CHASE BANK 385781	7,157	1.3
Mitsubishi UFJ Trust and Banking Corporation	6,194	1.1
Total	345,652	61.2

Number of investors by type of owner (as of December 31, 2022)

	Number of investors (person)	Ratio (%)
Individuals/others	9,996	95.1
Financial institutions	72	0.7
Other domestic corporations	201	1.9
Overseas investors	215	2.0
Securities companies	22	0.2
Total	10,506	100.0

Number of investment units by type of owner

■ Individuals/others ■ Financial institutions ■ Other domestic corporations ■ Overseas investors ■ Securities companies

