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For immediate release

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Notice Concerning Revision of Operating Forecasts for the Periods Ending October 31, 2024 and Forecast of Merger Grant.

Advance Logistics Investment Corporation (the “ADL”) as described in the press release “Notice Concerning Revision of Operating Forecasts for the Periods Ending August 31, 2024 and February 28, 2025 and Forecast of Merger Grant.” announced August 5 2024 , and the revision of operating results forecasts for the fiscal period ending October 31, 2024 and the revision of the forecast of the merger grant to be paid in lieu of cash distribution for the final fiscal period is as follows.

1. Details of Revisions to the Forecast of Financial Results for the Fiscal Year Ending October 31, 2024 (September 1, 2024 to October 31, 2024)

	Operating revenue (million yen)	Operating income (million yen)	Ordinary income (million yen)	Net income (million yen)	Distributions per unit (yen) (including distributions in excess of earnings)	Distributions per unit (yen) (excluding distributions in excess of earnings)	Distributions in excess of earnings per unit (yen)
Previous forecast (A) (2 months: September 1, 2024 to October 31, 2024)	1,205	519	445	445	661	661	0
Revised forecast (B) (2 months: September 1, 2024 to October 31, 2024)	1,238	570	626	625	928	928	0
Increase/Decrease (B)-(A)	32	50	180	180	267	267	0
Percentage change	2.7%	9.7%	40.5%	40.5%	40.5%	40.5%	0.0%

(Reference) Fiscal period ending October 31, 2024: number of investment units issued and outstanding at the end of the forecast period: 674,400 units.

(Note 1) The above forecasted figures are the current figures calculated based on the assumptions set forth in the attached Exhibit “Assumptions underlying the forecast of operating results and merger grants for the periods ending August 31, 2024 and October 31, 2024 and are subject to change due to additional acquisition or sale of properties, changes in the real estate market, etc., changes in interest rates, the actual number of new investment units to be issued and their issue price, changes in other circumstances surrounding MFLP, etc. Actual operating revenues, operating income, ordinary income, net income, distributions per unit (excluding distributions in excess of earnings) and distributions in excess of earnings per unit may vary depending on future acquisitions or sales of real estate, etc., changes in the real estate market, etc., fluctuations in interest rates, the number and issue price of new units actually issued, changes in other circumstances surrounding MFLP, and other factors. The forecast is not a guarantee of the amount of distributions and distributions in excess of earnings.

(Note 2) The forecast may be revised if a deviation of more than a certain level from the above forecast is expected.

(Note 3) Figures less than a unit are rounded down, and percentages are rounded to the first decimal place.

2. Main reasons for the announcement of the revision of the forecast of financial results

As announced in the “Notice Concerning Scheduled Change of Tenant (Dissolution of Lease)” released March 12, 2024 and “Notice Concerning Conclusion of Lease Agreement (iMissions Park Tokyo Adachi) and Status of iMissions Park Misato and iMissions Park Tokyo Adachi” released June 28, 2024, since then, we have been negotiating with e-Logit Corporation (the “EL”), the former tenant of iMissions Park Misato and iMissions Park Tokyo Adachi, to reach an agreement on various terms and conditions regarding the tenant's move-out, including a penalty fee for early termination.

We have concluded the “Agreement on Termination of Fixed Term Building Lease Agreement and Payment of Unpaid Debts” (the “Termination Agreement”) as of the date hereof. The Termination Agreement provides for the termination of the fixed-term building lease contract and the payment of unpaid obligations.

In the Termination Agreement, EL confirms the amount of unpaid obligations and agrees to pay 160 million yen, a part of the amount, as a settlement payment by September 30, 2024 (the “Scheduled Payment Date”), the remaining amount of the unpaid debt will be discharged. In addition, the entire amount of the security deposit will be allocated to the unpaid obligations.

As mentioned above, EL plans to make the payment stipulated in the Termination Agreement on the scheduled payment date, and as a result, operating and non-operating revenues are expected to change, the forecast of operating results for the fiscal year ending October 31, 2024 and the forecast of merger grant are revised.

In the event that EL does not execute the settlement payment as scheduled in the Termination Agreement, ADL will not be able to recognize the relevant revenue, and the forecast of merger consideration for the fiscal year ending October 31, 2024 may be revised accordingly.

There is no change to the forecasted management situation in the “Notice Concerning Disclosure of Operating Results Forecasts for the Fiscal Period Ending July 31, 2025 and the Fiscal Period Ending January 31, 2026, Following the Merger of Mitsui Fudosan Logistics Park Inc. and Advance Logistics Investment Corporation” announced on August 5, 2024, as a result of the execution of this Termination Agreement.

End

About Advance Logistics Investment Corporation

Advance Logistics Investment Corporation is a J-REIT specializing in logistics facilities, managed by ITOCHU REIT Management Co., Ltd. (IRM), the asset management company of the ITOCHU Group.

We aim for stable management and growth through an extended cooperative relationship with our sponsor, the ITOCHU Group.

“Advance” is the common brand name of the real estate investment corporation managed by ITOCHU REIT Management Co., Ltd.

ADL website: <https://www.adl-reit.com/en/>

IRM website: <https://www.itc-rm.co.jp/en/>



Assumptions underlying the forecast of operating results and merger grants for the periods ending October 31, 2024.

(data) item	Prerequisite.																						
Calculation period and the Merger becomes effective	<ul style="list-style-type: none"> Fiscal year ending October 31, 2024 (September 1, 2024 - October 31, 2024) (61 days) *As announced in the “Notice Concerning Execution of the Merger Agreement between Mitsui Fudosan Logistics Park Inc. and Advance Logistics Investment Corporation” dated August 5, 2024, it is assumed that the above merger will become effective as of November 1, 2024. 																						
Assets under management	<ul style="list-style-type: none"> Assuming the real estate trust beneficiary interests that ADL owns as of today (total 16 properties), it is assumed that there will be no changes in assets under management (acquisition of new properties, disposal of owned properties, etc.) through the end of the fiscal period ending October 31, 2024. In reality, changes in assets under management may occur due to the acquisition of new assets or disposal of owned assets, etc. <p>(Note) “IMP” is an abbreviation for iMissions Park. The same applies hereinafter.</p>																						
Operating revenues	<ul style="list-style-type: none"> Rental revenues from owned assets are calculated by taking into consideration the executed lease contracts that are in effect as of today or will be in effect by the end of the fiscal period ending October 31, 2024, tenant trends, market trends, and other factors. It is assumed that, of the payment from EL under the Termination Agreement, 33 million yen, which is the amount equivalent to the rent for IMP Misato and IMP Tokyo Adachi from June 14, 2024 to June 30, 2024, will be included in other rental income. Rental revenues of the property to be acquired are calculated based on information provided by the current beneficiary, etc., taking into account the executed lease contracts, tenant trends, market trends, etc. It is assumed that there will be no gain or loss on sales of real estate, etc.. 																						
Operating expenses	<ul style="list-style-type: none"> Major items of operating expenses are as follows: <div style="text-align: right; margin-right: 20px;">(million yen)</div> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th></th><th style="text-align: right;">Year ending October 31, 2024</th></tr> </thead> <tbody> <tr> <td>Rental expenses</td><td style="text-align: right;">179</td></tr> <tr> <td> Facility management expenses</td><td style="text-align: right;">16</td></tr> <tr> <td> Property Management Outsourcing fees</td><td style="text-align: right;">6</td></tr> <tr> <td> Utilities charge</td><td style="text-align: right;">25</td></tr> <tr> <td> Repair expense</td><td style="text-align: right;">2</td></tr> <tr> <td> Taxes and public dues</td><td style="text-align: right;">117</td></tr> <tr> <td> Depreciation and amortization</td><td style="text-align: right;">305</td></tr> <tr> <td>General management expenses</td><td style="text-align: right;">183</td></tr> <tr> <td> Asset management fees</td><td style="text-align: right;">133</td></tr> <tr> <td> Sponsor support outsourcing fees</td><td style="text-align: right;">4</td></tr> </tbody> </table> Of rental expenses, which are the principal operating expenses, expenses other than depreciation and amortization are calculated based on historical data for owned assets, and based on information provided by current beneficiaries, etc. for assets to be acquired, taking into account variable factors of expenses. Repair expenses for buildings are estimated amounts based on the medium- to long-term repair plans formulated by IRM. The repair expenses for each calculation period may differ significantly from the estimated amounts due to the possibility that repair expenses may be incurred urgently due to damage to the building caused by unforeseeable factors, etc., the fact that the amount generally varies greatly from year to year, and the fact that the amount is not a regularly occurring amount. Depreciation is calculated by the straight-line method, including incidental expenses, etc. 		Year ending October 31, 2024	Rental expenses	179	Facility management expenses	16	Property Management Outsourcing fees	6	Utilities charge	25	Repair expense	2	Taxes and public dues	117	Depreciation and amortization	305	General management expenses	183	Asset management fees	133	Sponsor support outsourcing fees	4
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	<ul style="list-style-type: none"> It is assumed that merger-related expenses of 55 million yen for the period ending October 31, 2024 will be incurred in connection with this merger.
Non-operating revenues	<ul style="list-style-type: none"> Of the payments to be made by EL under this termination agreement, 185 million yen is to be recorded as other non-operating income as a penalty for early termination.
Non-operating expenses	<ul style="list-style-type: none"> Non-operating expenses are assumed to be 129 million yen for the period ending October 2024. Interest expense and other financing-related expenses are expected to be 73 million yen in the period ending October 31, 2024.
Interest-bearing debt	<ul style="list-style-type: none"> Total interest-bearing debt is assumed to be 61,100 million yen at the end of the financial year of October 2024. LTV is expected to be about 44.5% at the end of financial year of October 31, 2024. In calculating LTV, the following formula is used, rounded to the first decimal place. $LTV = \text{Total interest-bearing debt} \div \text{Total assets} \times 100$
Number of investment units issued and outstanding total number of units	<ul style="list-style-type: none"> The total number of investment units issued and outstanding as of the date of this document is 674,400 units, and it is assumed that no new investment units will be issued until the end of the fiscal year ending October 31, 2024.
Merger grant per unit	<ul style="list-style-type: none"> The merger grant per unit is to be paid in lieu of a cash distribution for the fiscal period ending October 31, 2024, which is the final operating period of the Fund, and is calculated based on the cash distribution policy set forth in the Fund's Articles of Incorporation. The merger grant per unit may vary due to various factors, including the exercise of the right to request the purchase of investment units in relation to the merger, changes in assets under management, changes in rent income due to tenant changes, etc., or the occurrence of unforeseen repairs, etc.
Other	<ul style="list-style-type: none"> It is assumed that no amendments will be enforced in laws and regulations, the tax system, accounting standards, listing rules, or the rules of the Investment Trusts Association, Japan, etc., that would affect the above forecast figures. It is assumed that there will be no unforeseen material changes in general economic trends and real estate market conditions, etc.