

7th Fiscal Period  
(Fiscal Period Ended January 31, 2020)  
**Investor Presentation Material**

March 16, 2020



Mitsui Fudosan Logistics Park Inc.  
(MFLP-REIT)

Securities Code **3471**



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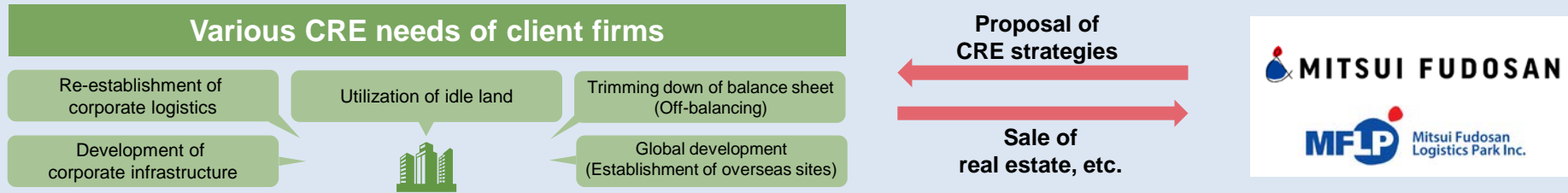
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# 1. Basic Strategy of MFLP-REIT (1)

**MFLP-REIT aims to maximize unitholder value through a strategic partnership with Mitsui Fudosan, a major property developer that leverages the comprehensive strengths of its corporate group to create value in its logistics facilities**

# 1-1. Trajectory of Growth of Mitsui Fudosan's Logistics Facilities Business and 3<sup>rd</sup> Follow-On Offering [1 of 2]

## Development sites securing capability through its corporate real estate (CRE) strategy

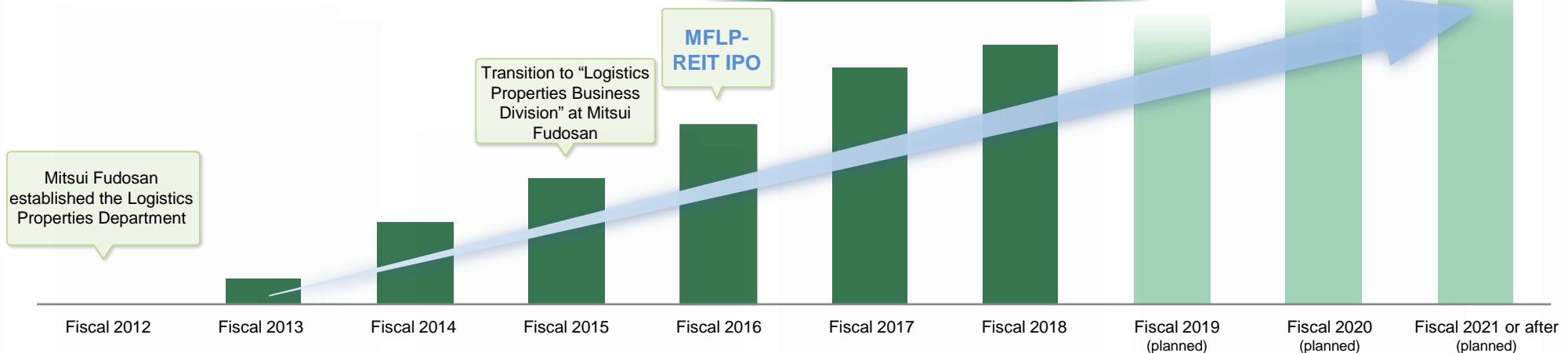


Develop high-quality properties in prime locations

## Image of growth of properties (to be) developed/operated \* by Mitsui Fudosan

Cumulative total investment size as of November 2019  
**40 facilities 570.0 billion yen\***

Cumulative total investment size as of May 2018  
**32 facilities 480.0 billion yen\***



\*For further details, please refer to "Major properties developed/operated by Mitsui Fudosan" on p. 43.

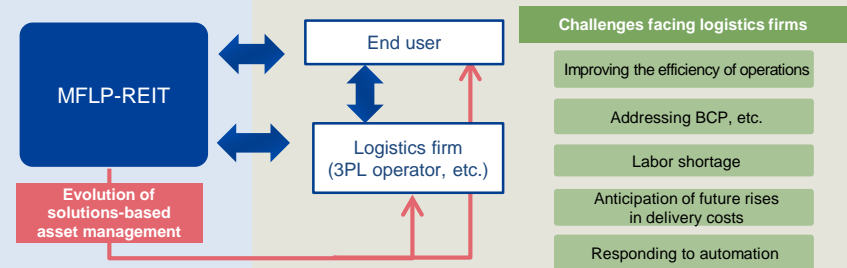
# 1-1. Trajectory of Growth of Mitsui Fudosan's Logistics Facilities Business and 3<sup>rd</sup> Follow-On Offering [2 of 2]

## Leasing capability leveraging client network



\*Source: Disclosed financial results materials of Mitsui Fudosan for the fiscal year ended March 31, 2019

## Solutions-based asset management



Stably-operated as leasing progress

Properties defined in "Right of first look and preferential negotiation rights agreement" \*

**10** properties **1,180,000 m<sup>2</sup>**

Construction completed: 760,000 m<sup>2</sup>



MFLP Hino (75%)



MFLP Ibaraki



MFLP Funabashi II



MFLP Kawaguchi I



MFLP Hiratsuka II



MFLP Yokohama Kohoku

Construction not completed: 420,000 m<sup>2</sup>



MFLP Osaka I



MFLP Yachiyo Katsutadai



MFLP Tosu



MFLP Funabashi III

Further expansion of properties defined in "Right of first look and preferential negotiation rights agreement"

## MFLP-REIT's asset size

(After acquisition of properties acquired in the 8th FP)

**18** properties **950,000 m<sup>2</sup>**

**205.0** billion yen

Location

Quality

Balance

## 3rd follow-on offering

Number of newly issued investment units **62,000** units (29.7 billion yen)  
Number of investment units issued and outstanding after follow-on offering **441,000** units

## Properties acquired in the 8th FP



MFLP Prologis Park Kawagoe (50%)



MFLP Hiroshima I



MFLP Sakai (80%)

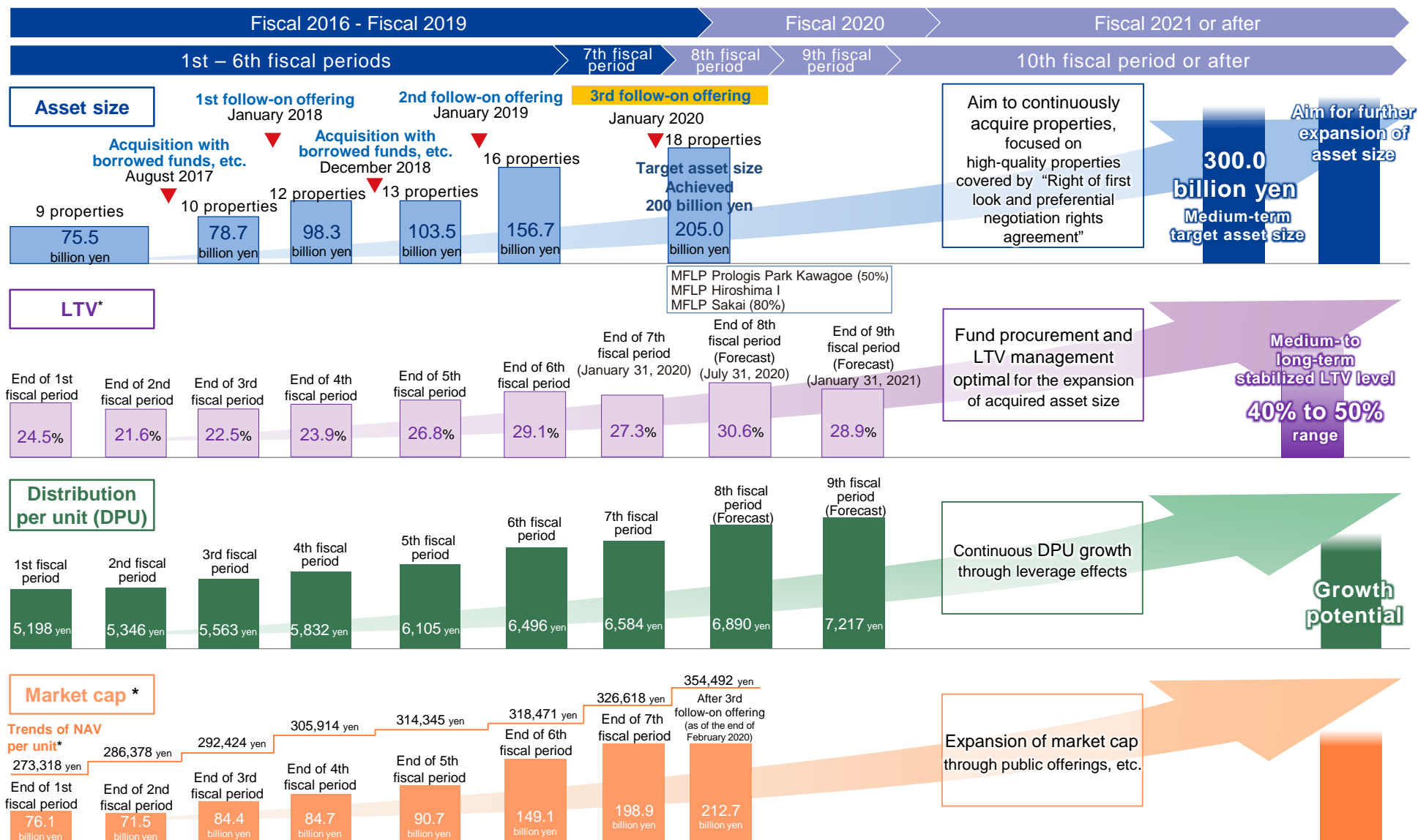
Acquisition price **48.3** billion yen

Continuous external growth

## 2. Basic Strategy of MFLP-REIT (2)



# 2-1. Four Roadmaps to Stable Growth and Trajectory of Growth **MFLP** Mitsui Fudosan Logistics Park Inc.



September 2019 Inclusion in EPRA/NAREIT Index

\*For further details, please refer to "Four Roadmaps to Stable Growth and Trajectory of Growth" on p. 43.

## 2-2. Steady Implementation of Four Roadmaps [1 of 2]

### Expansion of Asset Size

Improvement of portfolio quality and stability

	End of (January 31, 2020) 7th fiscal period	Properties acquired in the 8th FP	After acquisition of properties acquired in the 8th FP
No. of properties/Total floor area *	16 properties / 720,000 m <sup>2</sup>	3 properties / 220,000 m <sup>2</sup>	18 properties / 950,000 m <sup>2</sup>
Asset size	156.7 billion yen	48.3 billion yen	205.0 billion yen
Adjusted forecast NOI yield *	5.2%	5.1%	5.2%
Average NOI yield *	4.9%	4.7%	4.9%
Average building age *	5.0 years	2.8 years	4.5 years
Top 5 property ratio *	44.6%	Further diversification	41.2%
Top 5 tenant ratio (logistics facilities only) *	41.2%		33.5%

### LTV Management

Expansion of acquisition capacity

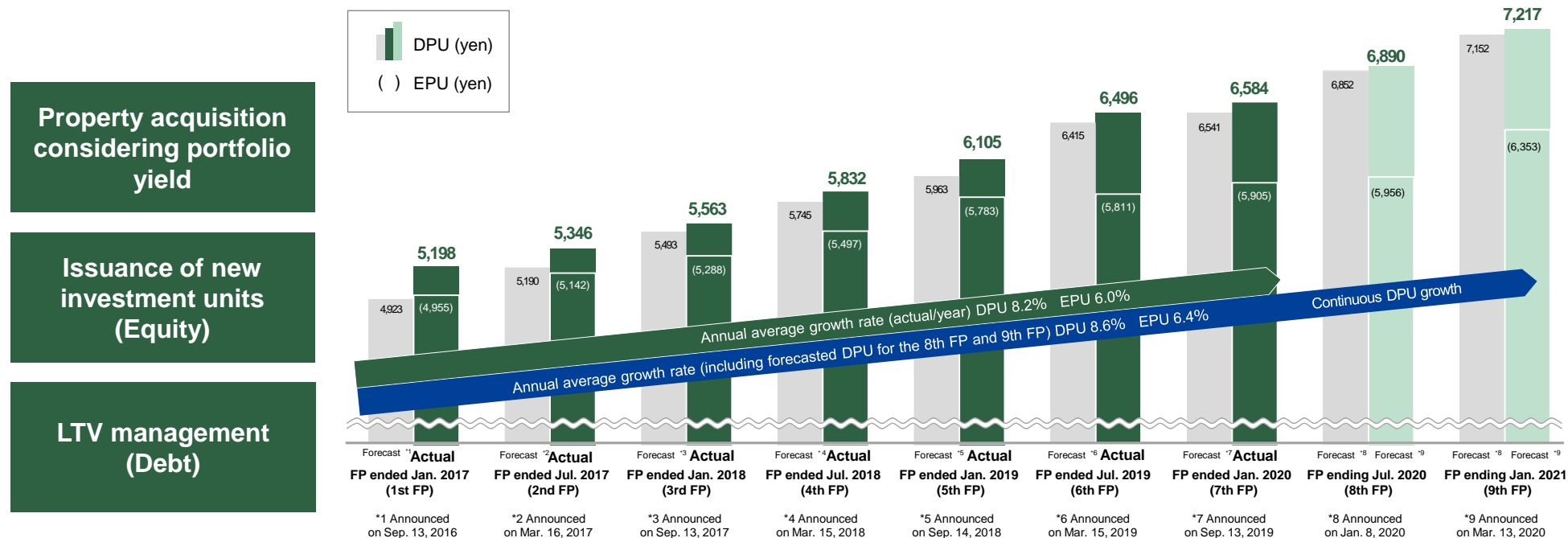
	End of (July 31, 2019) 6th fiscal period	End of (January 31, 2020) 7th fiscal period	End of (July 31, 2020) 8th fiscal period (Forecast)	End of (January 31, 2021) 9th fiscal period (Forecast)
LTV *	29.1%	27.3%	30.6%	28.9%
Acquisition capacity * (with LTV at 50%)	67.0 billion yen	71.0 billion yen	80.0 billion yen	85.0 billion yen

\*For further details, please refer to "Four Roadmaps to Stable Growth and Trajectory of Growth" on p. 43.



## 2-2. Steady Implementation of Four Roadmaps [2 of 2]

### Continuous DPU\* Growth



### Expansion of Market Capitalization

### Enhancement of stability of investment unit price and liquidity

	End of (July 31, 2019) 6th fiscal period	End of (January 31, 2020) 7th fiscal period	After 3rd follow-on offering <small>*As of the end of February 2020</small>
Market cap *	149.1 billion yen	198.9 billion yen	212.7 billion yen
NAV per unit *	318,471 yen	326,618 yen	354,492 yen <small>*After acquisition of properties acquired in the 8th FP</small>
Average daily trading value	Before inclusion (from September 20, 2018 to January 31, 2019) 288 million yen	FTSE EPRA/NAREIT Global Real Estate Index Inclusion in FTSE EPRA/NAREIT Global Real Estate Index (September 20, 2019)	After inclusion (from September 20, 2019 to January 31, 2020) 817 million yen

# 3. Financial Summary

(7th fiscal period: from August 1, 2019 to January 31, 2020)

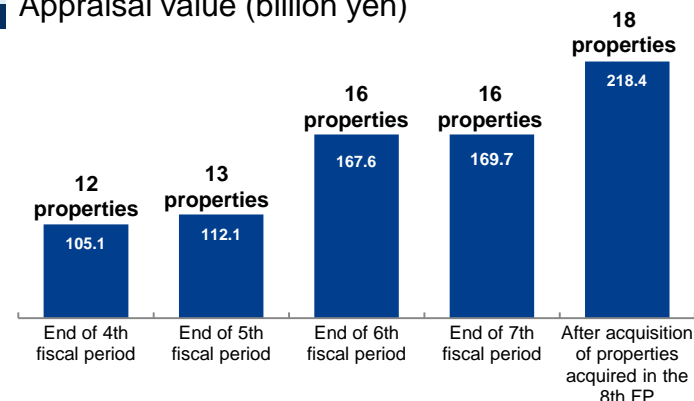
### 3-1. Financial Highlights

		End of 7th fiscal period (Actual)	After acquisition of properties acquired in the 8th FP
Asset	Asset size (total amount of acquisition price)	16 properties <b>156.7</b> billion yen	18 properties <b>205.0</b> billion yen
	Appraisal value *	16 properties <b>169.7</b> billion yen	18 properties <b>218.4</b> billion yen
	Unrealized gain *	<b>17.2</b> billion yen	<b>17.5</b> billion yen

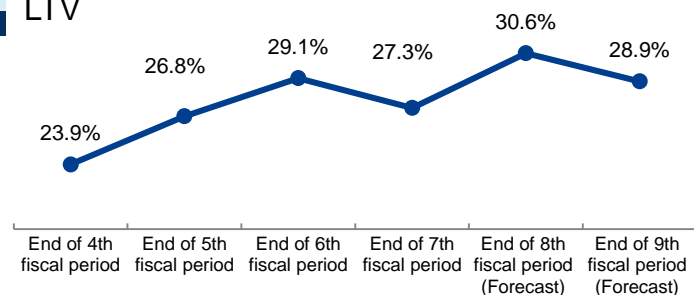
		End of 7th fiscal period (Actual)	End of 8th fiscal period (Forecast)
Debt	Balance of interest-bearing debt	<b>42.9</b> billion yen	<b>62.9</b> billion yen
	LTV *	<b>27.3%</b>	<b>30.6%</b>

		7th fiscal period (Actual)	8th fiscal period (Forecast)
Equity	Distribution per unit *	<b>6,584</b> yen	<b>6,890</b> yen
	NAV per unit *	End of 7th fiscal period (Actual) <b>326,618</b> yen	After acquisition of properties acquired in the 8th FP <b>354,492</b> yen

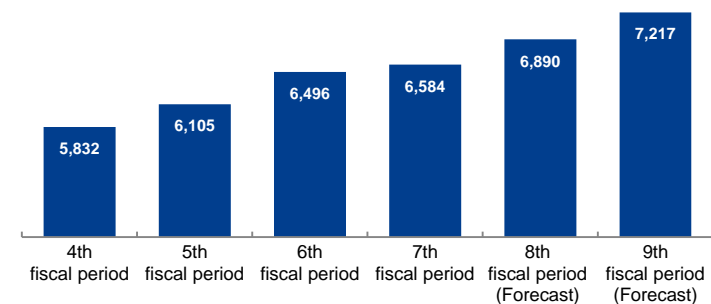
Appraisal value (billion yen)



LTV



Distribution per unit (yen)



## 3-2. 7th Fiscal Period (Ended January 2020) P/L

(Unit: million yen)	6th period Actual (a)	7th period Forecast (Mar. 15, 2019)	7th period Actual (b)	Difference (b)-(a)
Operating revenue	4,969	5,077	5,064	94
Operating expenses	2,650	2,779	2,748	98
Of which, Depreciation (those related to properties only)	1,314	1,327	1,326	12
Operating income	2,318	2,298	2,315	- 3
Non-operating income	3	-	26	23
Non-operating expenses	118	82	103	-15
Ordinary income	2,203	2,215	2,238	35
Profit (Net income)	2,202	2,214	2,237	35
Distribution per unit (DPU) (yen)	6,496	6,541	6,584	88
Of which, Distribution of earnings per unit (EPU) (yen)	5,811	5,843	5,905	94
Of which, Distribution in excess of earnings per unit (yen)	685	698	679	-6
Distribution in excess of earnings expressed as a percentage of depreciation	19.7%	19.9%	19.4%	-
Average occupancy rate during the period <sup>*1</sup>	100%	100%	99.4%	-

### Main breakdown of difference

#### Operating revenue

Increase due to full-period operation of properties acquired in the 6th FP (MFLP Hino (10%), Tsukuba (40%), Inazawa, Atsugi II, Fukuoka I, MFIP Inzai (80%))	+154
Decrease in rent income due to tenant move-out at "GLP/MFLP Ichikawa Shiohama"	- 38
Decrease in photovoltaic power generation facilities rent revenue (excluding properties acquired in the 6th FP)	- 34
Increase in other operating revenue	+12

#### Operating expenses

Increase due to full-period operation of properties acquired in the 6th FP (MFLP Hino (10%), Tsukuba (40%), Inazawa, Atsugi II, Fukuoka I, MFIP Inzai (80%))	+49
Increase in asset management fee	+42
Increase in other operating expenses	+5

#### Non-operating income

Increase in insurance income	+22
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#### Non-operating expenses

Absence of offering costs associated with issuance of investment units	- 32
Increase in disaster restoration expenses	+17

#### <Reference>

#### Formula for distribution per unit based on FFO \*

FFO	=	Profit (Net income)	+	Depreciation, etc.	...①
Source of funds for distribution	=	① FFO	×	70%	...②
Distribution per unit	=	② Source of funds for distribution	÷	Number of investment units issued and outstanding	

\* For further details, please refer to "Method of calculation of cash distribution based on FFO" on p. 44.

\*1 The simple average of the occupancy rates as of the end of each month in each fiscal period is indicated.

### 3-3. 8th Fiscal Period (Ending July 2020) Earnings Forecast

(Unit: million yen)	7th period Actual (a)	8th period Forecast (b)	Difference (b)-(a)
Operating revenue	5,064	6,381	1,317
Operating expenses	2,748	3,600	852
Of which, Depreciation (those related to properties only)	1,326	1,714	387
Operating income	2,315	2,780	464
Non-operating income	26	33	7
Non-operating expenses	103	186	82
Ordinary income	2,238	2,627	389
Profit (Net income)	2,237	2,626	389
Distribution per unit (DPU) (yen)	6,584	6,890	306
Of which, Distribution of earnings per unit (EPU) (yen)	5,905	5,956	51
Of which, Distribution in excess of earnings per unit (yen)	679	934	255
Distribution in excess of earnings expressed as a percentage of depreciation	19.4%	24.0%	-
Average occupancy rate during the period <sup>*1</sup>	99.4%	99.7%	-

Main breakdown of difference	<Reference> 9th period Forecast
Operating revenue	6,665
Increase due to properties acquired in the 8th FP (MFLP Prologis Park Kawagoe (50%), Hiroshima I, Sakai (80%))	+1,291
Increase in photovoltaic power generation facilities rent revenue (excluding properties acquired in the 8th FP)	+42
Decrease in other operating revenue	- 16
Operating expenses	3,735 <sup>*2</sup>
Increase due to properties acquired in the 8th FP (MFLP Prologis Park Kawagoe (50%), Hiroshima I, Sakai (80%))	+565
Expensing of fixed asset tax and city planning tax for properties acquired in the 6th FP (MFLP Hino (10%), Tsukuba (40%), Inazawa, Atsugi II, Fukuoka I, MFIP Inzai (80%))	+155
Increase in asset management fee	+79
Increase in other operating expenses	+52
Non-operating expenses	127
Interest expenses	+24
Offering costs associated with issuance of investment units	+27
Amortization of investment unit issuance expenses	+15
Other non-operating expenses	+16
	2,802
	2,801
	7,217
	6,353
	864
	21.8%
	100%

\*1 The simple average of the occupancy rates as of the end of each month in each fiscal period is indicated.

\*2 The fixed asset tax and city planning tax (170 million yen) for the properties acquired in the 8th FP(MFLP Prologis Park Kawagoe 50%, MFLP Hiroshima I, MFLP Sakai 80%) is not included and will be recorded in and after the 10th FP.

## 3-4. (Reference) Distribution after adjustment of temporary effects **MFLP** Mitsui Fudosan Logistics Park Inc.

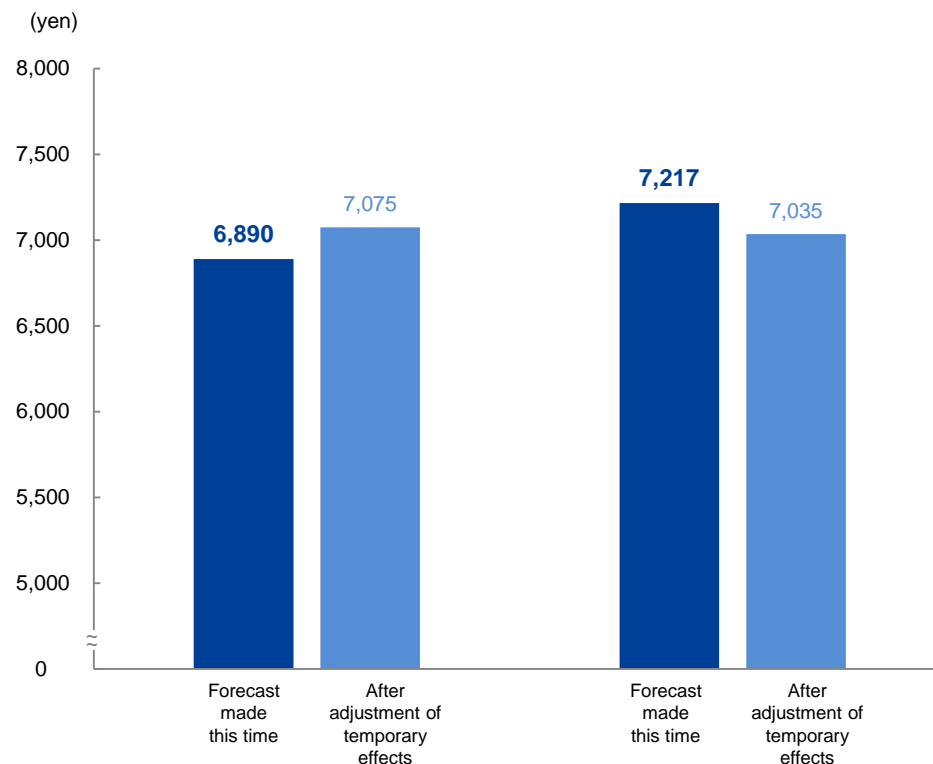
The right chart is a graph which shows the comparison of the estimated values of distribution after adjustment of temporary effects estimated by making the following adjustments based on the forecasted figures for the 8th fiscal period (ending July 2020) and 9th fiscal period (ending January 2021) announced on March 13, 2020.

1. As for the property leasing business revenues and property leasing business expenses for the properties acquired in the 8th FP, it is assumed that full-period operation will be implemented in the 8th fiscal period (ending July 2020) and 9th fiscal period (ending January 2021).
2. It is assumed that property-related taxes including fixed asset tax and city planning tax for the properties acquired in the 8th FP will occur from the beginning of the 8th fiscal period (ending July 2020), and that 170 million yen will be recorded as expenses in the 8th fiscal period (ending July 2020) and 9th fiscal period (ending January 2021).
3. 27 million yen of expenses related to the issuance of new investment units which will temporarily occur in the 8th fiscal period (ending July 2020) due to the 3rd follow-on offering is excluded from non-operating expenses.
4. The interest expenses of borrowings which fluctuate due to the adjustment of the management period of properties acquired in the 8th FP have been added to non-operating expenses.
5. Expenses linked to factors such as operating income and profit (net income) which fluctuate due to the above adjustments.  
As a specific example, it is assumed that management fee will increase by 21 million yen in the 8th fiscal period (ending July 2020) and decrease by 28 million yen in the 9th fiscal period (ending January 2021).

Moreover, such DPU after adjustment of temporary effects (estimate) does not aim to estimate distributions for a specific calculation period, and does not have the meaning as the forecast of distributions, etc. during a specific calculation period. DPU after adjustment of temporary effects (estimate) is not an indicator stipulated in the corporate accounting standards ("Japanese GAAP") which is generally accepted in Japan, and shall not be taken into consideration as an alternative indicator of other indicators indicated in conformity with the Japanese GAAP. Furthermore, DPU after adjustment of temporary effects does not guarantee whether or not distribution will be made in the future as well as the amount of such distribution in any sense. Please note that the actual DPU during the calculation period for the 8th fiscal period (ending July 2020) and 9th fiscal period (ending January 2021) may differ significantly from the DPU after adjustment of temporary effects (estimate).

FP ending July 2020(8th FP)  
Forecasted DPU, etc.

FP ending January 2021 (9th FP)  
Forecasted DPU, etc.



\*Revenue in even periods and odd periods differ due to seasonal factors. Moreover, the difference of rent for photovoltaic power generation facilities, which is the main seasonal factor, between the 8th fiscal period (ending July 2020) and 9th fiscal period (ending January 2021) is assumed to be approximately 47 million yen.



## 4. Management Status of MFLP-REIT

### 4-1. Our Portfolio

4-2-1. Location

4-2-2. Quality

4-2-3. Balance

### 4-3. External Growth

### 4-4. Internal Growth

### 4-5. Financial Strategy

### 4-6. Unitholder Relations

## 4-1. Our Portfolio [1 of 2] (After acquisition of properties acquired in the 8th FP)

**Stable portfolio with investment focused on MFLPs—leading-edge logistics facilities developed by Mitsui Fudosan—of relatively young building age**

Total acquired assets	Adjusted forecast NOI yield *	Average appraisal NOI yield *	Average building age *	Occupancy rate *
<b>18 properties / 205.0 billion yen</b>	<b>5.2%</b> (after depreciation: 3.5%)	<b>4.6%</b>	<b>4.5 years</b>	<b>99.3%</b>

Category	Property no.	Property name	Location	Acquisition price (million yen)	Appraisal value * (million yen)	Adjusted forecast NOI yield * (%)	NOI yield * (%)	Appraisal NOI yield * (%)	Total floor area *1 (m <sup>2</sup> )	Building age * (years)	Occupancy rate * (%)
Logistics facilities	L-1	GLP/MFLP Ichikawa Shiohama (50% quasi co-ownership interest)	Ichikawa, Chiba	15,500	17,900	4.9	4.7	4.1	105,019 (52,509)	6.0	87.6
	L-2	MFLP Kuki	Kuki, Saitama	12,500	14,300	5.8	5.3	4.6	73,153	5.6	100
	L-3	MFLP Yokohama Daikoku (50% quasi co-ownership interest)	Yokohama, Kanagawa	10,100	10,900	5.1	5.0	4.6	100,530 (50,265)	10.8	100
	L-4	MFLP Yashio	Yashio, Saitama	9,650	11,100	5.4	5.1	4.5	40,728	5.9	100
	L-5	MFLP Atsugi	Aiko, Kanagawa	7,810	9,140	5.8	5.5	4.7	40,942	4.9	100
	L-6	MFLP Funabashi Nishiura	Funabashi, Chiba	6,970	7,890	5.3	5.2	4.6	30,947	5.0	100
	L-7	MFLP Kashiwa	Kashiwa, Chiba	6,300	7,110	5.3	5.2	4.6	31,242	4.2	100
	L-8	Additional acquisition in the 8th FP (80% quasi co-ownership interest) MFLP Sakai	Sakai, Osaka	23,600	24,060	5.2	4.7	4.6	125,127	5.4	100
	L-9	MFLP Komaki	Komaki, Aichi	8,260	8,570	5.1	4.9	4.7	40,597	3.0	100
	L-10	MFLP Hino (25% quasi co-ownership interest)	Hino, Tokyo	12,533	12,600	4.6	4.3	4.3	205,200 (51,300)	4.3	100
	L-11	MFLP Hiratsuka	Hiratsuka, Kanagawa	7,027	7,150	4.9	4.7	4.6	33,061	3.2	100

## 4-1. Our Portfolio [2 of 2] (After acquisition of properties acquired in the 8th FP)

Category	Property no.	Property name		Location	Acquisition price (million yen)	Appraisal value * (million yen)	Adjusted forecast NOI yield * (%)	NOI yield * (%)	Appraisal NOI yield * (%)	Total floor area *1 (m <sup>2</sup> )	Building age * (years)	Occupancy rate * (%)	
Logistics facilities	L-12	MFLP Tsukuba	Existing building	Tsukubamirai, Ibaraki	8,781	10,100	6.1 ※2 (5.8)	5.8	5.0	37,027	9.6	100	
			Annex building							25,457	1.8		
	L-13	MFLP Inazawa		Inazawa, Aichi	16,200	16,500	5.2	4.8	4.7	72,883	2.7	100	
	L-14	MFLP Atsugi II		Isehara, Kanagawa	13,100	13,500	4.8	4.5	4.4	48,976	1.8	100	
	L-15	MFLP Fukuoka I		Kasuya, Fukuoka	5,263	5,430	5.6	5.1	5.0	32,199	3.3	100	
	L-16	Acquired in 8th FP MFLP Prologis Park Kawagoe (50% quasi co-ownership interest)	Kawagoe, Saitama	14,800	14,800	4.7	4.4	4.4	117,337 (58,668)	1.3	100		
	L-17	Acquired in 8th FP MFLP Hiroshima I	Hiroshima, Hiroshima	14,480	14,600	5.4	5.1	5.0	68,427	0.4	100		
Subtotal or Average				-	192,874	205,650	5.2	4.9	4.6	1,228,860 (913,516)	4.4	99.3	
Industrial real estate	I-1	MFIP Inzai		Inzai, Chiba	12,220	12,800	5.0	5.0	4.7	40,478	5.9	Not disclosed	
Total or Average					-	205,094	218,450	5.2	4.9	4.6	1,269,338 (953,994)	4.5	99.3

### Reference: As of end of 7th fiscal period

Logistics facilities (Property no. L-1 to L-15) *3	Subtotal	144,494	156,950	5.2	4.9	4.5	1,043,095 (686,318)	4.9	99.1
Total (Property no. L-1 to L-15, I-1) *3		156,714	169,750	5.2	4.9	4.6	1,083,574 (726,796)	5.0	99.1

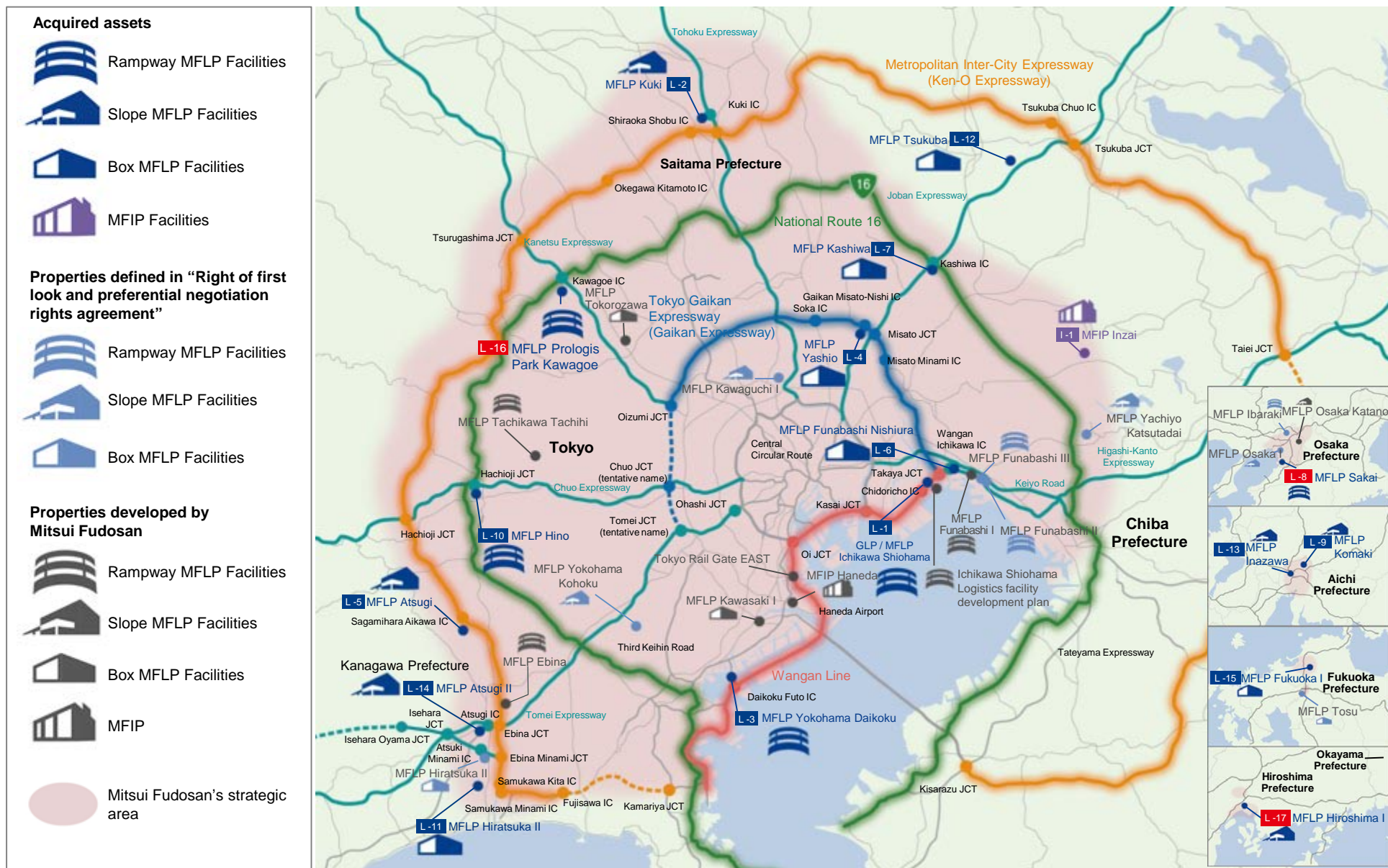
\*For further details, please refer to "Our Portfolio" on p. 43.

\*1: "Total floor area" figures in parentheses are the figures after taking into consideration the ownership interest.

\*2: The annex building at MFLP Tsukuba qualifies for partial reduction or exemption of fixed asset tax and city planning tax until 2021. The adjusted forecast NOI yield after the end of this tax reduction or exemption treatment is expected to be 5.8%.

\*3: MFLP-REIT's quasi co-ownership interests in L-8 "MFLP Sakai" as of the end of 7th FP is 20%.

## 4-2-1. Location [1]

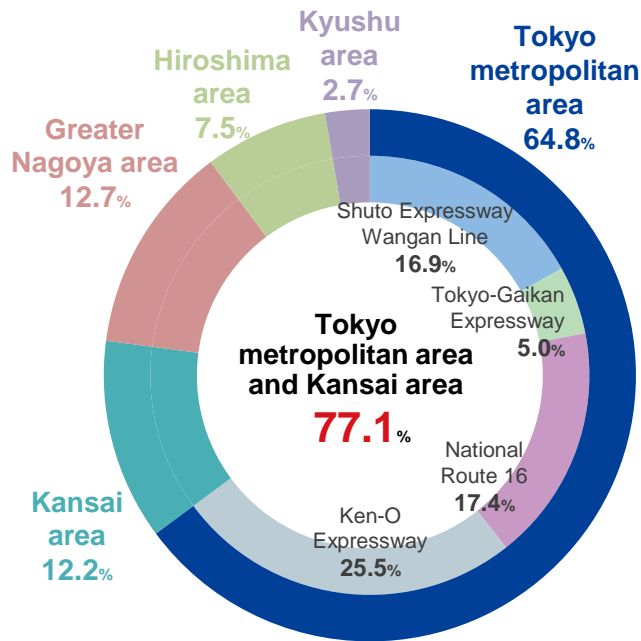


\*After acquisition of properties acquired in the 8th FY

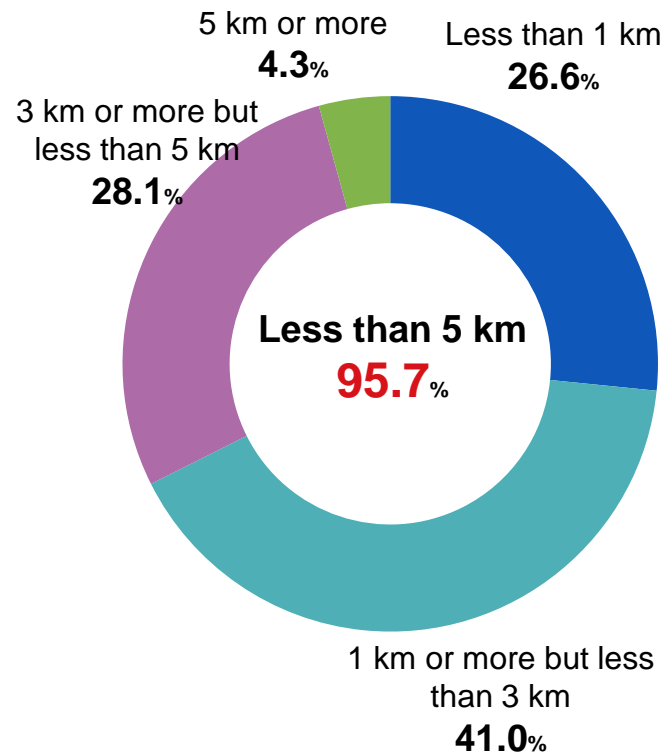
## 4-2-1. Location [2]

- Geographically diversified portfolio
- Location offering excellent access to transportation nodes
- Location taking into consideration convenience in terms of commuting to work for employees

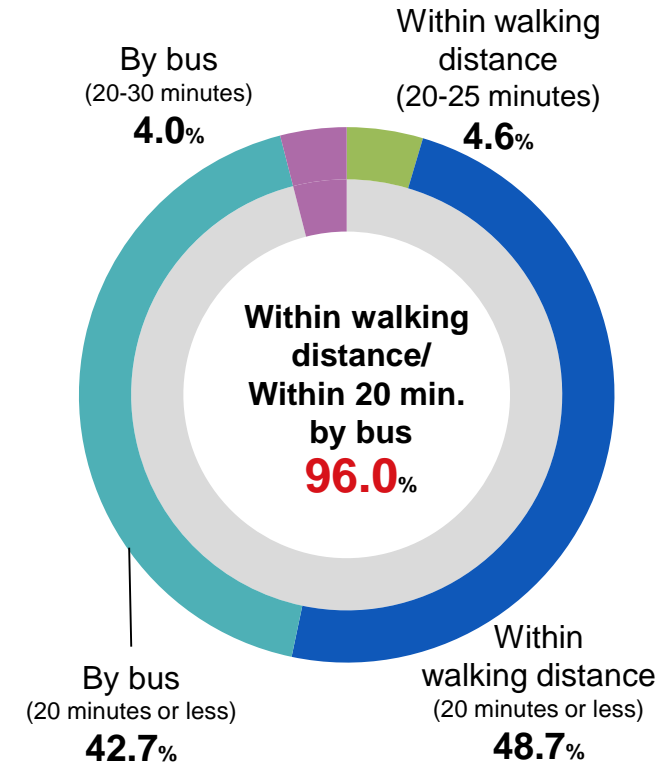
**Investment target area**



**Access (distance) to nearest expressway interchange**



**Access (time) to nearest train station**



\*The pie charts above indicate figures for the portfolio after the acquisition of properties acquired in the 8th FP calculated on an acquisition price basis (excluding MFIP property).



## 4-2-2. Quality

**MFLP-REIT focuses investment in “leading-edge logistics facilities with Mitsui Fudosan quality” realized by applying Mitsui Fudosan’s know-how as a comprehensive developer**

### Mitsui Fudosan quality

#### Basic specifications of leading-edge logistics facilities

##### Large-sized site

[Total floor area]  
At least **10,000 m<sup>2</sup>**

##### Storage space

Effective ceiling height  
At least **5.5 m**  
Column spacing  
At least **10 m**  
Floor load capacity  
At least **1.5 tons/m<sup>2</sup>**  
MFLP Sakai

##### High performance

[Column spacing]  
At least **10 m**  
[Effective ceiling height]  
At least **5.5 m**  
[Floor load capacity]  
At least **1.5 tons/m<sup>2</sup>**

##### Disaster prevention

Equipped with  
• **Seismic isolation**  
• **Quake-resistance**  
• **Emergency power generation**  
...etc.

##### Adoption of seismic isolation



##### Emergency power generator



#### & Worker



Cafeteria



Unmanned store



Seasonal decoration

#### & Tenant



Commuter shuttles



Bicycle sharing

#### & Community



Public open space



Childcare facilities



Monument

#### & Earth



Solar panels

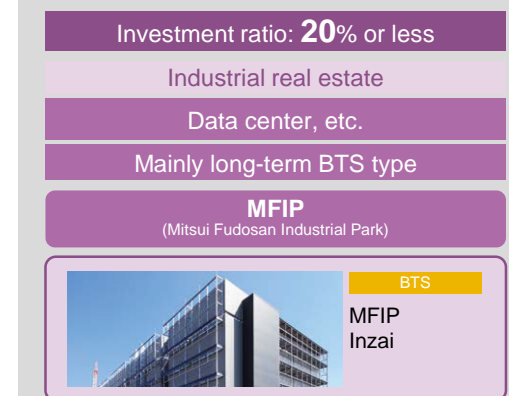


LED lights

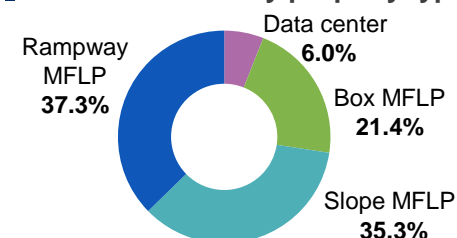
\*Photos are for illustrative purposes only. An MFLP facility or each portfolio asset is not necessarily equipped with all of the abovementioned standard specifications and features. Some of the specific examples include also those of properties not held by MFLP-REIT.



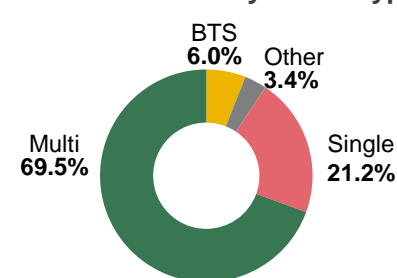
**Securing growth and stability by building a balanced portfolio through acquisition of MFLPs developed in consideration of land characteristics and tenant needs**



### Investment ratio by property type <sup>\*2</sup>



### Investment ratio by tenant type <sup>\*2</sup>

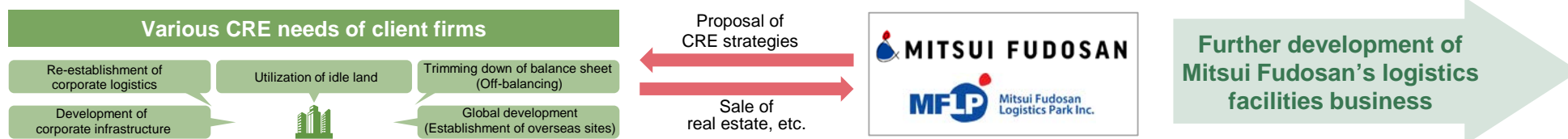


\*1 "Other" refers to a property for which the classification (multi or single) cannot be disclosed in this material as consent for disclosure has not been obtained from the lessee.

\*2 Figures for the portfolio after the acquisition of properties acquired in the 8th FP calculated on an acquisition price basis.

## 4-3. External Growth [1]

### Stable growth utilizing the growth potential and extensive pipeline of Mitsui Fudosan's logistics facilities business



Mitsui Fudosan's major development/operation track record \*: 40 facilities 570.0 billion yen 3,600,000 m<sup>2</sup> in total floor area

#### Properties held by MFLP-REIT and properties acquired in the 8th FP



MFLP  
Yokohama Daikoku



MFLP  
Atsugi



MFLP  
Inazawa



MFLP  
Sakai

Additionally acquired in 8th FP



GLP/MFLP  
Ichikawa Shiohama



MFLP  
Kashiwa



MFLP  
Tsukuba



MFLP Prologis Park  
Kawagoe

Acquired in 8th FP



MFLP  
Yashio



MFLP  
Fukuoka I



MFLP  
Atsugi II



MFLP  
Hiroshima I

Acquired in 8th FP



MFLP  
Kuki



MFLP  
Hiratsuka



MFLP  
Inzai



MFLP  
Hino

75%



MFLP  
Funabashi Nishiura



MFLP  
Komaki

#### Properties defined in "Right of first look and preferential negotiation rights agreement" \*



MFLP  
Ibaraki



MFLP  
Osaka I

NEW



MFLP  
Funabashi II



MFLP  
Yachiyo Katsutadai

NEW



MFLP  
Kawaguchi I



MFLP  
Tosu

NEW



MFLP  
Hiratsuka II



MFLP  
Funabashi III



MFLP  
Yokohama Kohoku

#### Properties developed/operated by Mitsui Fudosan



MFLP  
Funabashi I

Construction completion in fiscal 2016



MFLP  
Osaka Katano

Construction completion in fiscal 2021



MFLP  
Haneda

Construction completion in fiscal 2019



MFLP  
Ebina

Construction completion in fiscal 2021



MFLP  
Kawasaki I

Construction completion in fiscal 2019



MFLP  
Ebina

Construction completion in fiscal 2022 or after



MFLP  
Tachikawa Tachihi

Construction completion in fiscal 2020



Tokyo Rail Gate  
EAST

Construction completion in fiscal 2022 or after



MFLP  
Tokorozawa



Other data centers  
(2 properties)

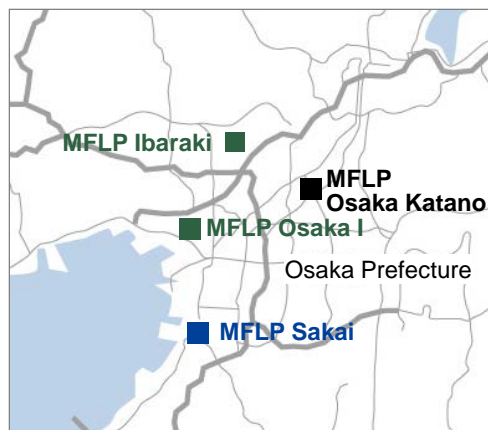
Other overseas properties (2 properties)

\*For further details, please refer to "Major properties developed/operated by Mitsui Fudosan" and "Properties defined in 'Right of first look and preferential negotiation rights agreement'" on p. 43.

## 4-3. External Growth [2]

### Building a high-quality portfolio capitalizing on diversification of areas

#### Kansai area



#### Greater Nagoya area

MFLP Komaki  
MFLP Inazawa

#### Hiroshima area

MFLP Fukuoka I  
MFLP Hiroshima I

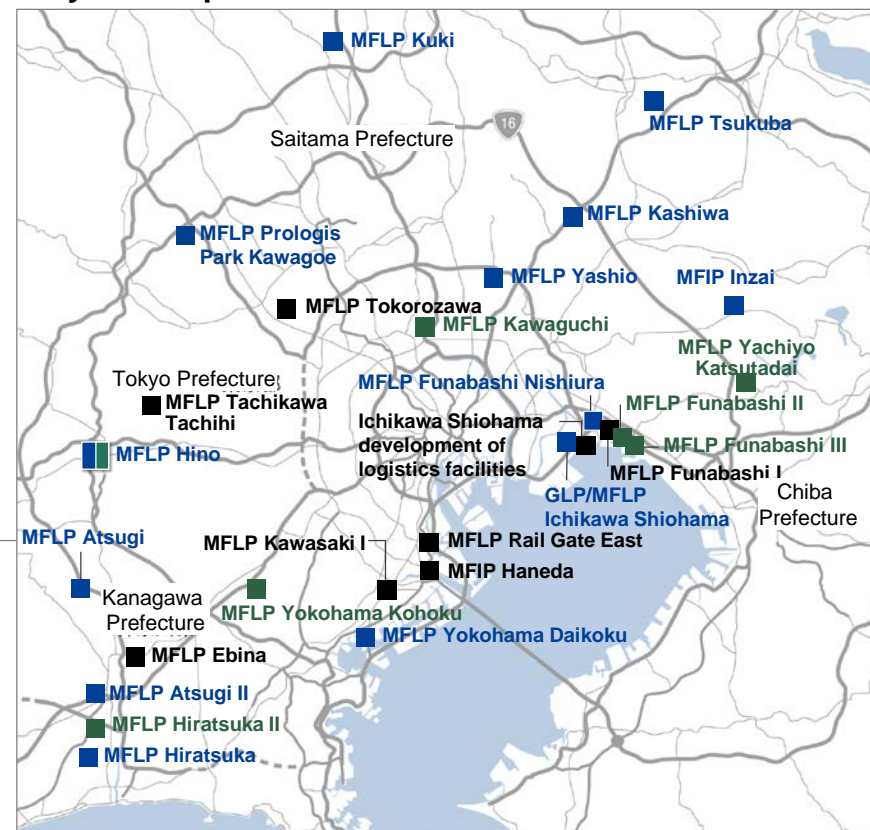
#### Kyushu area

MFLP Tosu

- : Properties held by MFLP-REIT
- : Properties defined in "Right of first look and preferential negotiation rights agreement"
- : Properties developed by Mitsui Fudosan

\*After acquisition of properties acquired in the 8th FP

#### Tokyo metropolitan area



Properties defined in "Right of first look and preferential negotiation rights agreement" \*  
10 properties 1,180,000 m<sup>2</sup> (Total floor area)

Further expansion of properties defined in "Right of first look and preferential negotiation rights agreement"

MFLP-REIT's asset size  
18 properties 950,000 m<sup>2</sup> (Total floor area) 205.0 billion yen

Continuous external growth

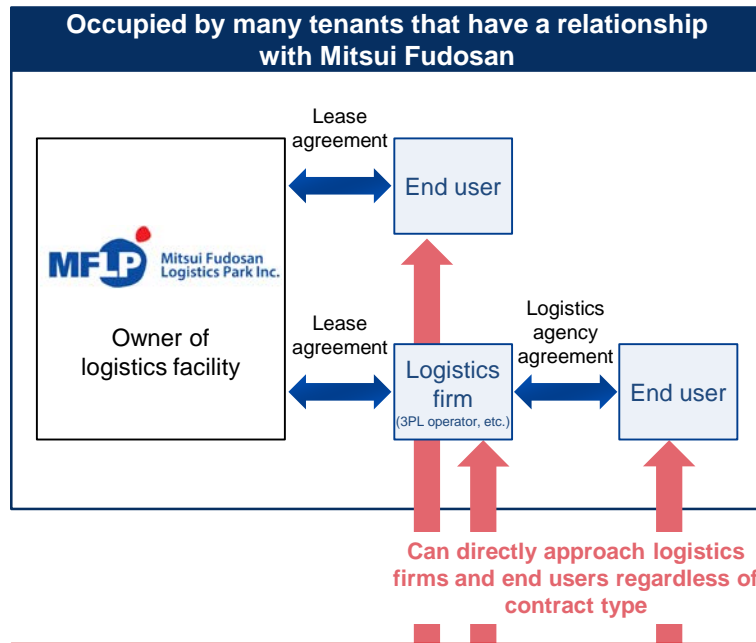
\*For further details, please refer to "Properties defined in 'Right of first look and preferential negotiation rights agreement'" on p. 43



## 4-4. Internal Growth [1]

### Achieve stable management by leveraging Mitsui Fudosan Group's platform and client network

Effectively leverage the Mitsui Fudosan Group's platform and client network in leasing



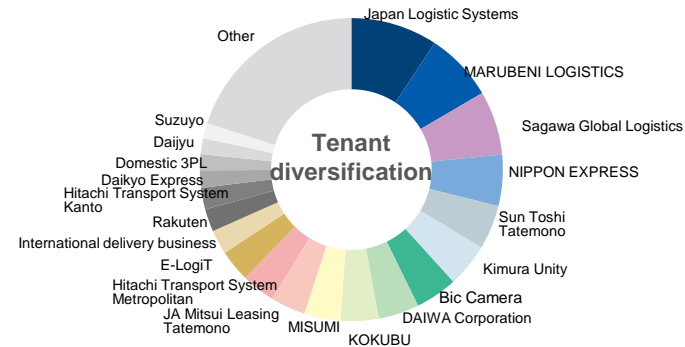
**MITSUI FUDOSAN**

Fully leverage the Mitsui Fudosan Group's broad client network

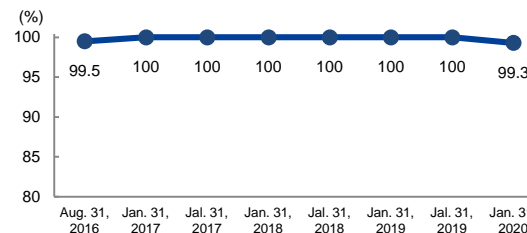
Office building business Client network: Approx. 3,000 firms *	Retail facility business Client network: Approx. 2,300 firms *	Strong relationships with leading 3PL operators
--	--	---

Source: Disclosed financial results materials of Mitsui Fudosan for the fiscal year ended March 31, 2019

Tenant diversification



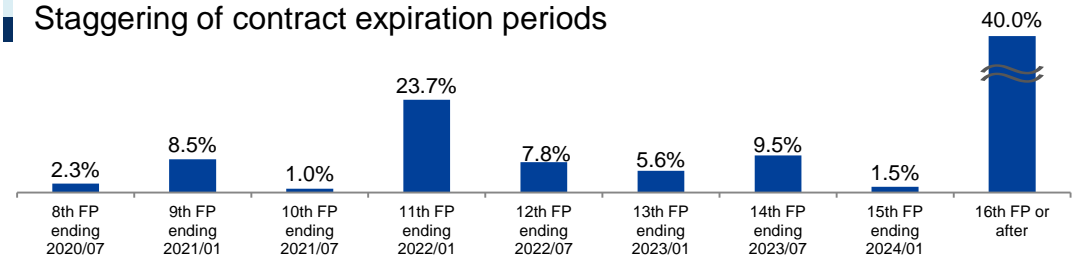
#### Occupancy rates



#### Lease agreements

Average lease period *	7.2 years
Remaining lease contract period	Average 4.1 years

#### Staggering of contract expiration periods



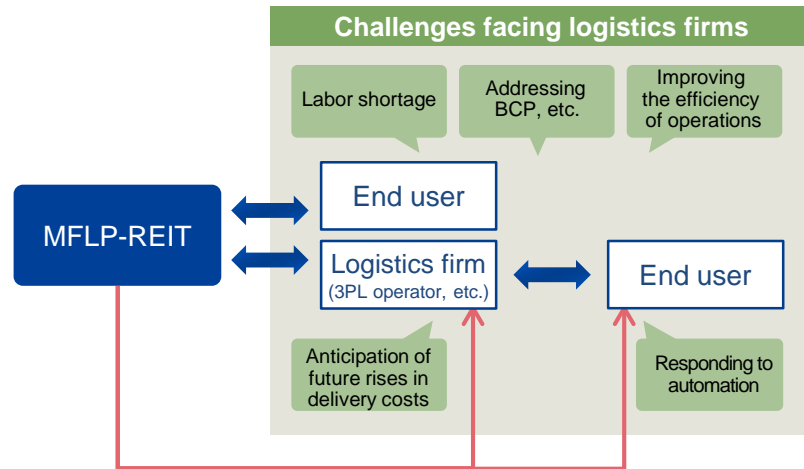
\* The graphs and tables above show figures based on leased areas stated in lease agreements concluded as of January 31, 2020 after property acquisition in 8th fiscal period. Tenant diversification excludes MFIP.

\* For details of calculation of "Average lease period," please refer to "Calculation of average lease period" on p. 44.

## 4-4. Internal Growth [2]

### Steady internal growth through evolution of solutions-based asset management and maintaining relationships with tenants over the medium to long term

#### Key points of asset management plans



#### Specific examples of solutions-based asset management by Mitsui Fudosan Group

- Consulting service for leading-edge ICT-related products for improving efficiency, labor-saving, etc.
- Consulting support to help tenant companies secure staff
- Matching of 3PL operators and end users
- Establishment of comfortable working environment for employees

#### Initiatives for improving the satisfaction of tenant companies and employees

MFLP-REIT conducts various measures for improving CS based on the feedback after conducting CS survey. In addition, MFLP-REIT improves employee satisfaction by creating a comfortable working environment and contributes to the securement of employment.



Thanks party



CS survey



Unmanned convenience store

#### Strengthening of proposal capability for specialized solutions responding to the needs from tenant customers

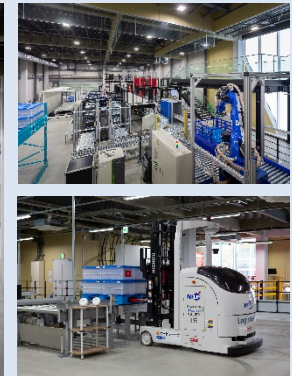
##### MFLP Funabashi I / ICT LABO



Establishment of leading-edge ICT-related products, etc. for improving efficiency, labor-saving, etc. MFLP-REIT mutually provides know-how to and collaborates with companies handling such devices, and is strengthening its proposal capability as a new solution to tenant companies.

Relocated to MFLP Funabashi & GATE (shared facility building) for expansion

##### MFLP ICT LABO 2.0 (opened in February 2020)



Concluded business alliance with Hacobu with an aim to improve the delivery environment such as the shortage of drivers and low loading ratio on trucks.

Hacobu × MFLP Mitsui Fudosan Logistics Park

#### Policy for future internal growth

Negotiation of rent increase through contract renewal, etc.

Reduction of utility expenses through revision of supply agreement

## 4-5. Financial Strategy [1]

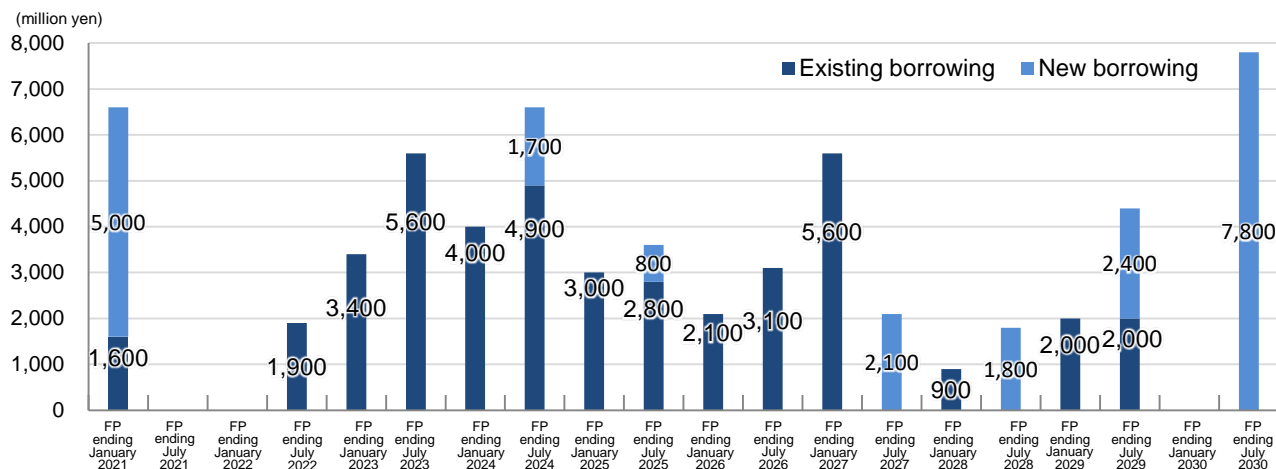
### Financial management with an emphasis on stability

#### Status of borrowing and LTV

	End of 7th FP	End of 8th FP (forecast)	End of 9th FP (forecast)
Total interest-bearing debt (of which, short-term)	<b>42.9</b> billion yen (1.6 billion yen)	<b>62.9</b> billion yen (5.0 billion yen)	<b>58.4</b> billion yen (0.5 billion yen)
LTV	<b>27.3%</b>	<b>30.6%</b>	<b>28.9%</b>
Average time to maturity (long-term only)	<b>4.9</b> years	<b>5.4</b> years	<b>4.9</b> years
Average interest rate	<b>0.27%</b>	-	-

\*As of the end of each period

#### Interest-bearing debt maturity ladder



\*The repayment period when adding new borrowing associated with the 3rd follow-on offering to the borrowing at the end of the 7th FP is indicated.

#### New borrowing associated with the 3rd follow-on offering

	New borrowing
Total interest-bearing debt (of which, short-term)	<b>21.6</b> billion yen (5.0 billion yen)
Average borrowing period (long-term only)	<b>8.4</b> years
Average interest rate *	<b>0.29%</b>

\*Estimated value as of the end of February 2020

#### Credit rating assignment

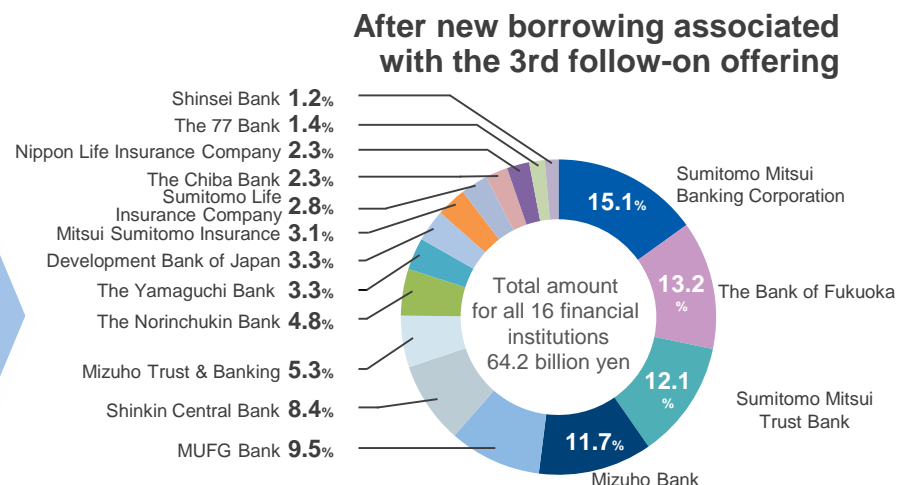
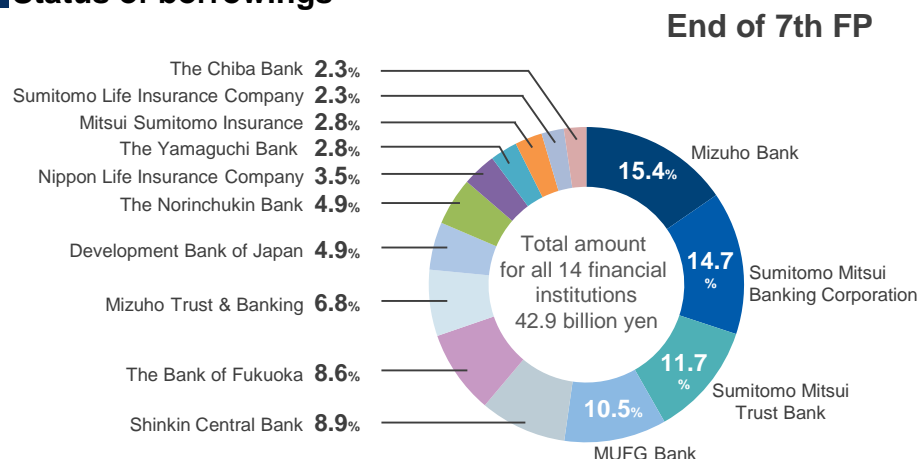
Credit rating agency	Japan Credit Rating Agency, Ltd. (JCR)
Rating details	Long-term issuer rating: AA-
Remarks	Rating outlook: Stable

\*As of the end of January 2020



## 4-5. Financial Strategy [2]

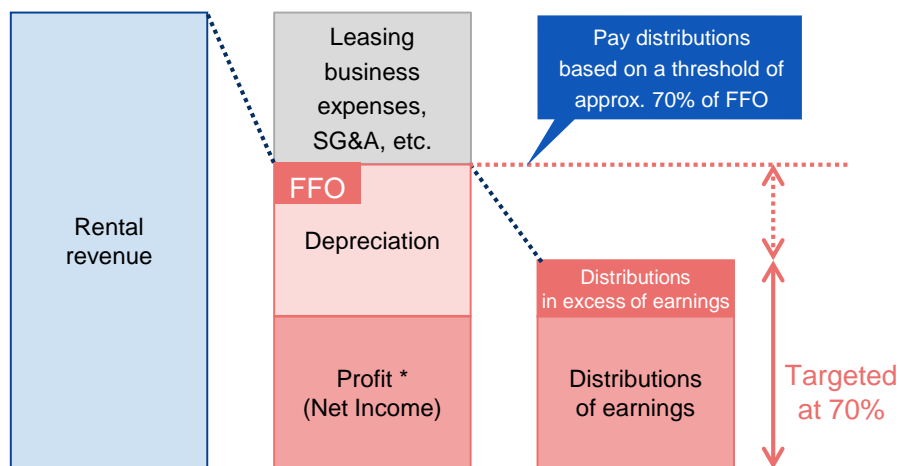
### Status of borrowings



## Efficient cash management

Based on the characteristics of logistics facilities, such as the ratio of building value to land value being typically high, MFLP-REIT intends to make cash distributions, including distributions in excess of earnings, on an ongoing basis each fiscal period from a perspective of securing stable distribution levels while managing cash efficiently.

### Diagram of cash distribution based on FFO



\*Gain or loss on sale of real estate, etc. is not included in "Profit (Net income)" in the above chart.

### Key points of cash distribution in excess of earnings

#### Level of distribution

For the time being, we intend to pay distributions (including distributions in excess of earnings) calculated at an amount equivalent to approximately 70% of FFO (excluding gain or loss on sale of real estate, etc.) for the relevant fiscal period on an ongoing basis, in principle.

#### Securing long-term building maintenance funds

Distributions in excess of earnings will be paid to the extent that an amount can be retained that is more than double the six-month average of capital expenditures stated in the engineering report for each operating period.

#### Securing financial stability

Distributions in excess of earnings will not be made if appraisal LTV ratio \* exceeds 60% for each operating period.

\*Appraisal LTV ratio =  
Interest-bearing debt ÷ (Total assets - Book value of portfolio real estate, etc. + Appraisal value)

## 4-6. Unitholder Relations

### Maximization of unitholder value through establishment of strong relationship of trust with unitholders

#### ■ Asset management fee structure consistent with the interests of unitholders

Our aim is to align the interests of the Asset Manager with those of the unitholders.

Asset management fee I	Total assets × 0.1% (maximum)
Asset management fee II	Operating income (before deduction of asset management fees and depreciation) × 5.5% (maximum)
Asset management fee III	Pre-tax earnings (before deduction of asset management fees) × Pre-tax EPU (before deduction of asset management fees) × 0.001% (maximum)

#### ■ Same-boat investment in MFLP-REIT by Mitsui Fudosan

MFLP-REIT receives 6.6% investment in capital from Mitsui Fudosan. (As of March 13, 2020)

Receiving certain investment in capital leads to alignment of the interests of MFLP-REIT's unitholders and Mitsui Fudosan, and asset management that pursues mutually greater interests.

6.6%

## 5. Market Overview

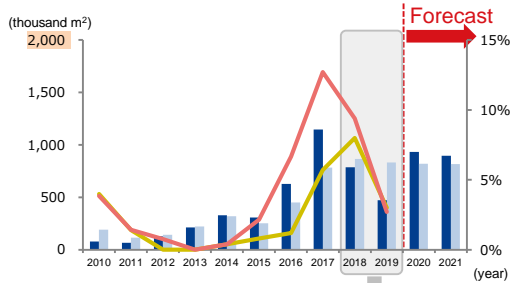


# 5-1. Market Overview [1]

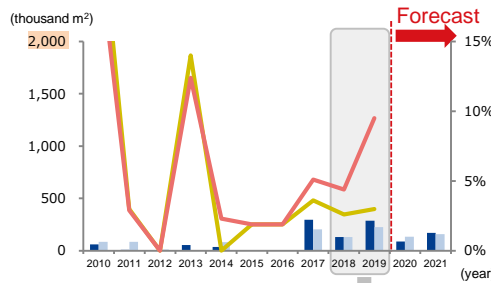
## Supply-demand balance and vacancy rate [2 of 2]

[Graph legend] ■ New supply ■ New demand — Vacancy rate — Vacancy rate (Completion over 1 year)

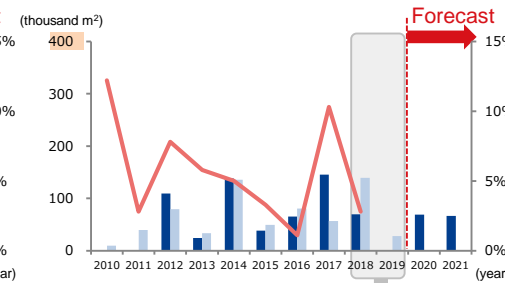
### Greater Osaka area



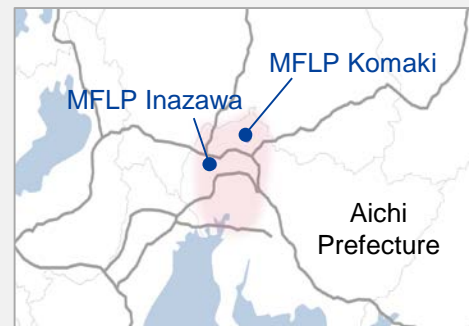
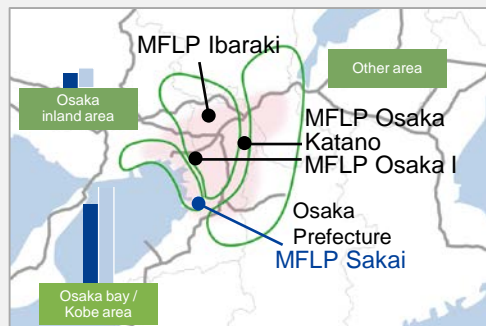
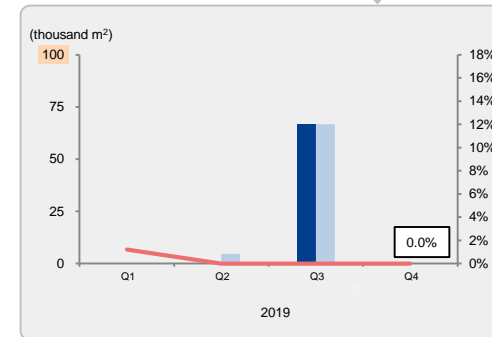
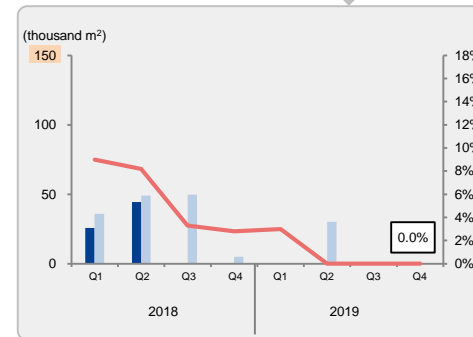
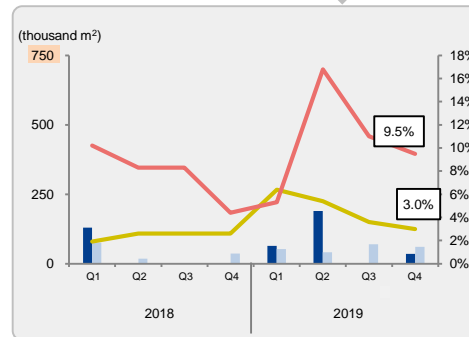
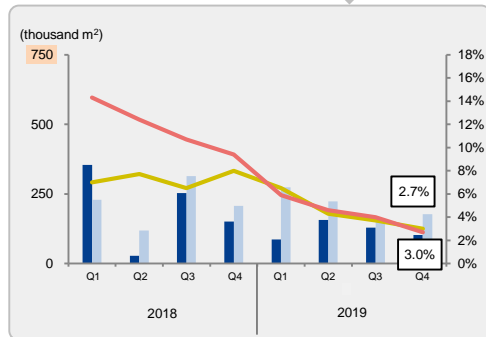
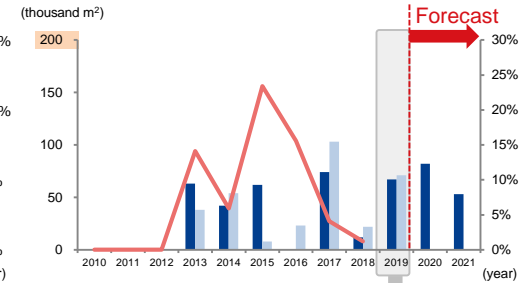
### Greater Nagoya area



### Greater Kyushu area



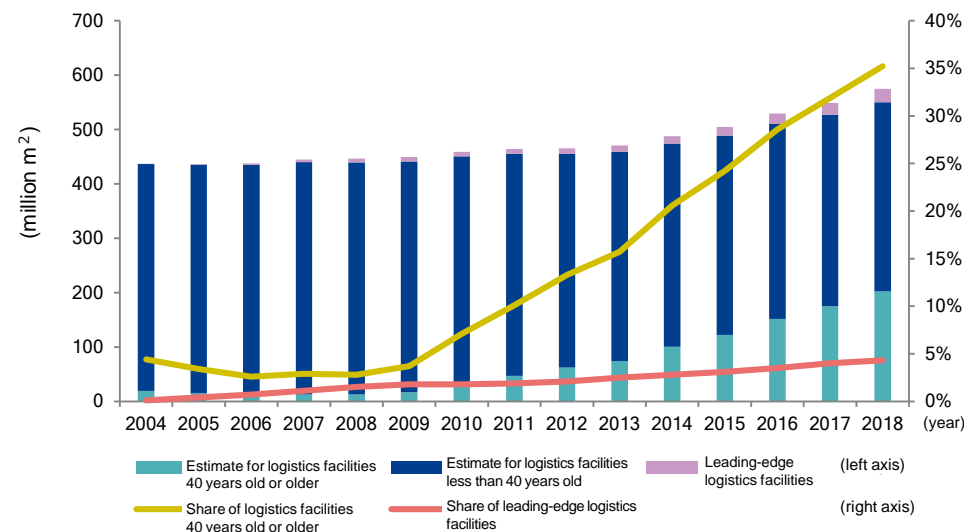
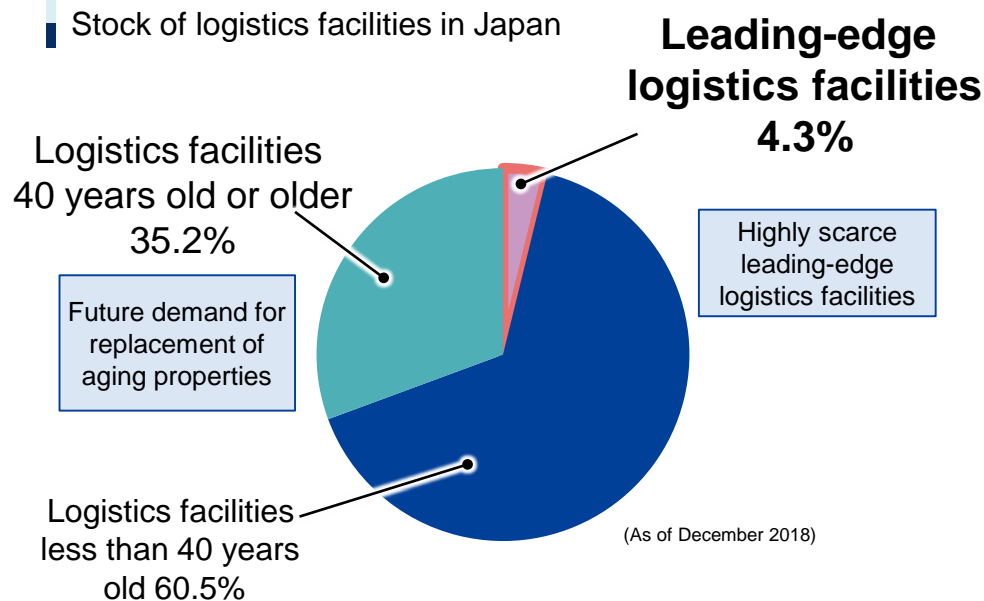
### Greater Chugoku area



[Map legend] ■ New supply in 2018 and 2019 ■ New demand in 2018 and 2019 ■ = 100 thousand m² ■ Vacancy rate 0 – less than 5% ■ Vacancy rate 5% – less than 10% ■ Vacancy rate 10%– ■ Submarket areas ■ Mitsui Fudosan's strategic areas

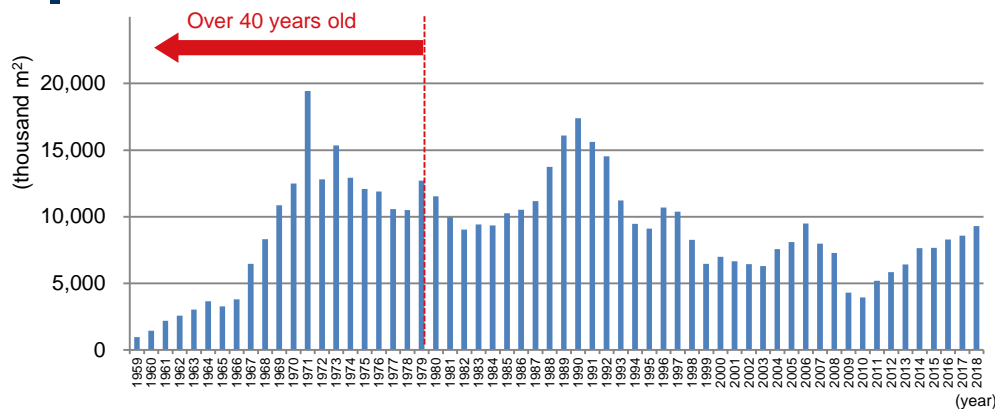
\*As of December 31, 2019

# 5-1. Market Overview [2]



\*Estimates by CBRE K.K. based on "Building Starts" (Ministry of Land, Infrastructure, Transport and Tourism) and "Summary Report on Prices, etc. of Fixed Assets" (Ministry of Internal Affairs and Communications).  
For details, please refer to "About analysis of Japan's logistics facilities stock" on p. 44 of this presentation material.

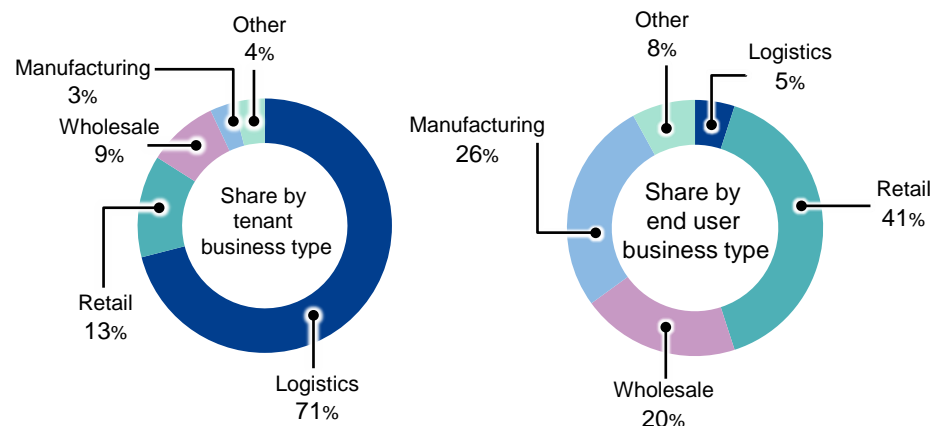
## Long-term data on construction starts of logistics facilities (nationwide)



Source: CBRE K.K.

\*Figures calculated as the sum total of the floor area of structures with "warehouse" as the use category and "steel-framed structure," "reinforced concrete structure" or "steel-framed reinforced concrete structure" as the structure type.

## Tenants / End users of logistics facilities



Source: CBRE K.K.

\*Figures are rounded to the whole number.

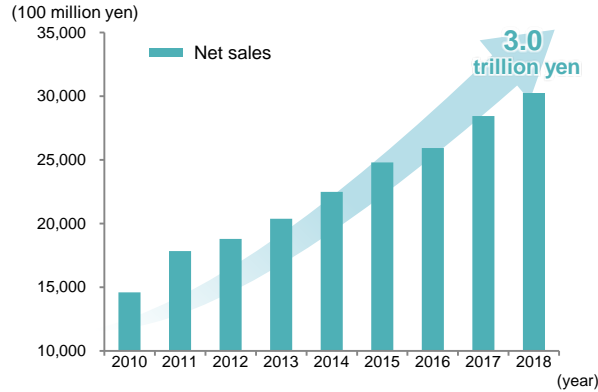
\*The survey is of rental logistics facilities that are held by real estate investment companies, real estate development companies, etc. and have total floor area of 5,000 m<sup>2</sup> or more as of the end of December 2019.



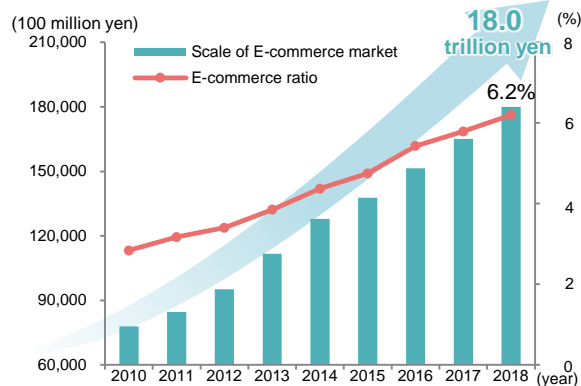
# 5-1. Market Overview [3]

Mounting demand due to 3PL business and e-commerce market size expansion

3PL market with stable growth



Expanding e-commerce market scale

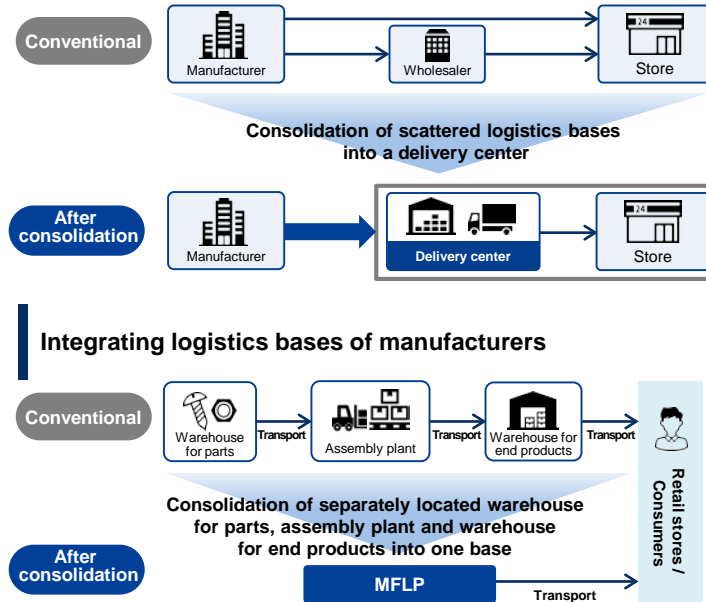


Source: "E-Commerce Market Survey" by the Ministry of Economy, Trade and Industry (Announced on May 16, 2019)

\*Amounts and percentages indicate the scale of B to C market in the e-commerce market. The target of the calculation of e-commerce ratio is limited to the sales field.

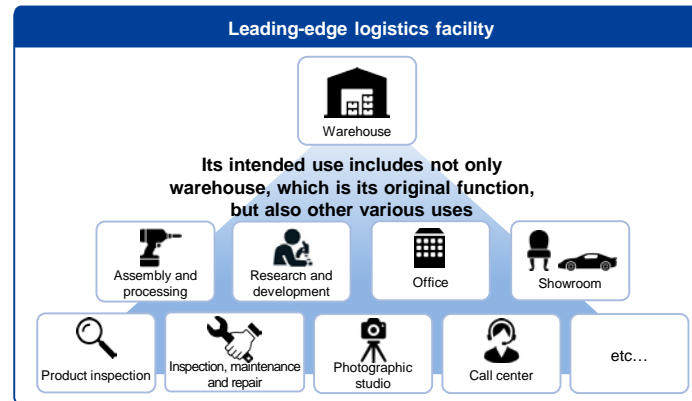
Broader demand for leading-edge logistics facilities

Attracting delivery bases of retail stores (convenience stores/drug stores)



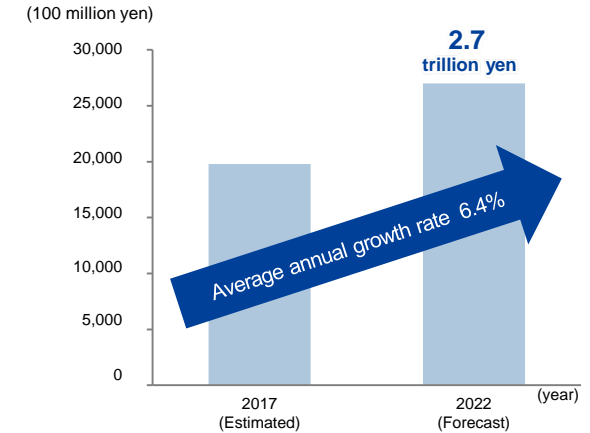
Integrating logistics bases of manufacturers

Use as a mixed-use logistics facility



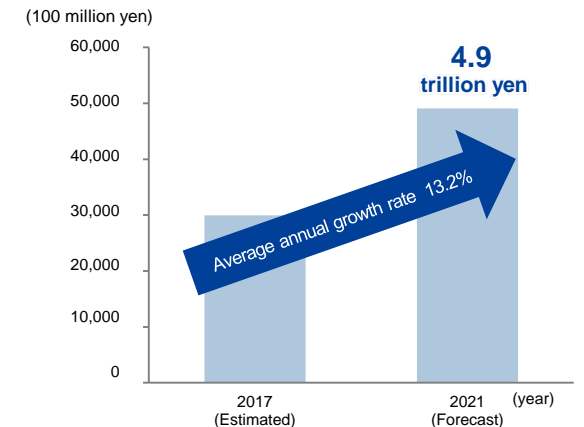
Expansion of the data center market

Data center market with significant growth (in Japan)



Source: "Comprehensive Survey of Data Center Business Market 2018: Vol. 1 Market Edition" by Fuji Chimera Research Institute, Inc. (February 21, 2018)

Expanding cloud services market (in Japan)



Source: "Reality and Future Prospective of Cloud Computing 2018: Vol.1 Users' Questionnaire Analysis and Cloud Market Edition" by Fuji Chimera Research Institute, Inc. (February 28, 2018)

## 6. Appendix

# Statement of Income and Balance Sheet

## Statement of income

(Unit: million yen)

Item	6th fiscal period (ended Jul. 31, 2019) Actual	7th fiscal period (ended Jan. 31, 2020) Actual
<b>Operating revenue</b>	<b>4,969</b>	<b>5,064</b>
Lease business revenue	4,766	4,815
Other lease business revenue	202	248
<b>Operating expenses</b>	<b>2,650</b>	<b>2,748</b>
Expenses related to rent business	2,134	2,175
Asset management fee	439	482
Asset custody and administrative service fees	22	28
Directors' compensations	5	5
Other operating expenses	48	55
<b>Operating income</b>	<b>2,318</b>	<b>2,315</b>
<b>Non-operating income</b>	<b>3</b>	<b>26</b>
<b>Non-operating expenses</b>	<b>118</b>	<b>103</b>
Interest expenses	59	59
Amortization of investment unit issuance expenses	18	18
Offering costs associated with issuance of investment units	32	-
Other	8	25
<b>Ordinary income</b>	<b>2,203</b>	<b>2,238</b>
<b>Profit before income taxes</b>	<b>2,203</b>	<b>2,238</b>
Income taxes	0	0
<b>Profit (Net Income)</b>	<b>2,202</b>	<b>2,237</b>
<b>Unappropriated retained earnings</b>	<b>2,202</b>	<b>2,238</b>

## Balance sheet

(Unit: million yen)

Item	6th fiscal period (ended Jul. 31, 2019) Actual	7th fiscal period (ended Jan. 31, 2020) Actual
<b>Current assets</b>	<b>6,745</b>	<b>4,332</b>
Cash and deposits	1,085	877
Cash and deposits in trust	3,074	3,281
Consumption taxes receivable	2,261	-
Other current assets	324	173
<b>Non-current assets</b>	<b>153,842</b>	<b>152,615</b>
Property, plant and equipment	153,761	152,546
Other non-current assets	81	68
<b>Deferred assets</b>	<b>93</b>	<b>74</b>
<b>Total assets</b>	<b>160,681</b>	<b>157,023</b>
<b>Current liabilities</b>	<b>7,081</b>	<b>3,639</b>
Operating accounts payable	228	266
Short-term borrowings	5,500	1,600
Accounts payable	502	580
Income taxes payable	0	0
Advances received	849	851
Other current liabilities	0	341
<b>Non-current liabilities</b>	<b>44,315</b>	<b>44,322</b>
Long-term borrowings	41,300	41,300
Tenant leasehold and security deposits in trust	3,015	3,022
<b>Total liabilities</b>	<b>51,397</b>	<b>47,962</b>
<b>Total unitholders' equity</b>	<b>109,284</b>	<b>109,060</b>
Unitholders' capital	107,416	107,416
Deduction from unitholders' capital	-334	-593
Unitholders' capital, net	107,081	106,822
Surplus	2,202	2,238
<b>Total net assets</b>	<b>109,284</b>	<b>109,060</b>
<b>Total liabilities and net assets</b>	<b>160,681</b>	<b>157,023</b>

# Individual Property Income Statement for 7th Fiscal Period

(Unit: million yen)

	GLP/MFLP Ichikawa Shiohama	MFLP Kuki	MFLP Yokohama Daikoku	MFLP Yashio	MFLP Atsugi	MFLP Funabashi Nishiura	MFLP Kashiwa	MFLP Sakai	MFLP Komaki	MFLP Hino	MFLP Hiratsuka	MFLP Tsukuba	MFLP Inazawa	MFLP Atsugi II	MFLP Fukuoka I	MFIP Inzai	Portfolio total
Number of days of asset management	184 days	184 days	184 days	184 days	184 days	184 days	184 days	184 days	184 days	184 days	184 days	184 days	184 days	184 days	184 days	184 days	-
Operating revenue from real estate leasing	Lease business revenue	411	437	332				135		355							4,815
	Other lease business revenue	35	37	19				29		29							248
	Total	447	475	352				164		385							5,064
Operating expenses from real estate leasing	Outsourcing expenses	39	30	25	Not disclosed *	Not disclosed *	Not disclosed *	12	Not disclosed *	35	Not disclosed *	Not disclosed *	Not disclosed *	Not disclosed *	Not disclosed *	Not disclosed *	287
	Utility expenses	19	27	16				5		20							171
	Repair expenses	1	0	15				1		1							36
	Property-related taxes	38	42	39				16		23							332
	Other expenses	1	2	1				0		1							20
	Total	100	104	98	-	-	-	36	-	82	-	-	-	-	-	-	848
Depreciation	80	107	86	63	63	50	50	43	88	87	51	95	181	113	56	107	1,326
Operating income (loss) from real estate leasing	266	263	167	191	156	133	121	84	119	214	120	182	290	239	107	227	2,888
NOI from real estate leasing [Operating income (loss) from real estate leasing + Depreciation])	346	370	254	254	220	183	171	128	207	302	171	277	472	353	163	335	4,215

\*Not disclosed, because consent has not been obtained from the lessee.

# Appraisal Summary for the End of 7th Fiscal Period

(Unit: million yen)

	Acquisition date	Acquisition price	Book value at end of 7th fiscal period	End of 6th fiscal period (End of Jul. 2019 (a))		End of 7th fiscal period (End of Jan. 2020) (b)		Change (b)-(a)		Main factors of change	
				Appraisal value	CR <sup>*1</sup>	Appraisal value	CR <sup>*1</sup>	Appraisal value	CR <sup>*1</sup>	CR <sup>*1</sup>	Other
GLP/MFLP Ichikawa Shiohama (50%)	2016/09	15,500	15,047	17,350	4.1%	17,900	4.0%	550	-0.1	○	-
MFLP Kuki	2016/08	12,500	11,843	14,000	4.6%	14,300	4.5%	300	-0.1	○	-
MFLP Yokohama Daikoku (50%)	2016/08	10,100	9,770	10,600	4.5%	10,900	4.4%	300	-0.1	○	-
MFLP Yashio	2016/08	9,650	9,284	10,900	4.4%	11,100	4.3%	200	-0.1	○	-
MFLP Atsugi	2016/08	7,810	7,426	8,720	4.6%	9,140	4.5%	420	-0.1	○	-
MFLP Funabashi Nishiura	2016/08	6,970	6,656	7,740	4.5%	7,890	4.4%	150	-0.1	○	-
MFLP Kashiwa	2016/08	6,300	6,000	6,960	4.6%	7,110	4.5%	150	-0.1	○	-
MFLP Sakai (20%)	2016/08	4,500	4,253	4,880	4.6%	4,760	4.6%	-120	0.0	-	○
MFLP Komaki	2017/08 <sup>*2</sup>	8,260	7,954	8,540	4.6%	8,570	4.6%	30	0.0	-	○
MFLP Hino (25%)	2018/02 <sup>*2</sup>	12,533	12,380	12,600	4.2%	12,600	4.2%	0	0.0	-	-
MFLP Hiratsuka	2018/03	7,027	6,896	7,150	4.5%	7,150	4.5%	0	0.0	-	-
MFLP Tsukuba	2018/12 <sup>*2</sup>	8,781	8,792	10,100	4.9%	10,100	4.9%	0	0.0	-	-
MFLP Inazawa	2019/02	16,200	15,997	16,400	4.6%	16,500	4.6%	100	0.0	-	○
MFLP Atsugi II	2019/02	13,100	12,987	13,500	4.3%	13,500	4.3%	0	0.0	-	-
MFLP Fukuoka I	2019/02 <sup>*2</sup>	5,263	5,209	5,400	4.8%	5,430	4.8%	30	0.0	-	○
MFLP Inzai	2016/08 <sup>*2</sup>	12,220	12,026	12,800	4.6%	12,800	4.6%	0	0.0	-	-
<b>Total/average</b>	-	156,714	152,526	167,640	4.5%	169,750	4.4%	2,110	-0.0	-	-

## Reference (as of March 13, 2020) <sup>\*3</sup>

MFLP Prologis Park Kawagoe (50%)	2020/02	14,800	14,800	-	-	14,800	4.3%	-	-	-	-
MFLP Hiroshima I	2020/03	14,480	14,480	-	-	14,600	4.9%	-	-	-	-
MFLP Sakai (70%)	2020/02	16,710	16,710	-	-	16,900	4.6%	-	-	-	-
MFLP Sakai (10%)	2020/04 (planned)	2,390	2,390	-	-	2,400		-	-	-	-
<b>After acquisition of properties acquired in the 8th FP</b>	-	205,094	200,906	-	-	218,450	4.4%	-	-	-	-
<b>Total/average</b>	-										

Amount of difference = Unrealized gain  
17,543 million yen

<sup>\*1</sup> CR = Capitalization rate based on direct capitalization method (NCF basis). The average indicates a weighted average based on the appraisal value.

<sup>\*2</sup> The acquisition periods of "MFLP Komaki", "MFLP Hino", "MFLP Tsukuba", "MFLP Fukuoka I" and "MFLP Inzai" are divided into two periods, but the initial acquisition dates (Komaki: upon acquisition of 40% quasi co-ownership interest, Hino: upon acquisition of 15% quasi co-ownership interest, Tsukuba: upon acquisition of 60% quasi co-ownership interest, Fukuoka I: upon acquisition of 81% quasi co-ownership interest, Inzai: upon acquisition of 20% quasi co-ownership interest) are indicated.

<sup>\*3</sup> Book value at the end of 7th fiscal period as of March 13, 2020 indicates (planned) acquisition price; and appraisal value at the end of 7th fiscal period indicates appraisal value with November 30, 2019 as the date of value.

# Initiatives for ESG

## ESG vision of Mitsui Fudosan Group

# & EARTH

Mitsui Fudosan Group aims to create a society where people and the earth can co-exist.

Environment

Social

Governance

**Achieving a sustainable society**  
**Driving continual profit growth**

SUSTAINABLE DEVELOPMENT GOALS

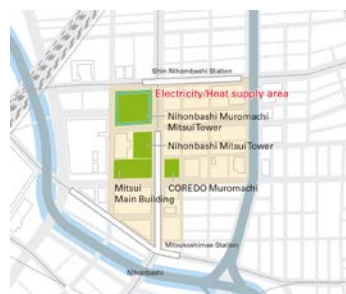


## Environmental policy of Mitsui Fudosan Group



**Establish ultra-smart societies**  
**by creating neighborhoods**

**E S**



**Achieve a society where a**  
**diverse workforce can thrive**

**S**



**Achieve health, safety and**  
**security in people's daily lives**

**E S**



**Cleaning the famous**  
**Nihonbashi bridge**  
**(conducted every July)**



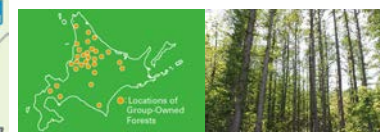
**Create new industries**  
**through open innovation**

**E S**



**Reduce environmental**  
**impact generate energy**

**E**



**Carbon Dioxide Absorption and Fixation**  
**by Mitsui Fudosan Group Forests**  
**Approx. 5,343t/year**



**Continuously improve**  
**compliance and governance**

**G**

**Corporate governance**

**Risk management**

**Compliance**



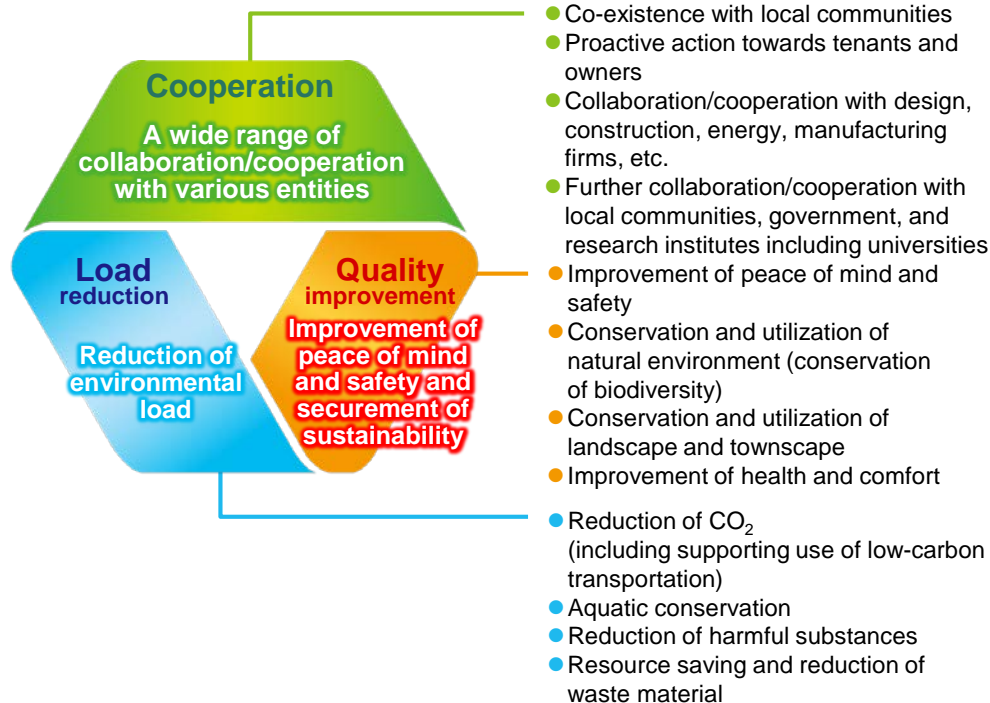
# Initiatives for ESG

## – Environmental Principles and Initiatives for Environment

Environment

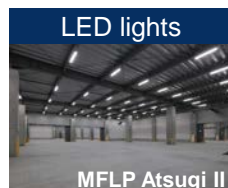
### Environmental policies of Mitsui Fudosan Group

Mitsui Fudosan Group seeks reduction of environmental load, diversified collaboration/cooperation with various entities, improvement of peace of mind, safety and comfort as well as securement of sustainability.



### Initiatives for reducing environmental load

MFLP-REIT has put forth efforts on reducing CO<sub>2</sub> emissions through energy saving while promoting efficient use of energy at its portfolio assets by introducing LED lights, installing solar panels on the roof and such.



### Eco-friendly green buildings

MFLP-REIT has a track record of acquiring CASBEE, DBJ Green Building Certification and BELS for the following properties. Furthermore, MFLP Sakai has received the Osaka Ecofriendly Construction Award. As such, MFLP-REIT proactively incorporates environmentally conscious green buildings.



Property name	Evaluation/Award history, etc.
GLP/MFLP Ichikawa Shiohama	CASBEE (Real estate) Rank S CASBEE (New construction) Rank A
MFLP Kuki	CASBEE (New construction) Rank A
MFLP Yokohama Daikoku	DBJ Green Building Certification 5 Stars
MFLP Yashio	CASBEE (New construction) Rank A
MFLP Atsugi	CASBEE Kanagawa Rank A * DBJ Green Building Certification 4 Stars
MFLP Funabashi Nishiura	CASBEE (New construction) Rank A
MFLP Kashiwa	CASBEE (New construction) Rank A
MFLP Sakai	CASBEE (New construction) Rank S FY2015 Osaka Eco-friendly Construction Award (Commerce, other category)
MFLP Komaki	CASBEE Aichi Rank A *
MFLP Hiratsuka	CASBEE Kanagawa Rank A *
MFLP Inazawa	CASBEE (New construction) Rank A CASBEE Aichi Rank A *
MFLP Atsugi II	CASBEE Kanagawa Rank A *
MFLP Fukuoka I	CASBEE (New construction) Rank A
MFLP Prologis Park Kawagoe	CASBEE (New construction) Rank A BELS 5 Stars
MFLP Hiroshima I	CASBEE Hiroshima Rank A *

\*CASBEE Kanagawa, Aichi and Hiroshima are not certified by a third-party but an assessment based on self-reporting.

#### Power generation facilities using solar panel (2019 Actual)

Number of properties established

Annual power generation

10 properties

15 GWh\*

\*For further details, please refer to "Annual Power Generation by Solar Panel" on p.44.

# Initiatives for ESG

## – Initiatives for Society

Social

Utilizing the know-how of Mitsui Fudosan, the sponsor, the properties owned by MFLP-REIT promote initiatives to offer healthy, pleasant and safe environment by giving consideration to stakeholders such as occupying tenants, facility users, surrounding environment and local communities.

### Provision of a comfortable working environment



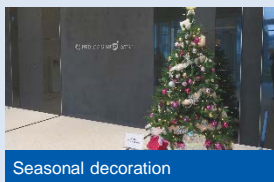
Cafeteria



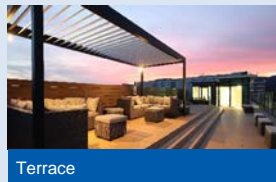
Unmanned convenience store



Dining hall



Seasonal decoration



Terrace

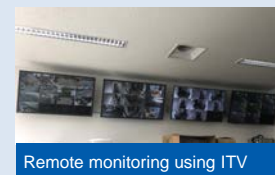
### Initiatives for security and safety



BCP measures



Adoption of seismic isolation



Remote monitoring using ITV



Emergency power generator



Stockpiles for disaster prevention

### Initiatives for local communities



Creation of community space



Implemented beautification activities (cleaning)



Emergency temporary toilets



Childcare facilities



Designated as a tsunami evacuation building

### Initiatives for tenants



Commuter shuttles



Mitsui Fudosan SC discount service for employees



Issuance of quarterly magazine



ICT LABO



Thanks party

### Initiatives for employees

Asset Management Company:  
Mitsui Fudosan Logistics REIT Management Co., Ltd.

MFLP-REIT focuses on the enhancement of the motivation of employees and the creation of a better working environment for conducting creative work efficiently. In addition, MFLP-REIT intends to enrich work-life balance and benefit program as part of the creation of an environment where employees can choose from various work styles and continue to work safely in addition to various training and corporate subsidy systems aiming to let employees maintain and improve their expertise in fields such as estate and finance.

#### Communication space



#### Personnel training



#### Work-life balance and benefit program

Introduction of flexible working hour system

Defined contribution (DC) pension system

Provision of cafeteria plan

# Initiatives for ESG

## – Initiatives for Governance with Consideration for Unitholders' Interests

Governance

MFLP-REIT and the Asset Management Company are working to establish proper governance through the following measures in order to build a solid relationship of trust that aligns interests of unitholders and interests of MFLP-REIT and the Asset Management Company while giving sufficient consideration to unitholders' rights.

### Rules concerning conflicts of interest in asset management

The acquisition and transfer of assets by MFLP-REIT from related parties are decided by the Asset Management Company via a transparent decision-making process.



\*1: The above chart shows the decision-making flow when a transaction involves a related party, which requires the approval of MFLP-REIT's Board of Directors under Article 201-2 of the Act on Investment Trusts and Investment Corporations.

\*2: If a transaction prescribed in Article 201-2 of the Act on Investment Trusts and Investment Corporations falls under the criteria for insignificance defined therein, the approval of MFLP-REIT's Board of Directors shall be omitted.

### Asset management with emphasis placed on relationship of trust with unitholders

#### Asset management fee structure consistent with the interests of unitholders

The aim is to keep the interests of MFLP-REIT's unitholders consistent with the interests of the Asset Management Company.

Asset management fee I	Total assets × 0.1% (maximum)
Asset management fee II	Operating income (before deduction of asset management fees and depreciation) × 5.5% (maximum)
Asset management fee III	Pre-tax earnings (before deduction of asset management fees) × Pre-tax EPU (before deduction of asset management fees) × 0.001% (maximum)

#### Same-boat investment in MFLP-REIT by Mitsui Fudosan

MFLP-REIT receives **6.6%** investment in capital from Mitsui Fudosan.

(As of March 13, 2020)

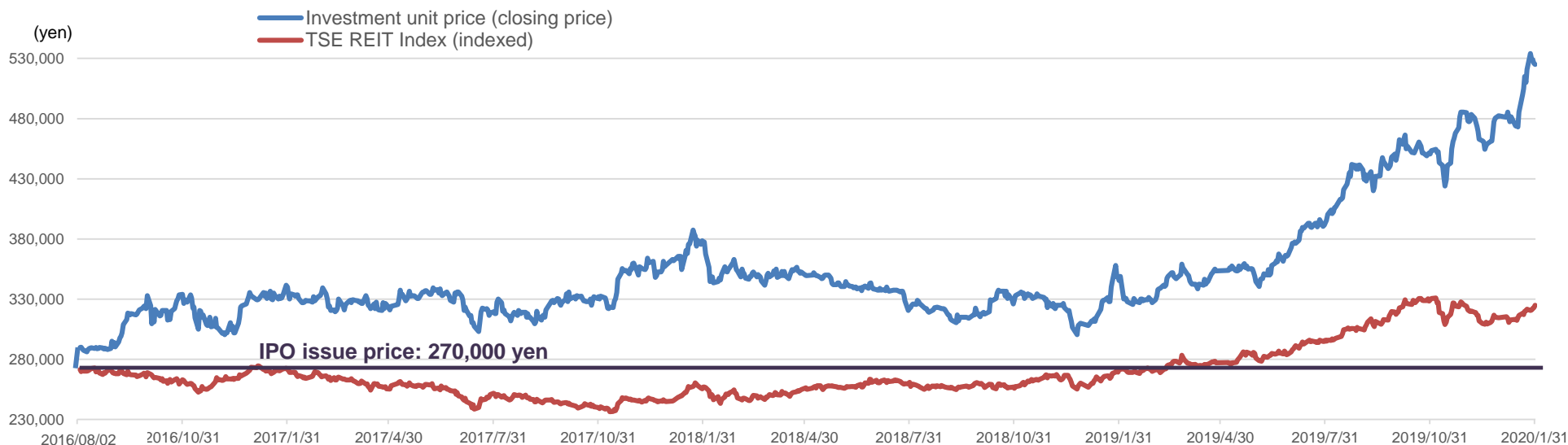
Receiving certain investment in capital leads to alignment of the interests of MFLP-REIT's unitholders and Mitsui Fudosan, and asset management that pursues mutually greater interests.

### Timely and proper information disclosure and securement of transparency

MFLP-REIT strives to make timely and proper disclosure of information necessary for unitholders to make investment decisions. Upon disclosure, MFLP-REIT promotes prompt and transparent information disclosure to secure fairness and equality, and also promotes disclosure of not only financial information but also non-financial information concerning ESG.

# Investment Unit Price Trends/Status of Unitholders

## Investment unit price firm since IPO



\*The starting point is the price of the first trade at IPO on August 2, 2016.

\*The TSE REIT Index is indexed to the August 2, 2016 opening price.

## Status of unitholders at end of 7th fiscal period (end of January 2020)

### Number of unitholders and number of investment units by type of unitholder

	Number of unitholders	% of total	Number of investment units	% of total
Individuals/Other	6,164	92.3%	21,693	5.7%
Financial institutions	134	2.0%	208,569	55.0%
Other Japanese corporations	144	2.2%	34,320	9.1%
Non-Japanese	213	3.2%	101,773	26.9%
Securities companies	25	0.4%	12,645	3.3%
<b>Total</b>	<b>6,680</b>	<b>100.0%</b>	<b>379,000</b>	<b>100.0%</b>

### Major unitholders

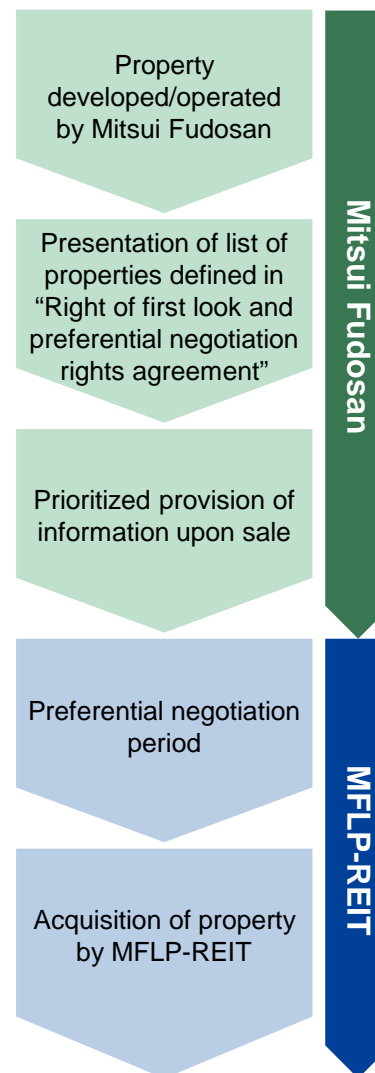
	Number of investment units	% of total
The Master Trust Bank of Japan, Ltd. (trust account)	77,973	20.6%
Japan Trustee Services Bank, Ltd. (trust account)	46,748	12.3%
Mitsui Fudosan Co., Ltd.	28,900	7.6%
The Nomura Trust and Banking Co., Ltd. (Investment Account)	12,797	3.4%
Trust & Custody Services Bank, Ltd. (securities investment trust account)	11,737	3.1%
<b>Total</b>	<b>178,155</b>	<b>47.0%</b>



# Mitsui Fudosan's Major Development/Operation Track Record \* Mitsui Fudosan Logistics Park Inc.

Fiscal year of completion	Property developed/operated	Total floor area	Acquisition by MFLP-REIT (planned) *	Properties defined in "Right of first look and preferential negotiation rights agreement"
FY2013	MFLP Yokohama Daikoku	100,530 m <sup>2</sup>	● (50%)	—
	GLP/MFLP Ichikawa Shiohama	105,019 m <sup>2</sup>	● (50%)	—
	MFLP Yashio	40,728 m <sup>2</sup>	●	—
FY2014	MFLP Kuki	73,153 m <sup>2</sup>	●	—
	MFLP Sakai	125,127 m <sup>2</sup>	●	—
	MFLP Funabashi Nishiura	30,947 m <sup>2</sup>	●	—
	MFLP Atsugi	40,942 m <sup>2</sup>	●	—
	MFIP Inzai	40,478 m <sup>2</sup>	●	—
FY2015	MFLP Hino	205,200 m <sup>2</sup>	● (25%)	● (75%)
	MFLP Kashiwa	31,242 m <sup>2</sup>	●	—
FY2016	MFLP Funabashi I	197,746 m <sup>2</sup>	—	—
	MFLP Fukuoka I	32,199 m <sup>2</sup>	●	—
	MFLP Hiratsuka	33,061 m <sup>2</sup>	●	—
	MFLP Komaki	40,597 m <sup>2</sup>	●	—
FY2017	MFLP Inazawa	72,883 m <sup>2</sup>	●	—
	MFLP Ibaraki	230,435 m <sup>2</sup>	—	●
	MFLP Tsukuba	62,484 m <sup>2</sup>	●	—
FY2018	MFLP Atsugi II	48,976 m <sup>2</sup>	●	—
	MFLP Prologis Park Kawagoe	117,337 m <sup>2</sup>	● (50%)	—
FY2019	MFIP Haneda	80,334 m <sup>2</sup>	—	—
	MFLP Hiroshima I	68,427 m <sup>2</sup>	●	—
	MFLP Funabashi II	227,003 m <sup>2</sup>	—	●
	MFLP Kawaguchi I	49,838 m <sup>2</sup>	—	●
	MFLP Hiratsuka II	48,141 m <sup>2</sup>	—	●
	MFLP Yokohama Kohoku	50,667 m <sup>2</sup>	—	●
	MFLP Kawasaki I	A: 36,188 m <sup>2</sup> B: 13,583 m <sup>2</sup>	—	—
FY2020	MFLP Tachikawa Tachihi	Approx. 67,000 m <sup>2</sup>	—	—
	MFLP Osaka I	49,009 m <sup>2</sup>	—	● NEW
	MFLP Yachiyo Katsutadai	75,802 m <sup>2</sup>	—	● NEW
	MFLP Tosu	35,274 m <sup>2</sup>	—	● NEW
FY2021	MFLP Tokorozawa	Approx. 21,300 m <sup>2</sup>	—	—
	MFLP Funabashi III	268,392 m <sup>2</sup>	—	● NEW
	MFLP Osaka Katano	Approx. 72,000 m <sup>2</sup>	—	—
	(Tentative) Ichikawa Shiohama Logistics Facility Development Project <sup>*3</sup>	Approx. 183,800 m <sup>2</sup>	—	—
FY2022 or after	MFLP Ebina	Approx. 124,400 m <sup>2</sup>	—	—
	Tokyo Rail Gate EAST	Approx. 175,000 m <sup>2</sup>	—	—
TBD	Other data centers (2 properties)	—	—	—
	Other overseas properties (2 properties)	—	—	—

## Flow regarding provision of right of first look information



\*For further details, please refer to "Major properties developed/operated by Mitsui Fudosan" and "Property defined in "Right of first look and preferential negotiation rights agreement"" on p. 43.

\*1: In the case of MFLP Yokohama Daikoku, it is the fiscal year in which the property began to be under its operation. The fiscal year of completion of the property is fiscal 2009.

The fiscal year of completion of the existing building of MFLP Tsukuba is fiscal 2010.

\*2: The percentage figure in parentheses is the percentage of quasi co-ownership interest in the portfolio asset.

\*3: Based on materials released by Mitsui Fudosan on November 5, 2019.



# Notes on Matters Stated in this Document

\*Unless otherwise specified, figures indicated in whole number are rounded down to the nearest specified unit and figures with a decimal point are rounded to the nearest indicated unit.  
 \*Unless otherwise specified, descriptions are made based on the following.

[Major properties developed/operated by Mitsui Fudosan]

Based on materials released by Mitsui Fudosan on May 21, 2018 and November 5, 2019. Indicates the area recorded in the property registry or the certificate of completion for completed properties, the area stated on the building confirmation certificate for uncompleted properties that are properties defined in "Right of first look and preferential negotiation rights agreement," and the area stated in the material published by Mitsui Fudosan for all other properties. The area for uncompleted properties is the planned area and is subject to change.

"Cumulative total investment size" includes properties under development or scheduled to be developed as of each date of publication and their (planned) investment amount. Properties scheduled to be developed include those targeted or planned by the Mitsui Fudosan Group as of the date of this document, and are subject to change or cancellation. Furthermore, there are no details concerning the timing of completion of the aforementioned investments that had been finalized as of the date of this document. Nor does MFLP-REIT guarantee or promise that the plans be materialized. "Tokyo Rail Gate EAST" is included in "32 facilities 480.0 billion yen 2,700,000 m<sup>2</sup>" in terms of the number of facilities and total floor area, but not in term of the amount. Mitsui Fudosan has no plans to acquire the property as of the date of this document.

[Properties defined in "Right of first look and preferential negotiation rights agreement"]

"Properties defined in 'Right of first look and preferential negotiation rights agreement'" refers to properties on the list of right of first look and preferential negotiation properties pertaining to real estate subject to provision of information, presented based on the right of first look and preferential negotiation rights agreement executed between the Asset Management Company and Mitsui Fudosan upon the Asset Management Company managing MFLP-REIT's assets. "Real estate subject to provision of information" refers to, among real estate, etc. held by Mitsui Fudosan or a real estate fund which accepted investment or monetary contribution of Mitsui Fudosan, those which are judged to have the possibility to be sold to MFLP-REIT at Mitsui Fudosan's discretion.

The (number of) subject properties and ratio/total floor area indicate figures after considering co-ownership interest (or quasi co-ownership interest).

[Four Roadmaps to Stable Growth and Trajectory of Growth] / [Steady Implementation of Four Roadmaps] / [Financial Highlights] / [Our Portfolio (After acquisition of properties acquired in the 8th FP)]

"LTV"

$LTV = \text{Balance of interest-bearing debt} \div \text{Total assets}$

"Distribution per unit (DPU)"

Includes distribution in excess of earnings. (Number of investment units issued and outstanding: 262,774 units at the end of 5th fiscal period / 379,000 units at the end of 6th and 7th fiscal periods / 441,000 units at the end of 8th and 9th fiscal periods)

"Market cap"

FP ended July 2019 (End of 6th FP): Closing price of the investment unit as of the end of the FP ended July 2019 (393,500 yen) x the number of MFLP-REIT's investment units issued and outstanding as of the end of the FP ended July 2019 (379,000 units)

FP ended January 2020 (End of 7th FP): Closing price of the investment unit as of the end of the FP ended January 2020 (525,000 yen) x the number of MFLP-REIT's investment units issued and outstanding as of the end of the FP ended January 2020 (379,000 units)

"After the 3rd follow-on offering": Closing price of the investment unit in regular trading as of February 28, 2020 (482,500 yen) x the number of MFLP-REIT's investment units issued and outstanding as of February 28, 2020 (441,000 units)

"Total floor area"

Figures based on the record on the register, rounding down to the nearest whole number.

"Appraisal value"

Appraisal value indicates figures corresponding to the quasi co-ownership interest ratio of each property. Appraisal values with January 31, 2020 (end of 7th FP) as the appraisal date are indicated for properties owned as of the end of 7th FP, and those with November 30, 2019 as the appraisal date are indicated for properties acquired in 8th FP.

For MFLP Sakai, the total of appraisal value of each quasi co-ownership acquired (the value increased along with owning 100% interest is added for properties acquired in 8th FP (80% quasi co-ownership interest)) is indicated.

However, such is not included in the appraisal value as of the end of 7th FP.

"Adjusted forecast NOI yield"

Annualized after subtracting the fixed asset tax and city planning tax for the properties acquired in 8th FP from the NOI assumed in the earnings forecast for the 8th and 9th fiscal periods as well as adjusting special factors, and dividing it by the total acquisition price.

Subtotal (average) and total (average) for each category indicate the weighted average based on acquisition price.

"NOI yield"

Ratio of net operating income under direct capitalization method stated in real estate appraisal report ("Appraisal NOI") to acquisition price. "Average NOI yield" and subtotal (average) and total (average) for each category indicate the weighted average based on acquisition price.

"Appraisal NOI yield"

Appraisal NOI as a percentage of appraisal value. "Average appraisal NOI yield" and subtotal (average) and total (average) for each category indicate the weighted average based on the appraisal value.

"Building age"

Number of years from the date of construction of the main building of a property acquired in the register to January 31, 2020.

"Average building age" and subtotal (average) and total (average) indicate the weighted average based on the total floor area, considering the quasi co-ownership interest of each property.

"Top 5 property ratio"

The sum of the acquisition prices of the five largest properties as a percentage of the total acquisition price.

"Top 5 tenant ratio (logistics facilities only)"

The total leased area of top five tenants as a percentage of the total leased area.

"Acquisition capacity"

Amount of debt that can be additionally financed supposing that LTV is raised to 50%. The amount indicated is rounded to the nearest billion yen.

"NAV per unit"

End of FP ended July 2019 (End of 6th FP): (Net assets as of the end of FP ended July 2019 + Unrealized gain on appraisal basis – Total distribution amount) (=NAV as of the end of FP ended July 2019) / Number of investment units issued and outstanding (379,000 units)

End of FP ended January 2020 (End of 7th FP): (Net assets as of the end of FP ended January 2020 + Unrealized gain on appraisal basis – Total distribution amount) (=NAV as of the end of FP ended January 2020) / Number of investment units issued and outstanding (379,000 units)

"After the 3rd follow-on offering" and "After acquisition of properties acquired in the 8th FP": (NAV as of the end of FP ended January 2020 (End of 7th FP) + Unrealized gain on appraisal basis of properties acquired in 8th FP (\*) + Total issue amount of the 3rd follow-on offering (29,727,512,000 yen) / Number of MFLP-REIT's investment units issued and outstanding after the 3rd follow-on offering (441,000 units)

\*Unrealized gain on appraisal basis of properties acquired in 8th FP: (total) Appraisal value of properties acquired in 8th FP – (total) Acquisition price of properties acquired in 8th FP.

"Unrealized gain"

A period-end book value is indicated for properties held by MFLP-REIT as of the end of 7th FP, and a figure obtained by subtracting the total of acquisition prices from appraisal value is indicated for properties acquired in the 8th FP.

"Occupancy rate"

Leased area as a percentage of leasable area. Based on concluded agreements as of January 31, 2020.

## [Method of calculation of cash distribution based on FFO]

- (1) Distribution of earnings is determined based on profit (net income) for the applicable operating period.
- (2) FFO for the applicable operating period is calculated by adding depreciation to profit (net income) (excluding gain or loss on sale of real estate, etc.) for the applicable operating period.
- (3) The amount distributable including distribution in excess of earnings is calculated based on a threshold of an amount equivalent to 70% of FFO for the applicable operating period.
- (4) The amount distributable in excess of earnings is calculated by deducting the amount of distribution of earnings (excluding gain or loss on sale of real estate, etc.) from the amount distributable including distribution in excess of earnings.
- (5) The amount of continuous distribution in excess of earnings is determined based on a comprehensive judgment on the basis of the amount distributable in excess of earnings.
- (6) The distribution in excess of earnings determined in 5. above is to be continuously made each fiscal period in principle, in addition to the distribution of earnings determined in 1. above.

## [Calculation of average lease term]

"Average lease term" is calculated using the weighted average of the lease terms stated in concluded lease agreements as of January 31, 2020 with leased areas. Concerning the subject lease agreements, when a new lease agreement ("re-contract") starting on the day immediately following the expiration date of the respective lease agreement is concluded with the same lessee, lease term is deemed to be from the start of the initial lease agreement to the expiration date of the re-contract, and used in the calculation as such.

## [Annual Power Generation by Solar Panel]

Actual power generated between January 2018 and the end of December at 10 properties with photovoltaic panel facilities and owned by MFLP-REIT as of January 31, 2020 is indicated.  
The total power generation amount of the entire properties is indicated regardless of ownership ratio held by MFLP-REIT.

## [About analysis of Japan's logistics facilities stock]

- (1) The "Analysis of Japan's logistics facilities stock" graph is of estimates by CBRE K.K. based on the Policy Bureau of the Ministry of Land, Infrastructure, Transport and Tourism's "Building Starts" and the Ministry of Internal Affairs and Communications' "Summary Report on Prices, etc. of Fixed Assets."
- (2) In the "Analysis of Japan's logistics facilities stock" graph, "Leading-edge logistics facilities" is the figure of each year's sum total of the gross floor area of leading-edge logistics facilities (refers to rental logistics facilities that have gross floor area of at least 10,000 m<sup>2</sup> and, in principle, ceiling height of at least 5.5 m, floor load capacity of at least 1.5 tons/m<sup>2</sup> and column spacing of at least 10 m).
- (3) In the "Analysis of Japan's logistics facilities stock" graph, "Estimate for logistics facilities 40 years old or older" is the figure of each year's overall stock estimate (as covered by note 5; the same shall apply hereinafter) minus the sum total of the floor area of which construction was started within the past 40 years.
- (4) "Estimate for logistics facilities less than 40 years old" is the figure of the overall stock estimate minus the floor area of "Estimate for logistics facilities 40 years old or older" and "Leading-edge logistics facilities."
- (5) The overall stock estimate is the sum total of "Estimate for logistics facilities 40 years old or older," "Estimate for logistics facilities less than 40 years old" and "Leading-edge logistics facilities."
- (6) In the "Analysis of Japan's logistics facilities stock" graph, "Share of leading-edge logistics facilities" is each fiscal year's "Leading-edge logistics facilities" expressed as a percentage of the overall stock estimate (gross floor area basis).
- (7) In the "Analysis of Japan's logistics facilities stock" graph, "Share of logistics facilities 40 years old or older" is each fiscal year's "Estimate for logistics facilities 40 years old or older" expressed as a percentage of the overall stock estimate (gross floor area basis).
- (8) "Gross floor area" is compiled based on data on construction starts. In addition, estimates are on the basis of the time of construction completion being that construction is deemed to be completed after one year has elapsed from construction start. Accordingly, gross floor area may not match the floor area on the building confirmation certificate, construction completion drawing or register.

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