Summary of Financial Results for the Fiscal Period Ended January 31, 2017 (REIT)

March 16, 2017

Name of Issuer	Mitsui Fudosan Logistics Park Inc.	Stock Exchange Listing	Tokyo Stock Exchange
Securities Code	3471	Website	http://www.mflp-r.co.jp/en/
Representative	Masayuki Isobe, Executive Director		

Asset Management Company	Mitsui Fudosan Logistics REIT Management Co., Ltd.
Representative	Chishu Zushi, President and Chief Executive Officer
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Scheduled date of submission of security report:	April 27, 2017
Scheduled date of commencement of distribution payout	April 21, 2017
Supplementary materials for financial results:	Yes
Holding investor presentation for financial results:	Yes (for analyst and institutional investors)

(Amounts less than ¥1 million have been rounded down)

1. Financial Results for the Fiscal Period Ended January 31, 2017 (March 4, 2016–January 31, 2017)

(1) Results of Operations (% figures denote year-on-year change)

	Operating revenues		Operating income		Ordinary income		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal period ended January 31, 2017	2,383	—	1,307	—	1,111	—	1,110	—

	Net income per unit	Return on unitholders' equity	Ratio of ordinary income to total assets	Ratio of ordinary income to operating revenues
	Yen	%	%	%
Fiscal period ended January 31, 2017	9,017	1.9	1.5	46.6

Notes:
1. While the fiscal period ended January 31, 2017 was a period of 334 days from March 4, 2016 to January 31, 2017, the actual asset management period of Mitsui Fudosan Logistics Park Inc. ("MFLP-REIT") was 183 days, from August 2, 2016 to January 31, 2017.
2. Net income per unit is calculated by dividing net income by the daily weighted average number of investment units (123,102 units). Net income per unit using the daily weighted average number of investment units deeming August 2, 2016, the actual starting date of asset management, as the beginning of the fiscal period (222,525 units), is 4,988 yen.
3. Return on unitholders' equity and Ratio of ordinary income to total assets are calculated using the respective average of unitholders' equity and total assets as of August 2, 2016, the actual starting date of asset management, and as of the end of the fiscal period.
4. Presentation of percentage figures for operating revenues, operating income, ordinary income, and net income are the rate of period-on-period changes, but this is not applicable for the fiscal period ended January 31, 2017 as it is the first fiscal period.

(2) Distributions

	Distributions per unit (excluding distributions in excess of earnings)	Total amount of distributions (excluding distributions in excess of earnings)	Distributions in excess of earnings per unit	Total amount of distributions in excess of earnings	Distribution per unit (including distributions in excess of earnings)	Total amount of distributions (including distributions in excess of earnings)	Payout ratio	Ratio of distributions to net assets
	Yen	Millions of yen	Yen	Millions of yen	Yen	Millions of yen	%	%
Fiscal period ended January 31, 2017	4,955	1,109	243	54	5,198	1,164	100.0	1.9

Notes:
1. Due to the issuance of new investment units, the payout ratio is calculated using the following formula and rounded to the first decimal place.
   Payout ratio = Total amount of distributions (excluding distributions in excess of earnings)/Net income x 100
2. The ratio of distributions to net assets is calculated using the following formula.
   Distributions per unit (excluding distributions in excess of earnings)/ {(Net assets per unit at the beginning of the fiscal period + Net assets per unit at the end of the fiscal period) /2} x 100
3. The total amount of distributions in excess of earnings is return of capital applicable to distribution reducing unitholders' capital for tax purposes.
4. The ratio of decreasing surplus attributable to distributions in excess of earnings (return of capital applicable to distribution reducing unitholders' capital for tax purpose) is 0.001. This calculation is based on Article 23, Paragraph 1, Item 4 of the Order for Enforcement of the Corporation Tax Act.

(3) Financial Position

	Total assets	Net assets	Unitholders' equity to total assets	Net assets per unit
	Millions of yen	Millions of yen	%	Yen
Fiscal period ended January 31, 2017	81,698	59,460	72.8	265,449

(4) Cash Flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Fiscal period ended January 31, 2017	(745)	(74,520)	78,350	3,084

2. Forecast for the Fiscal Period Ending July 31, 2017 (February 1, 2017 to July 31, 2017)

(% figures denote year-on-year change)

	Operating revenues		Operating income		Ordinary income		Net income		Distributions per unit (excluding distributions in excess of earnings)	Distributions in excess of earnings per unit	Distributions per unit (including distributions in excess of earnings)
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen	Yen	Yen
Fiscal period ending July 31, 2017	2,531	6.2	1,131	(13.5)	1,101	(0.9)	1,100	(0.9)	4,913	277	5,190

(Reference) Expected net income per unit: (Fiscal period ending July 31, 2017) ¥4,913

3. Other

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

(i) Changes in accounting policies due to revisions to accounting standards, etc.: None
(ii) Changes in accounting policies other than (i) above: None
(iii) Changes in accounting estimates: None
(iv) Retrospective restatements: None

(2) Total number of investment units issued and outstanding

(i) Total number of units issued and outstanding at the end of the fiscal period (including treasury units)

Fiscal period ended January 31, 2017	224,000 units

(ii) Number of treasury units at the end of the fiscal period

Fiscal period ended January 31, 2017	0 units

• The Implementation Status of Statutory Audit

At the time of this financial report, the audit procedures for the financial statements pursuant to the Financial Instruments and Exchange Act have not been completed.

• Appropriate use of the forecast of financial results; other special items

Forecasts of financial results and other forward-looking statements contained in this material are based on information currently available to MFLP-REIT and certain assumptions we believe are reasonable. Actual operating performance may differ significantly from these forecasts due to a variety of factors. Furthermore, these forecasts do not guarantee the above distribution amounts

For details of assumptions for the above forecast figures, please refer to "Forecast Assumptions for the Fiscal Period Ending July 2017 (February 1, 2017 to July 31, 2017)" described on page 3.

Forecast Assumptions for the Fiscal Period ending July 2017

Item	Assumptions
Calculation period	・The fiscal period ending July 31, 2017 (the second fiscal period) (February 1, 2017 to July 31, 2017) (181 days)
Investment assets	・It is assumed that there will be no change in the number of assets under management by MFLP-REIT in regard to the trust beneficial interests in real estate (total of nine properties) that are currently held (the "acquired assets") as of January 31, 2017 until the end of the fiscal period ending January 31, 2018 and will not acquire any additional new properties other than the acquired assets that are existing properties. ・Actual numbers may change due to the future acquisitions of new properties and/or disposals of existing properties, outside of the acquired assets.
Operating revenue	・Leasing business revenues are calculated based on lease contracts for the acquired assets which are in effect as of today and other factors including tenant movements and market trends. ・Calculations assume that there will be no gain or loss on sale of real estates.
Operating expenses	・Leasing business expenses other than depreciation expenses have been calculated taking into consideration changes to expenses, including anticipated leasing costs based on lease agreements already concluded, with historical results used as a benchmark. ・Depreciation expenses are calculated using the straight-line method. Depreciation expenses are expected to be ¥560 million in the fiscal period ending July 2017. ・Leasing business income (excluding gain on sale of real estates) after the deduction of leasing business expenses (including depreciation) is expected to be ¥1,454 million in the fiscal period ending July 2017. ・Fixed property taxes, city planning taxes and other charges for properties currently held by MFLP-REIT are expected to be ¥249 million in the fiscal period ending July 2017. ・Repair expenses for buildings are expected to be ¥39 million in the fiscal period ending July 2017. However, given the possibility that repair expenses may increase or additional expenses may be incurred due to difficult-to-forecast factors, the actual results may differ largely from the forecast amount.
Non-operating expenses	・It is assumed that interest expenses and other expenses related to borrowings will be ¥30 million in the fiscal period ending July 2017.
Interest-bearing debt	・It is assumed that total interest-bearing debt will be ¥17,000 million at the end of the fiscal period ending July 31, 2017. ・Since the refund of consumption tax for the fiscal period ending January 2017 is scheduled in the fiscal period ending July 2017, it is assumed that repayment of borrowings in the amount of ¥3,000 million will be made in the fiscal period ending July 2017 using the refund, etc. ・The loan to value ratio (LTV) is expected to be 21.8% at the end of the fiscal period ending July 31, 2017. The following formula is used to calculate LTV. LTV = Total interest-bearing debt ÷ total assets × 100
Investment units	・The total number of investment units issued and outstanding is 224,000 units as of today, and MFLP-REIT does not expect any changes to the number of investment units by issuing new investment units until the period ending January 31, 2018. ・Distributions per unit (not including distributions in excess of earnings) and distributions in excess of earnings per unit are calculated based on the 224,000 units of total expected investment units issued and outstanding at the end of fiscal periods ending July 31, 2017.
Distribution per unit (excluding distributions in excess of earnings)	・Distributions per unit (excluding distributions in excess of earnings) is calculated in accordance with MFLP-REIT's distribution policy described in its Articles of Incorporation and assumes that the entire amount of profits will be distributed. ・However, distributions per unit (excluding distributions in excess of earnings) may change for a variety of reasons including changes in MFLP-REIT's investment assets, changes in leasing revenues due to tenant movements, etc., and/or the occurrence of unforeseen repairs and maintenance, etc.
Distributions in excess of earnings per unit	・Distributions in excess of earnings per unit is calculated in accordance with MFLP-REIT's policy on distribution of cash described in its Articles of Incorporation and the asset management guidelines for the asset management company. Total distributions in excess of earnings are assumed to be ¥62 million in the fiscal period ending July 2017. ・MFLP-REIT emphasizes cash flow generated by asset management, such as the leasing of investment assets, excluding gain and loss on sale of real estates. For an interim period, it is MFLP-REIT's policy to calculate the amount distributable, including distributions in excess of earnings, to be around 70% of FFO up to a maximum of 75% of FFO and continually distribute the amount of this that exceeds the cash distribution, within a scope where financial stability can be secured and owned assets can be maintained for a long duration of time, as distributions in excess of earnings determined based on a comprehensive

	judgment of the situation ("continuous distribution in excess of earnings"). However, the continuous distribution in excess of earnings may be terminated given the economic environment, trends in the real estate market or leasing market, the situation surrounding owned assets, the percentage distribution in excess of earnings accounted for in depreciation during MFLP-REIT's applicable operating period(*1), and the situation pertaining to LTV level and retained cash and deposits, among other factors. ・In addition to the continuous distributions in excess of earnings, in cases where the distribution amount for distributions per unit (including distributions in excess of earnings) is expected to temporarily decline at a noticeable rate due to the procurement of funds through the issuance of new investment units, a temporary distribution in excess of earnings may be executed in order to standardize the amount of the distributions per unit (including distributions in excess of earnings). ・However, from the perspective of maintaining owned assets for a long period of time, in cases where the above distribution is executed, and where the amount equal to the equivalent of depreciation for the applicable operating period subtracted from the amount of the distribution in excess of earnings for the applicable operating period falls below the standard amount of capital for building maintenance(*2), the distribution in excess of earnings will decrease up to a maximum amount that does not fall below the total of the distribution of earnings, and distribution in excess of earnings will not be executed. ・In addition, from the perspective of continuing stable financial management, distributions in excess of earnings will not be executed in cases where the appraised LTV(*3) exceeds 60% in the event that the above distribution of cash is executed. (*1) The maximum will be an amount equivalent to 60% of the depreciation for the applicable operating period. (*2) "Standard amount of capital for building maintenance" refers to an amount equal to the capital expenditure amount noted in the Building Condition Evaluation Report averaged over 12 years, with an amount equal to six months multiplied by two. (*3) Appraised LTV (%) = A/B × 100 (%) A = Total interest-bearing debt on the applicable accounts settlement date B = Total assets on the balance sheet on the applicable accounts settlement date – amount of book value after depreciation of owned real estate on the applicable accounts settlement date + appraised value of owned real estate on the applicable accounts settlement date
Other	・Calculations and operating forecasts are based on the assumption that there will be no change in legislation, taxation, accounting standards, regulations applying to publicly listed companies, rules and requirements imposed by the Investment Trusts Association, Japan, which will impact the aforementioned forecasts. ・It is assumed there will be no material changes in general economic and real estate market conditions in Japan.