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01

Operational Highlights



LOGIPORT Hiratsuka-shinmachi

Operational Highlights

1

Selective investments at appropriate yields, boosted DPU further

- Acquired 2 properties in March for ¥15.05bn at a 4.8% NOI yield
- DPU is 2,638 yen (+6.2% from prior FP, +3.2 % relative to initial forecast)

2

Stable portfolio management resulting in steadily realized internal growth

- A high portfolio occupancy of 98.6% (FP average) was maintained
- Upward increase of +3.0% within LLR's fixed term lease assets achieved

3

With the market environment changing, new milestones for sustainable growth

- Increased pipeline to 6 preferential negotiation rights properties totaling more than ¥100.0bn
- As a new initiative aimed at acquiring additional revenues, utilize cash on hand and LTV reserves to invest in excess returns strategies alongside our private funds

Improve Investors' Value by Steadily Accumulating Investment Results

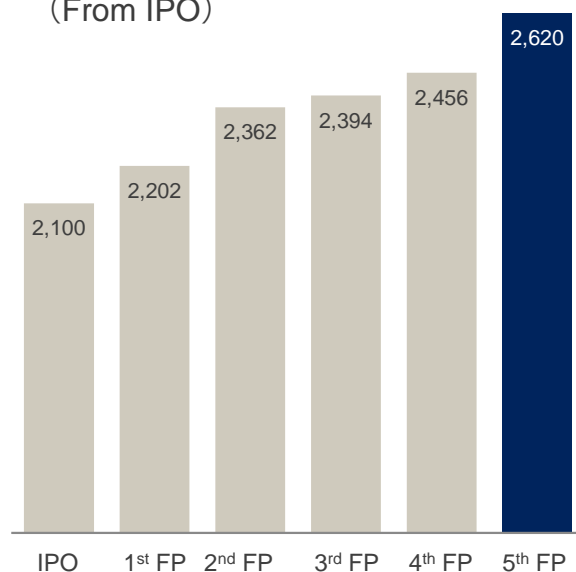
DPU AND NAV GROWTH

DPU after adjustments for temporary effects are factored ⁽¹⁾ (yen)

CAGR

+9.1%

(From IPO)

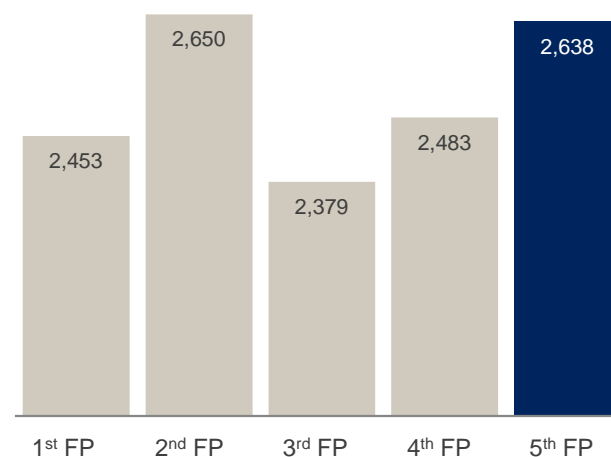


DPU Actuals (yen)

CAGR

+10.9%

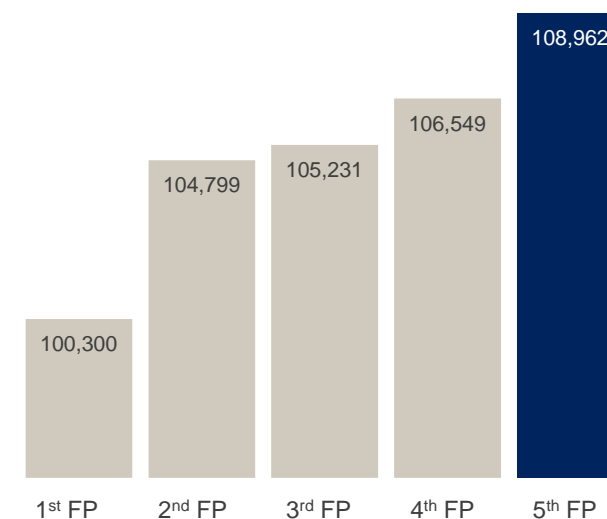
(from 3rd FP through 5th FP)



NAV per unit ⁽²⁾

Growth Rate from 1st FP

+8.6%



(1) The meaning of each fiscal period's DPU after adjustments of temporary effects are a

IPO: Forecast for the 5th FP ending 2/28/2018 based on a business plan used in the forecast announcement on Feb. 17, 2016

1st FP : 3rd FP forecast announced on Oct 18, 2016

2nd FP : Forecast for FP ending 2/2017 (3rd FP) adjusting for temporary effects due to real estate taxes, announced on April 14, 2017.

3rd FP : 3rd FP actual DPU adjusted for temporary effects due to real estate taxes.

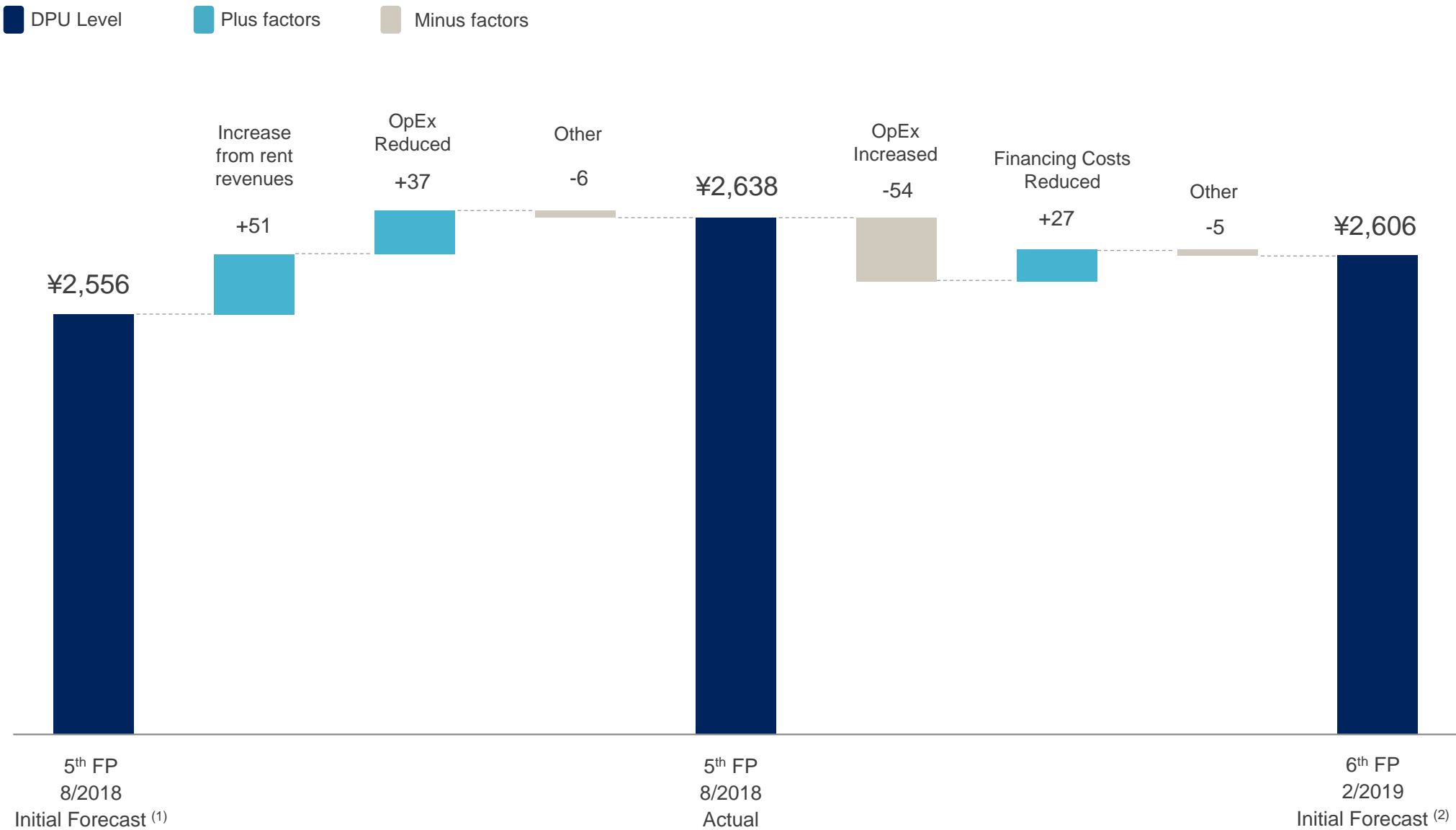
4th FP : 4th FP actual DPU adjusted for a one time temporary effects adjustment

5th FP : 5th FP actual DPU adjusted for a one time temporary effects adjustment

(2) NAV per unit = (Net Assets – Expected distributable amount + Unrealized capital gain/loss) ÷ total # of outstanding units

Primarily due to occupancy, the 5th FP beat forecast +3.2%

Factor Analysis Regarding Increase/Decrease of DPU



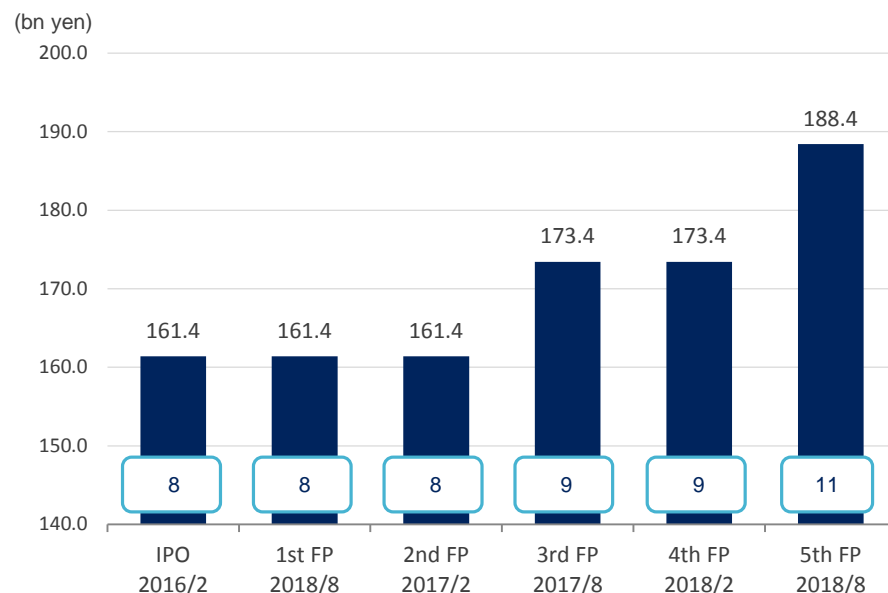
(1) Announced on April 13, 2018
(2) Announced on October 15, 2018

Portfolio Summary

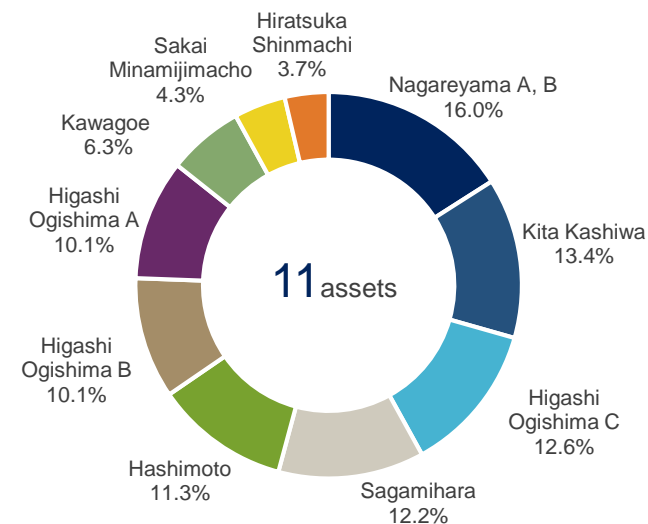
Overview ⁽¹⁾

Acq. Price Total	# of properties	Occupancy
¥188.4bn	11	98.8 %
Appraisal NOI Yield ⁽²⁾	Total GFA	# of Tenants ⁽³⁾
4.9 %	1,046,524m ²	112

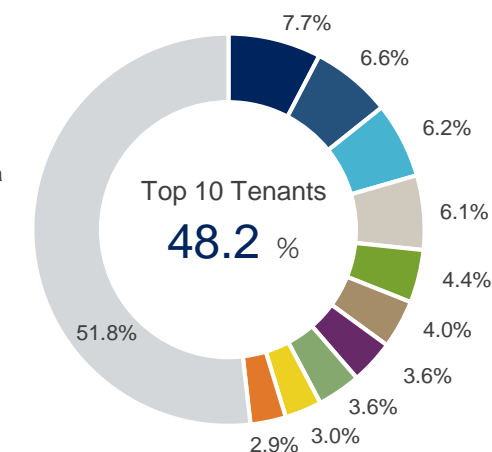
Change in AUM over time



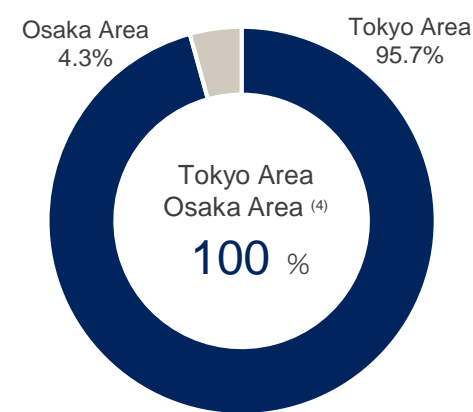
Portfolio Composition (Acq. Price Basis)



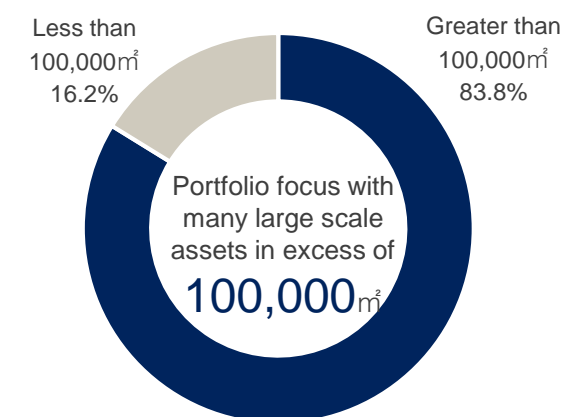
Tenant Diversification (Leased Area Basis)



Location Diversification (Acq. Price Basis)



GFA Diversification (Acq. Price Basis)



(1) As of 8/31/2018

(2) "Appraisal NOI Yield" is defined as Appraisal NOI divided by the Acquisition Price

(3) This is the gross number of tenants. There is some tenant overlap across properties, thus the net number of tenants is 100.

(4) "Tokyo Area" is defined as the area within a 60km radius from JR Tokyo Station. "Osaka Area" is the area within a 45km radius from JR Osaka Station.

9 properties, acquisition targets totaling more than ¥200bn

EXTERNAL GROWTH: DPU growth via selective investments toward a mid-term targeted goal of ¥300bn

Preferential Negotiation Rights Properties

6 assets
500,000m²



LP Amagasaki
(Occ. 35%)



Kashiwa deal
(Occ. 100%)



Sakai deal ①
(Occ. 100%)



Kawagoe deal
(Occ. 100%)



Sagamihara deal
(Pre-Leased 100%)



Sakai deal ②
(Pre-Leased 100%)

LaSalle Developments

3 assets
450,000m²



LP Osaka Taisho
3/2018 Completed



Shin Moriya deal
8/2019 Expected



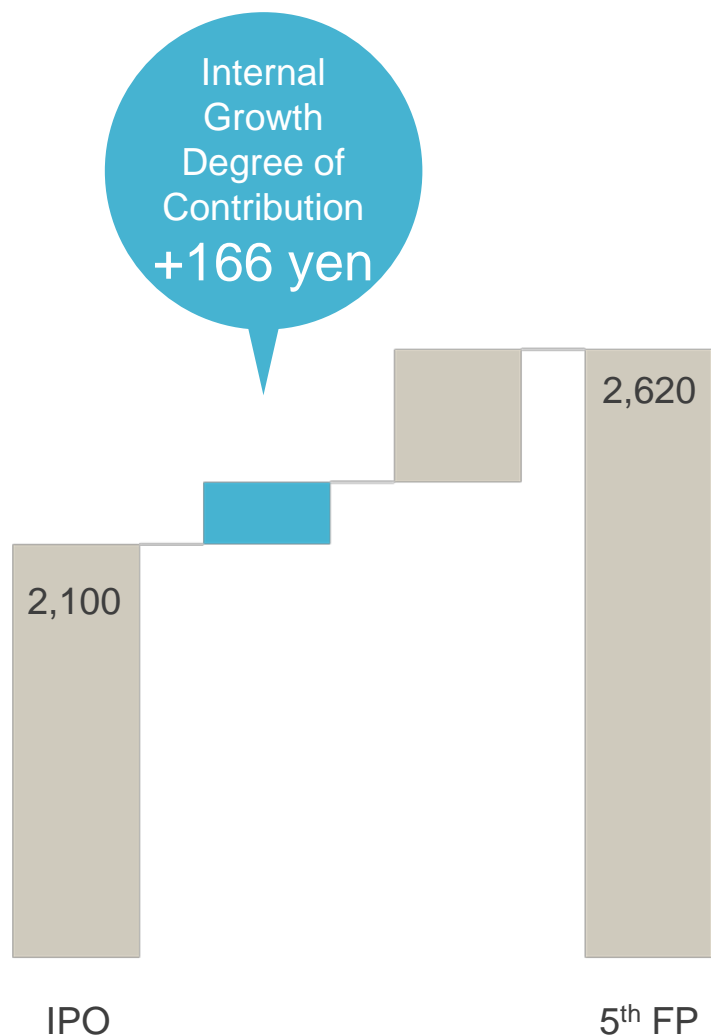
LP Kawasaki Bay
5/2019 Expected

Information provided
(LaSalle Fund)

Comprehensive Right of
First Look
(Feeder Fund)

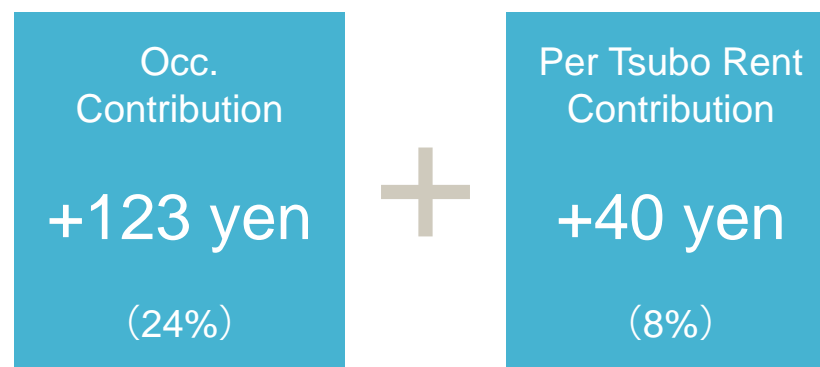
Contributing to DPU growth by improving occupancy rate and increasing per tsubo rents

INTERNAL GROWTH: Balance between maintaining high occupancy and upward increases in rents



DPU after adjustments for temporary effects are factored

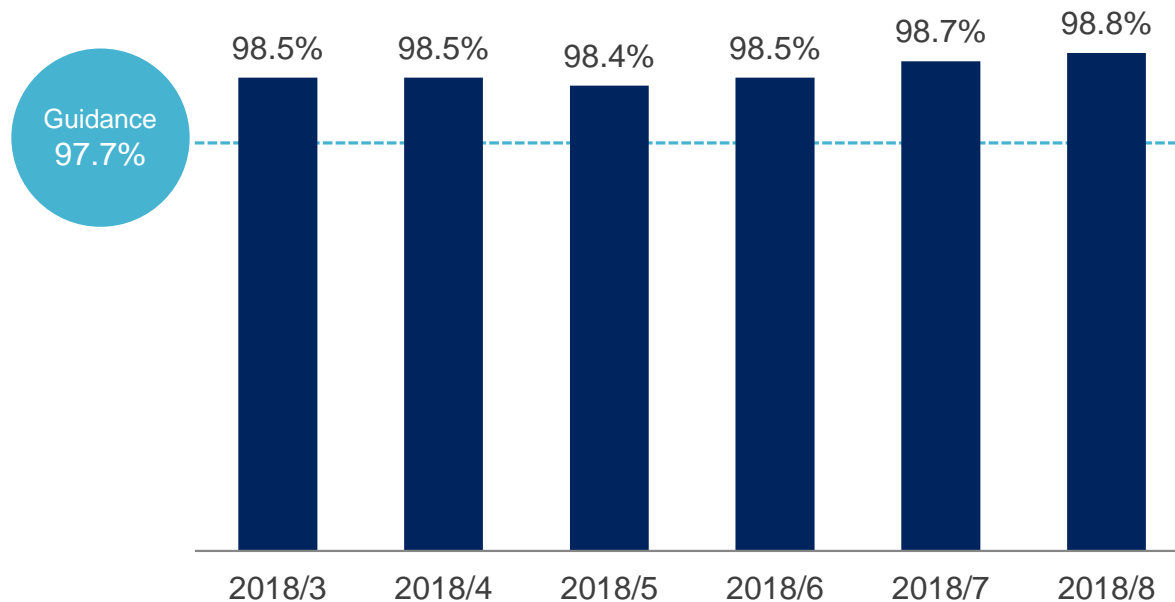
- Stabilized DPU has increased by +520 yen from IPO to the 5th FP. Of that amount, +166 yen is attributed to internal growth, contribution 32%.
- When analyzing the breakdown to the 166 yen internal growth, occupancy accounts for +123 yen, per tsubo rent increase accounts for +40 yen, and real estate OpEx savings accounts for +3 yen.



Maintaining Portfolio Occupancy above 98%

INTERNAL GROWTH: Balance between maintaining high occupancy and upward increases in rents

■ 5th FP Monthly Occupancy Change



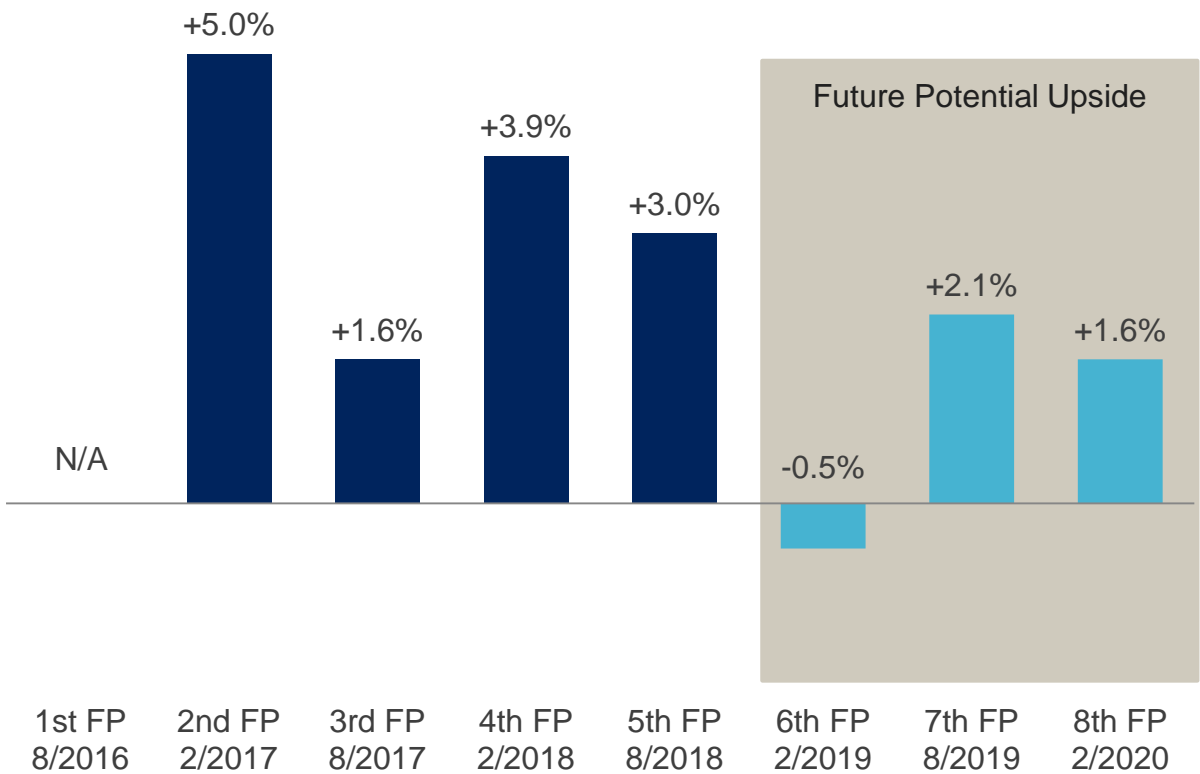
Across the 5th FP, portfolio level average occupancy was 98.6%. While a part of the office space had vacancy, the warehouse related leasable area occupancy hovered above 99% for the entire 6 months.

At the 3 Higashi Ogishima assets, the auto renewal rate was 89.1%. For the remaining 10.9% that did not renew, we successfully converted those leases into fixed term leases with new tenants.

MTM Rental Revisions for Fixed Term Leases, Rent Increase Trend Continues

INTERNAL GROWTH: Balance between maintaining high occupancy and upward increases in rents

■ Rental revisions track record from fixed term lease properties, and future rental increase potential



The rent gap for fixed term lease properties is steadily shrinking as MTM rental revisions are completed.

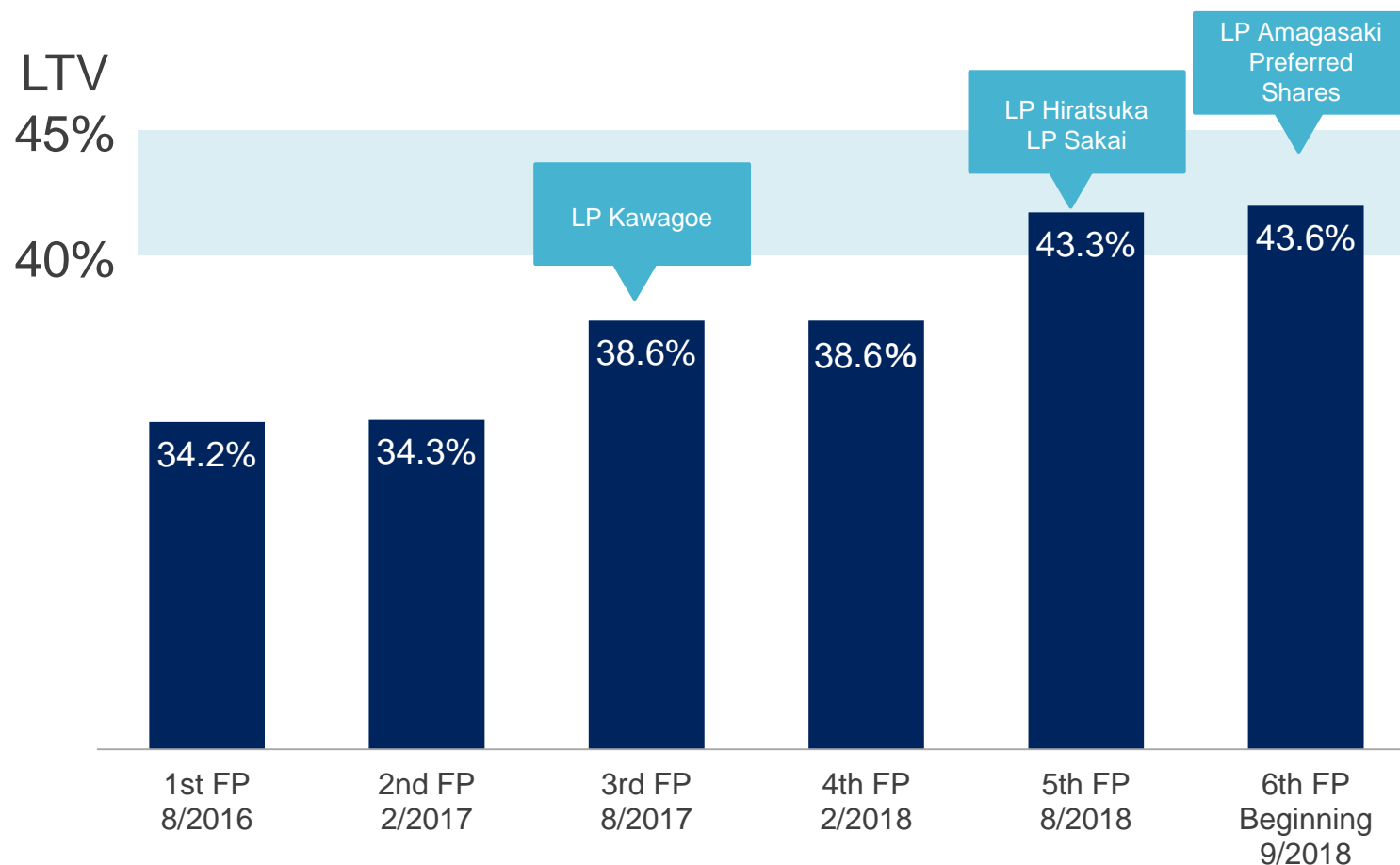
In the 6th FP, the lease rollover has already been negotiated at the same rent level.

Among LP Higashi Ogishima’s 3 assets, a rent gap of about 12% exists, leaving room for upside

Going forward, as a driving force for future internal growth, we will focus on operations at Higashi Ogishima, where we aim to replace tenants with certain downtime.

In the 6th FP, utilize available debt to acquire preferred shares

FINANCIAL STRATEGY: Apply LTV reserve for strategic efforts to enhance DPU



The LTV ratio has reached its stabilized range of 40~45%

Approximately ¥5bn of acquisition surplus capital available before reaching a 45% LTV

Logistics REIT Market Valuations' Disconnect From Logistics Fundamentals

Logistics REIT Sector Underperformance



Amid large supply, track record of maintaining high occupancies achieved

Supported by efficiencies garnered in supply chains coupled with growth in E-commerce, space demand for logistics facilities continues



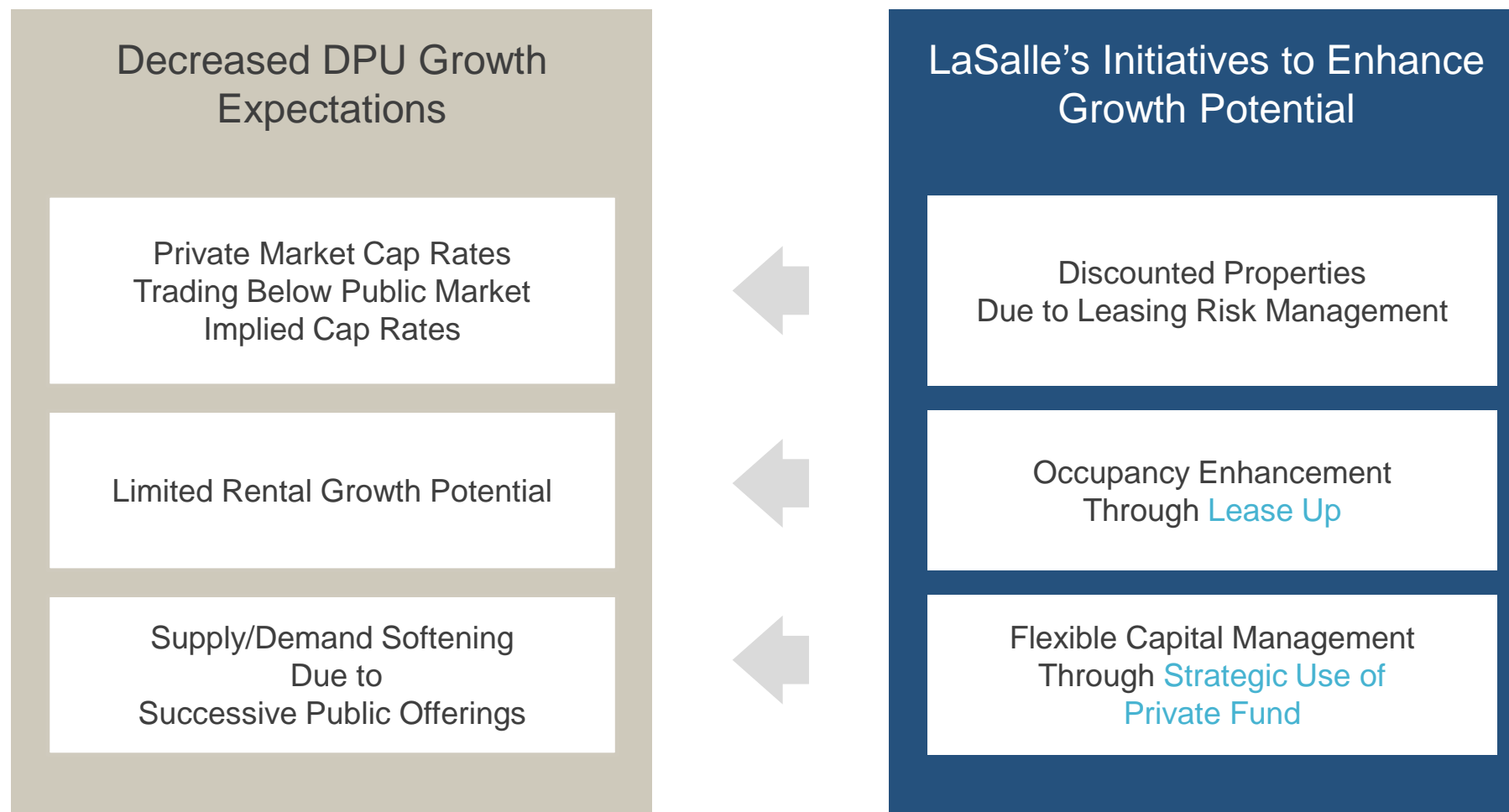
Driven by aggressive private market real estate transactions, the market cap rate has declined to a level which is below public REIT implied cap rates

While stability is high, there's limited room for rental upside

Demand softening for investment units as successive public offerings backed by abundant logistics pipelines

New Initiatives to Address Market Environment Changes

Cyclical Environment Changes and Structural Issues Faced by Logistics REITs



Differentiating Excess Return Strategies

Leverage LaSalle's Active Asset Management Strengths

Sponsor Pipeline Business Model

Acquiring sponsor's development projects after construction completion · stabilized occupancy

Comprehensive Preferential Negotiation Rights Delivered by the LaSalle Group's Feeder Funds which Develop Logistics Facilities for LLR



Excess Return Strategies

Lease-up deals
Leased Land or Sale & Leaseback deals with a Premise for Redevelopment
Mezzanine Debt deals

Unitholder Value Enhanced by Value Add & Development Margin, Unique to LaSalle

While acquisitions from the Sponsor's development pipeline will be LLR's main investment base, we aim to invest in excess returns strategies **up to 10%** of total assets

The LaSalle Group has a deep and successful track record in value added investments through its various real estate private funds

Invest in logistics facilities that have value upside at a discounted price

LOGIPORT Amagasaki: The First Investment in a Excess Returns Strategies

- Large-scale logistics facility in the middle of lease-up (occupancy rate 35.3%) located in a suitable area of Osaka Bay
- LLR invested a minority ownership interest in an SPC which acquired this property from an external third party

Appraisal NOI Yield

5.5%

Estimated Amount of
DPU increase from
SPC after Lease-Up
is complete

50 yen/unit

(each 6 month FP)

LLR's Investment
Amount into SPC

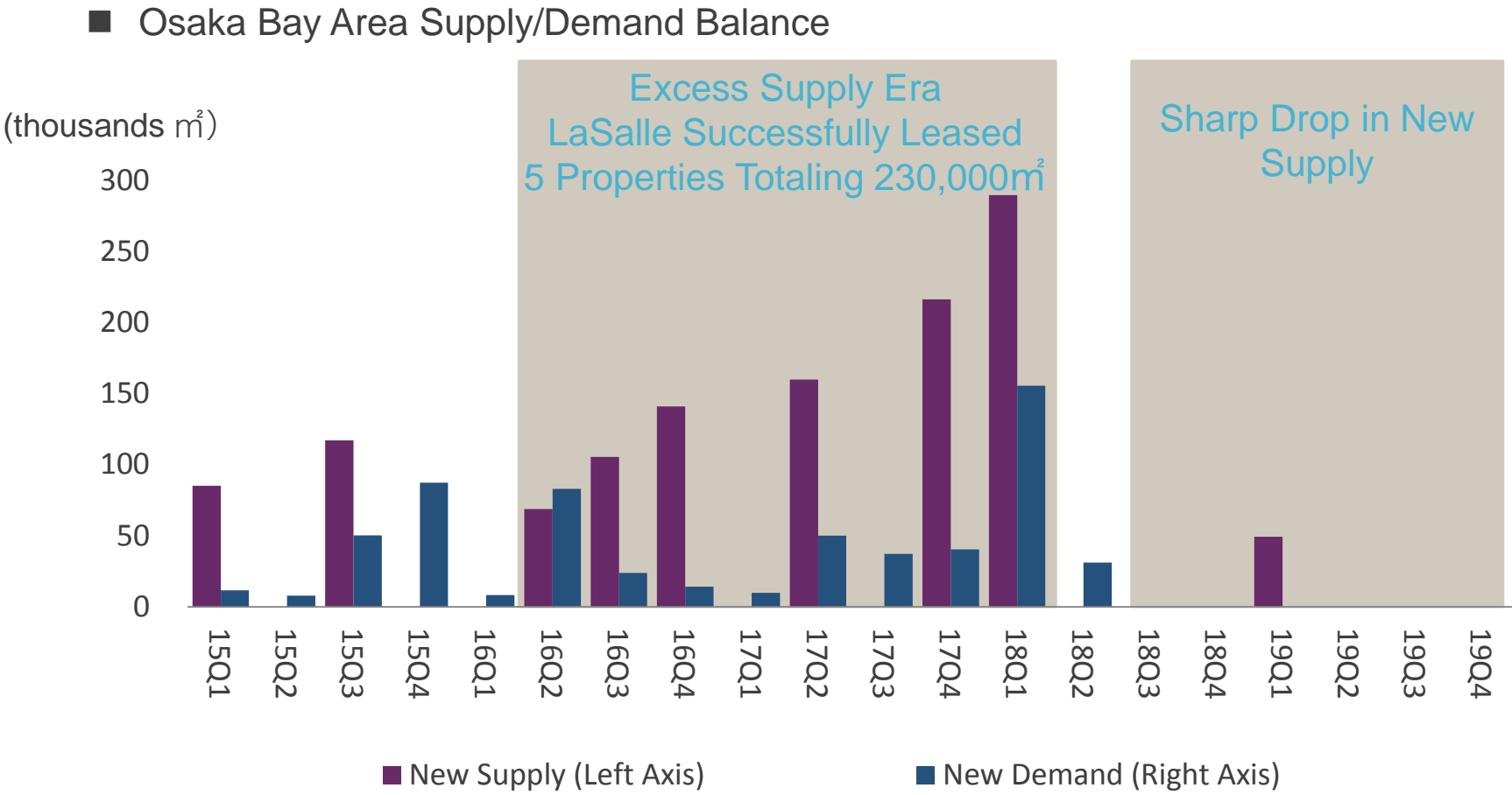
¥1.2 bn

(11.4% of total equity)

Due to a Sharp Drop in New Supply, Leasing Environment Improves

LOGIPORT Amagasaki: Extensive Leasing experience of the LaSalle Group in the Osaka Bay Sub-market

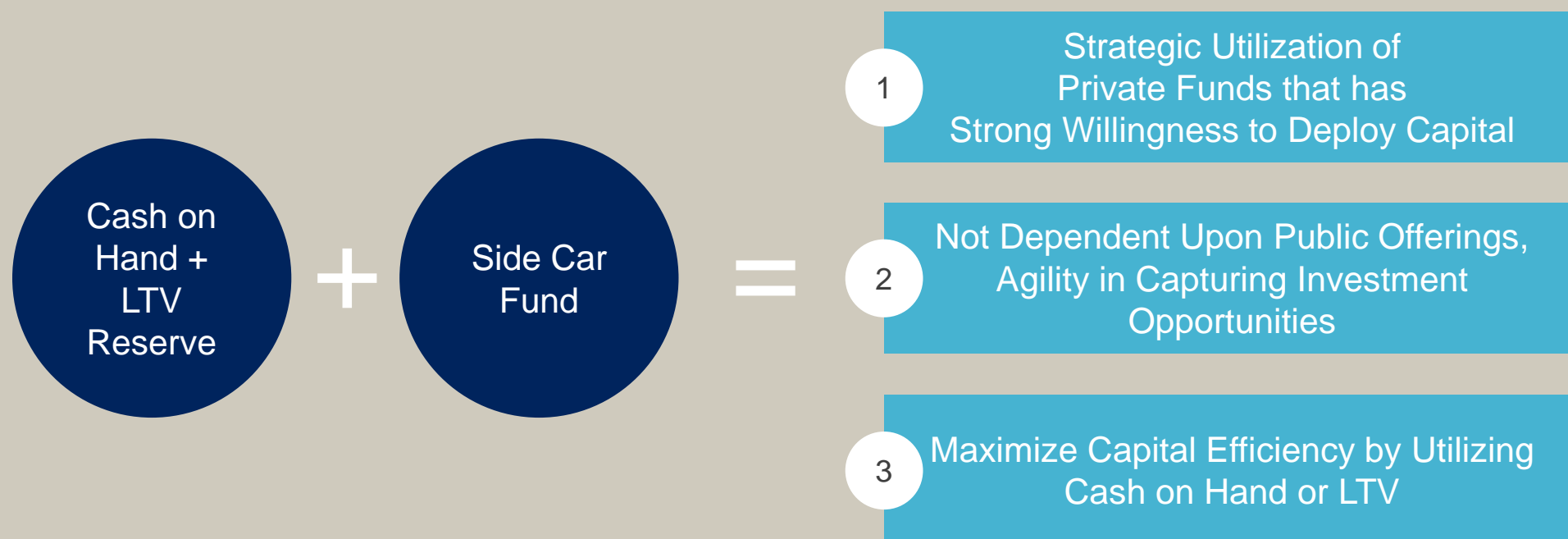
By Capitalizing Upon the Opportunity of a Sharp Decrease in New Supply,
Arouse Tenant Demand at “Mark-to-Market Rents”



Flexible Capital Management Through Strategic Use of Private Funds

Acquisition of Properties Utilizing SPCs Through Co-Investment with Sidecar Fund

- Newly created private fund specialized with a co-investment from LLR (=sidecar)
- Can invest in Excess Returns Strategies totaling around ¥100bn



Enhanced Portfolio Management Optionality

Acquisition of Properties Utilizing SPCs Through Co-Investment with Sidecar Fund

- After Lease-Up is Achieved, Optimize the Portfolio Based on the Prevailing Capital Market, Financial Market Environment



02

5th Fiscal Period Financial Results



LOGIPORT Sakai-minamijimacho

8/31/2018 (5th FP) Financial Results

Units : millions yen		Beg. 5 th FP Forecasts (a)	5 th Actuals (b)	Difference (b) - (a)	Key factors influencing the difference between initial 5th FP Forecasts and 5 th Actual
Property Level	Real Estate Leasing Business Total	5,608	5,663	55	
	Rent + CAM + Other Income	5,314	5,358	44	OCC Outperformed. (Guidance 97.7% ⇒ 98.6% Actual)
	Reimbursable Utilities Income	293	305	12	Raised due to unit price increase and occupancy
	Real Estate Operating Expenses Total	1,889	1,846	-43	
	Outsourced Contract Costs ⁽¹⁾	320	296	-24	Several lease renewals resulted in less than expected LCs
	Utilities	280	298	18	Raised due to unit price increase and occupancy
	Repair & Maintenance	110	98	-12	Contingent R&M were not implemented
	Depreciation Expense	685	685	-	
	Real Estate Taxes	445	431	-14	Conservatively estimated the increase in property tax assessment valuations
	Other Expenses	47	35	-12	
	NOI After Depreciation	3,720	3,816	96	
	NOI	4,405	4,502	97	
Corporate	Asset Management Fee	655	676	21	Increased in accordance with increased earnings
	Interest Expense & Financing Fees	340	342	2	
	Other P&L Items	116	101	-15	Suppression of SG&A expenses (reserve cost not used)
	Investment Corporation Level Expenses	1,111	1,119	8	
DPU Summary	Net Income	2,606	2,696	89	
	Total Distributions Per Unit (DPU)	2,556	2,638	82	
	Earnings Per Unit (EPU)	2,370	2,452	82	
	DPU in Excess of Earnings	186	186	-	
	LTV	43.3%	43.3%	0.0%	
	Number of properties at end of FP	11	11	-	

(1) These figures are using numerical values based on management accounting and may differ from values in financial accounting.

2/28/2019 (6th FP) Financial Forecasts

Units : millions yen		5 th FP Actuals (a)	6 th FP Forecast (b)	Difference (b) - (a)	Key factors influencing the difference between 5th FP Actuals and 6th Forecast
Property Level	Real Estate Leasing Business Total	5,663	5,649	-14	
	Rent + CAM + Other Income	5,358	5,359	1	Occ Guidance 98.6%⇒98.5% but per tsubo rent increases expected to increase revenues slightly
	Reimbursable Utilities Income	305	289	-16	Seasonality factors result in less use of utilities
	Real Estate Operating Expenses Total	1,846	1,894	48	
	Outsourced Contract Costs ⁽¹⁾	296	304	8	
	Utilities	298	278	-20	Seasonality factors result in less use of utilities
	Repair & Maintenance	98	125	27	Based on repair & maintenance plan
	Depreciation Expense	685	689	4	
	Real Estate Taxes	431	431	-	
	Other Expenses	35	64	29	ESG related costs and the other
	NOI After Depreciation	3,816	3,755	-61	
	NOI	4,502	4,444	-58	
Corporate	Asset Management Fee	676	681	5	
	Interest Expense & Financing Fees	342	312	-30	Burn off of temporary expenses
	Other P&L Items	101	99	-2	
	Investment Corporation Level Expenses	1,119	1,093	-26	
DPU Summary	Net Income	2,696	2,660	-36	
	Total Distributions Per Unit (DPU)	2,638	2,606	-32	
	Earnings Per Unit (EPU)	2,452	2,418	-34	
	DPU in Excess of Earnings	186	188	2	
	LTV	43.3%	43.6%	0.4%	
	Number of properties at end of FP	11	11	-	

(1) These figures are using numerical values based on management accounting and may differ from values in financial accounting.

03

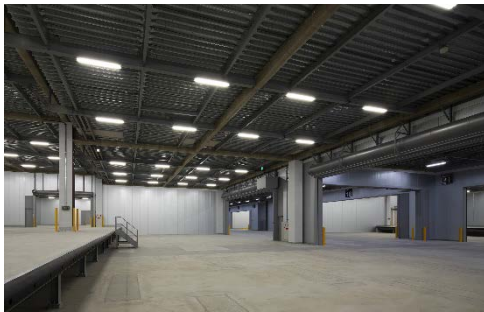
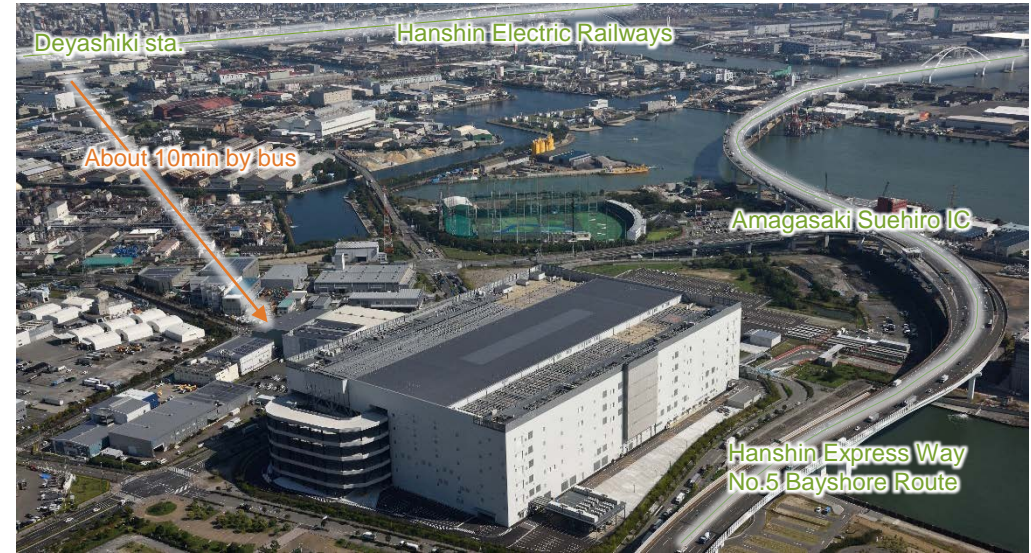
Current Status of the P o r t f o l i o



LOGIPORT Amagasaki

LOGIPORT Amagasaki Summary ①

LOGIPORT Amagasaki



Location	Hyogo Prefecture Amagasaki City	Completed ⁽³⁾	April 2009
Acq. Price	1,221mm yen (11.4% of Equity)	Occupancy ⁽⁴⁾	35.3%
Reference Value ⁽¹⁾	1,447mm yen	GFA	258,704m ²
NOI Yield ⁽²⁾	5.5%	Site Area	124,169m ²

- Suitability**
 - Access to and from the Subject Property to Amagasaki Suehiro IC is about 200m, excellent access to Osaka CBD as well as Kansai metropolitan area
 - Located 10mins by bus from the Hanshin Iyatsuyoshi Station. Bicycle access from Hanshin Muko River Higashi-Ooke Station for ease of employment.
- Scale**
 - GFA 85,000+ tsubo, 1 floor NRA 10,000+ tsubo, can accommodate tenants' large scale aggregation, consolidation, distribution needs
- High Spec**
 - Ceiling heights 6.0+m, Floor loads 1.5t/m² (1st floor), 0.8t/m² (Floors 2-6), Column spacing 16m × 16m. Rampway access to the top floor.
 - Ample office space with A/C, Large cafeteria space for workers rest area

- (1) Estimated value of preferred shares was calculated by Tanizawa General Appraisal based on the appraisal taken by the SPC as well as based on materials provided by LRA to Tanizawa about the property.
- (2) NOI Yield was based on the SPC's stabilized appraisal NOI divided by the acquisition price of the SPC.
- (3) LOGIPORT Amagasaki was converted from a factor to a warehouse by the previous owner and renovations were completed in October 2017.
- (4) Occupancy was based on contracted leased area as of 9/30/2018.

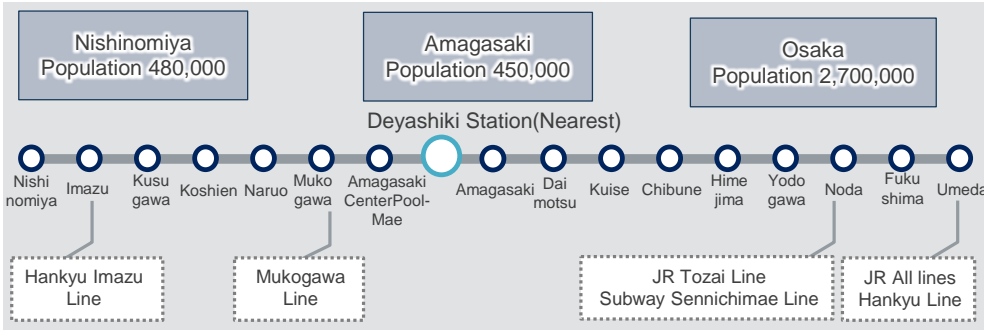
LOGIPORT Amagasaki Summary ②

Excellent broad access to Kansai Area



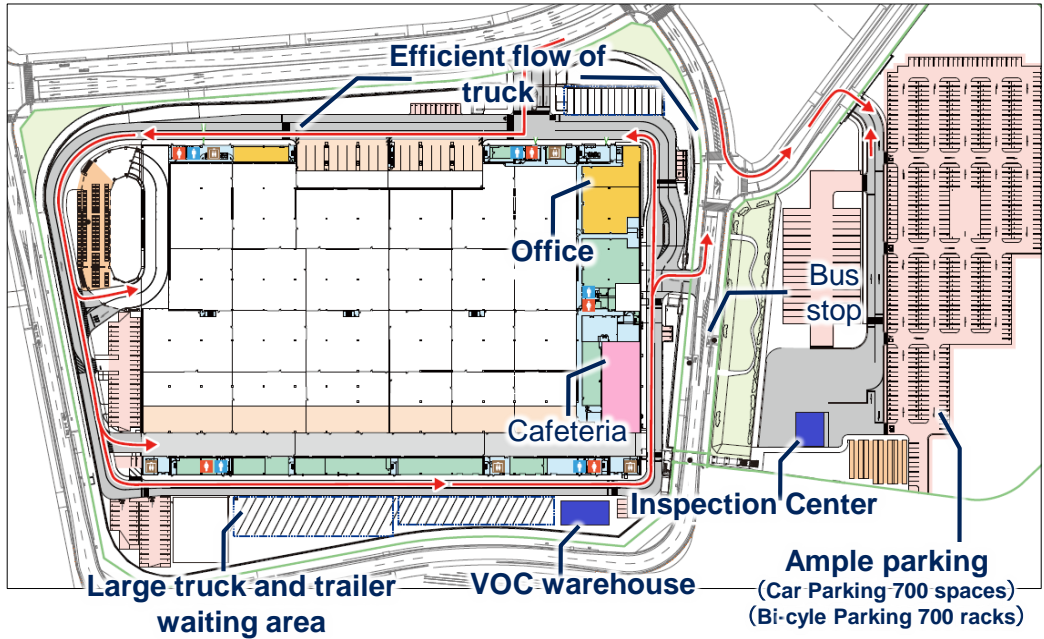
Municipal population along the Hanshin Electric Train line ⁽¹⁾

LP Amagaski is located close to highly populated areas making for ease of attracting employees

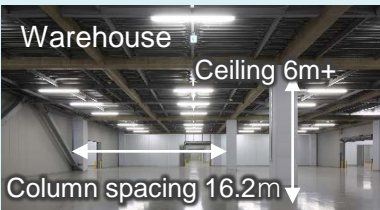


(1) Based on public data on Osaka and Hyogo prefectures. As of 1/10/2016

Floorplan enables efficient and safe operations



Facilities that meet tenants' needs



Wide span, high ceilings can accommodate various needs



High ceiling heights with ample office accommodates large and small scale needs



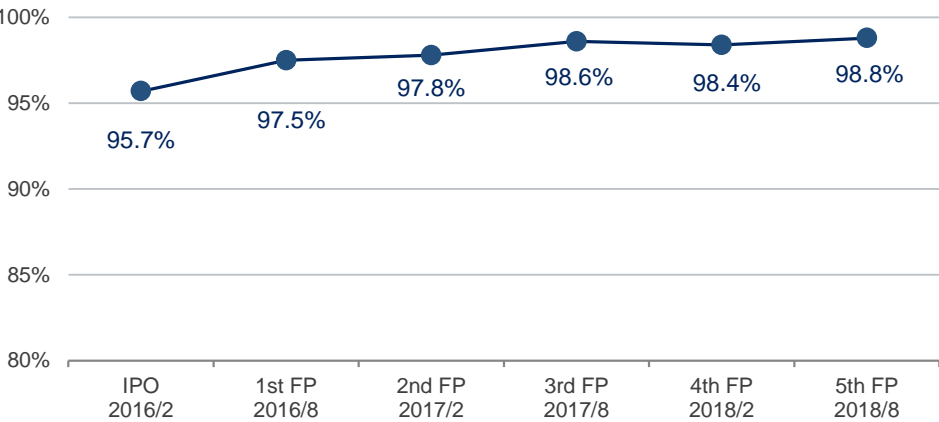
Enhanced amenities space and provide good working environment for workers



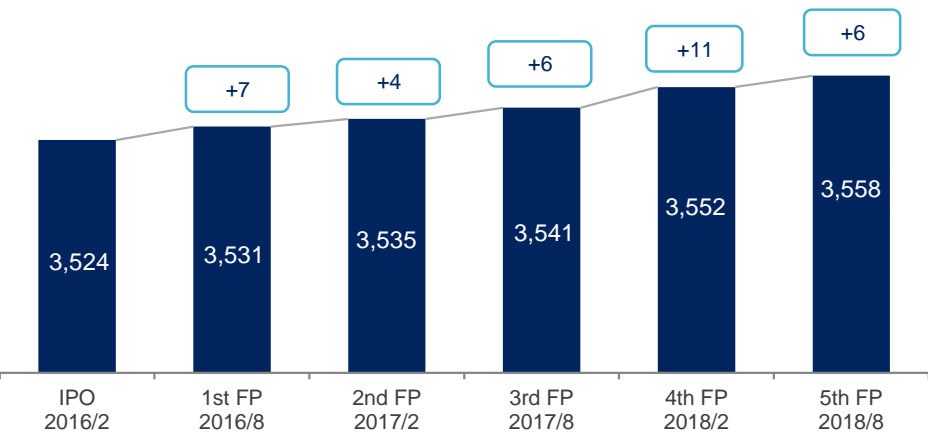
300m² size VOC warehouse

Internal Growth Property Operations Track Record ①

Changes in Occupancy



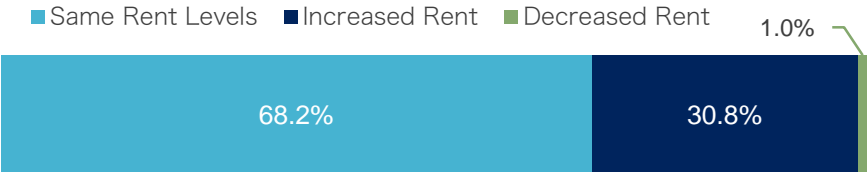
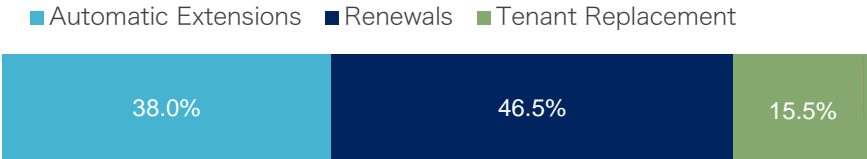
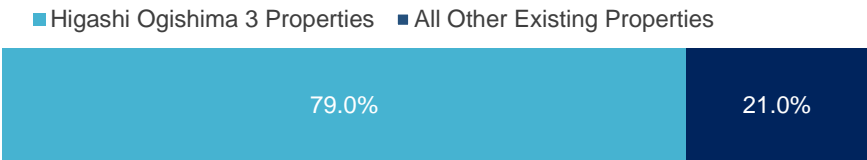
Changes in portfolio level avg. per tsubo rents⁽¹⁾



(1) Per-tsubo rents are calculated factoring in the initial 8 IPO assets.

Leasing Track Record⁽²⁾

5th FP Lease Maturities 122,000m²



Net Increase/
Decreased
Rate⁽³⁾
+1.9%

(2) The above percentages are the ratio of leases that came to maturity during the 5th FP (warehouse only, excluding temporary use)

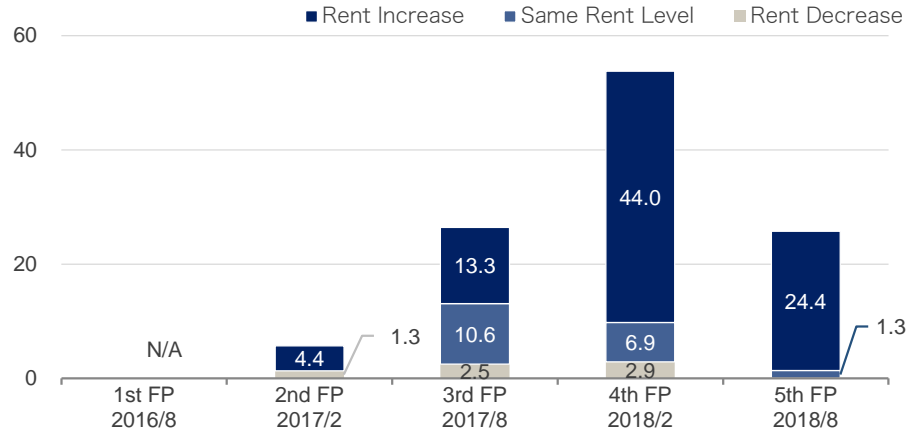
(3) Ratio is relative to the prior lease rent level (warehouse only, excluding temporary use)

Internal Growth Property Operations Track Record ②

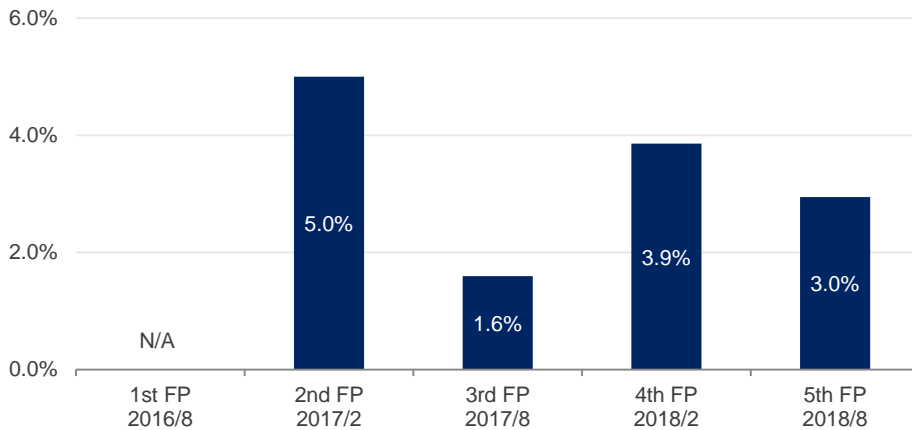
Fixed Term Lease (8 properties) ⁽¹⁾

Changes in Lease Rental Rates Upon Maturity⁽²⁾

(thousands m²)



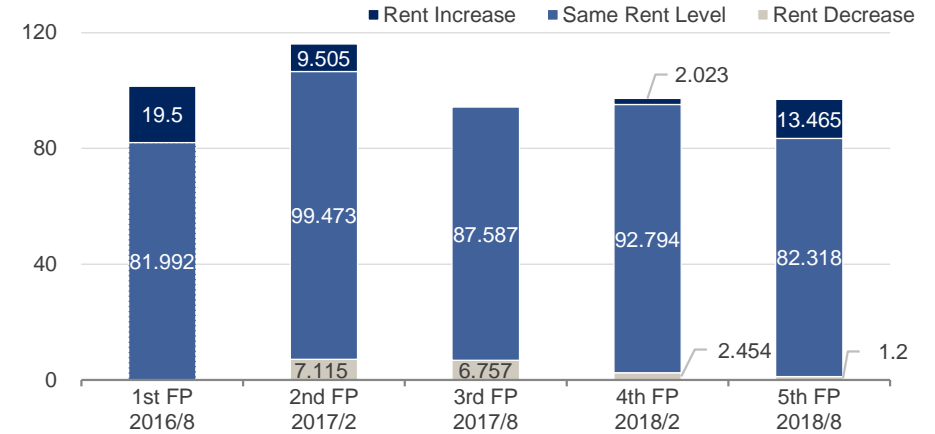
Changes in Lease Rental Rates⁽³⁾



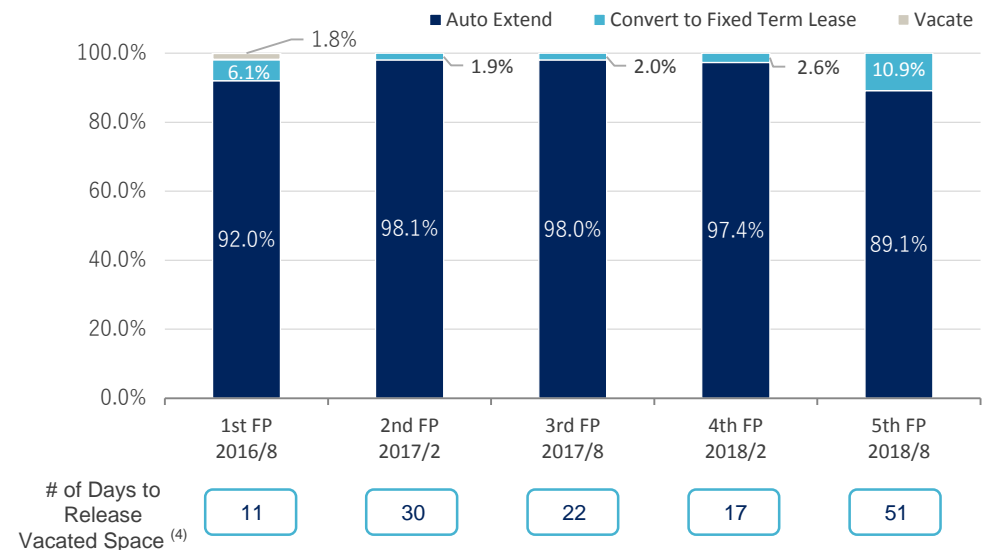
Higashi Ogishima 3 Properties

Changes in Lease Rental Rates Upon Maturity⁽²⁾

(thousands m²)



Lease Renewal Track Record of standard lease⁽²⁾



of Days to Release Vacated Space ⁽⁴⁾



(1) The 8 properties owned as of the end of the 5th FP excluding Higashi Ogishima assets

(2) The area where the lease maturity came about during the FP (warehouse only, excluding temporary use)

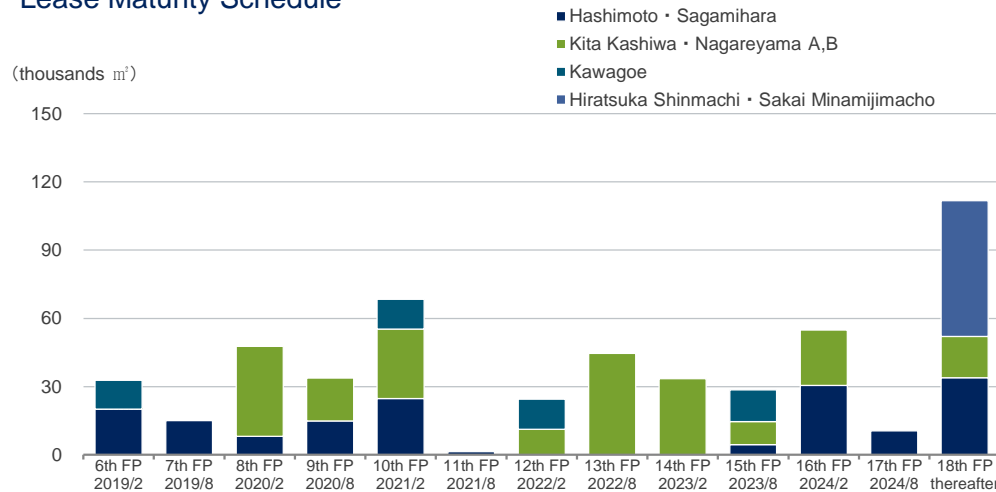
(3) The amount the rent increased/decreased relative to the prior lease's rent level for each lease that matured during FP (warehouse only, excluding temporary use)

(4) When tenants have vacated during this FP or in prior FPs, these were the average # of downtime days until signing with a subsequent tenant (warehouse component only)

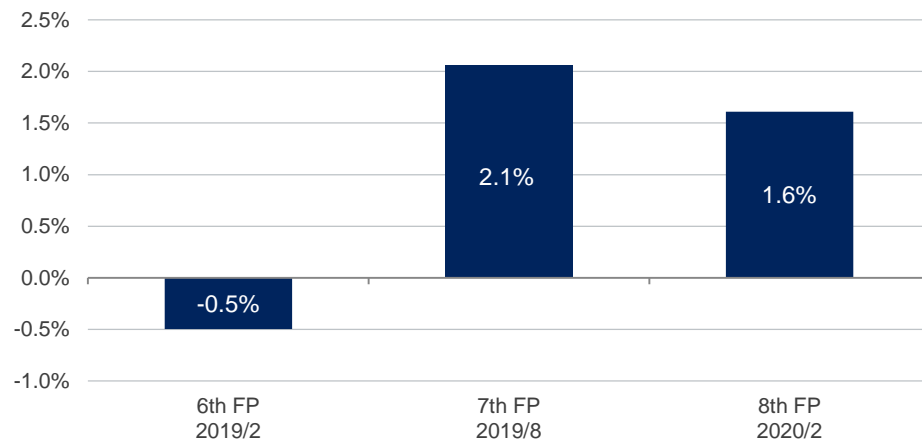
Leasing Strategy Going Forward

Fixed Term Lease (8 properties)

Lease Maturity Schedule



Rent Potential Upside going forward⁽¹⁾



(1) Aggregated only existing fixed term lease properties, storage area only (excluding 3 Higashi Ogishima properties)

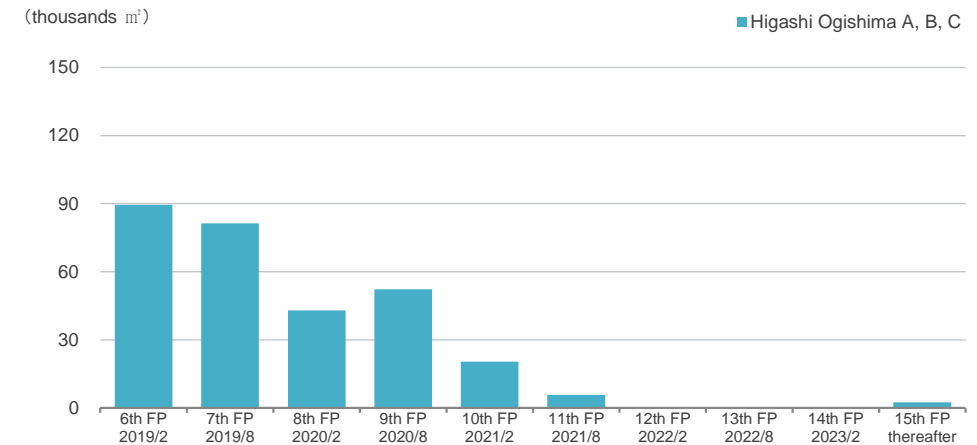
(2) Asking rent of warehouse area for the newly developed properties

(3) Based on a market report which were complied by LRA to define sustainable market rent levels

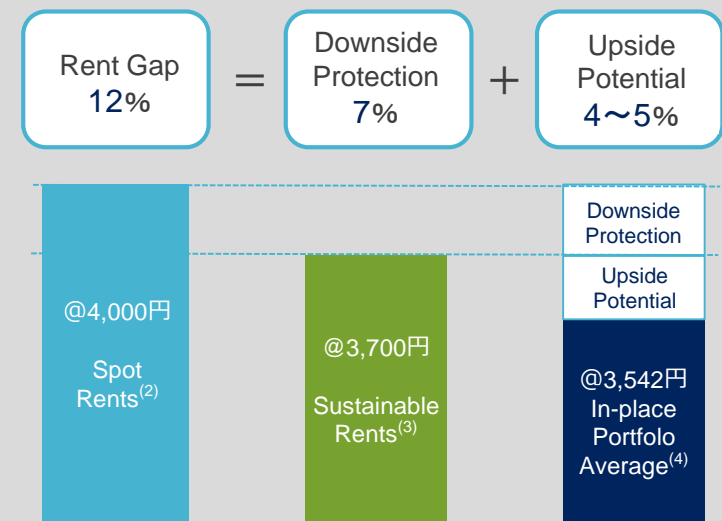
(4) Rent levels only account for the warehouse area

Higashi Ogishima 3 Properties

Lease Maturity Schedule



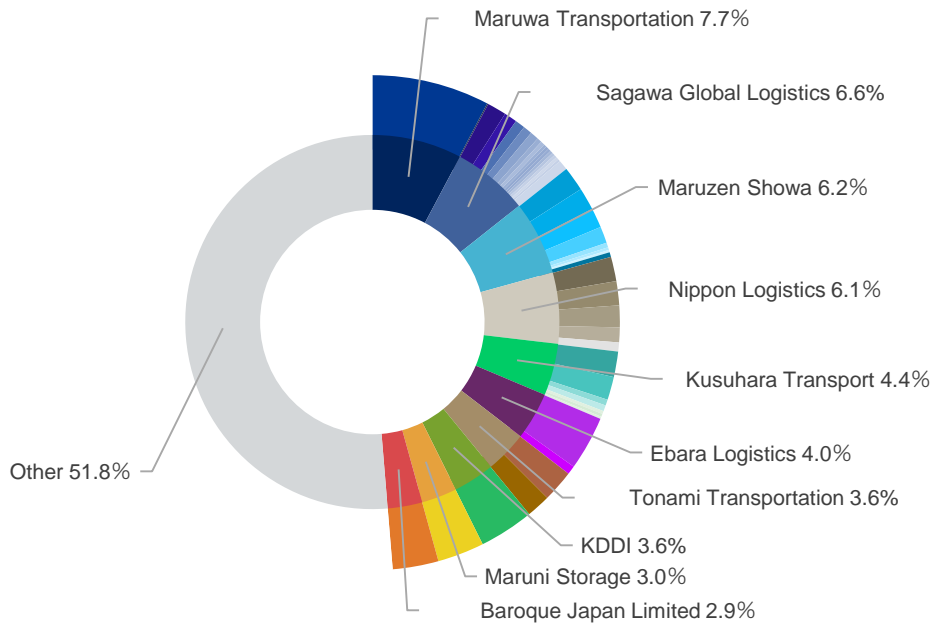
Rent Gap



Features of LLR's Portfolio

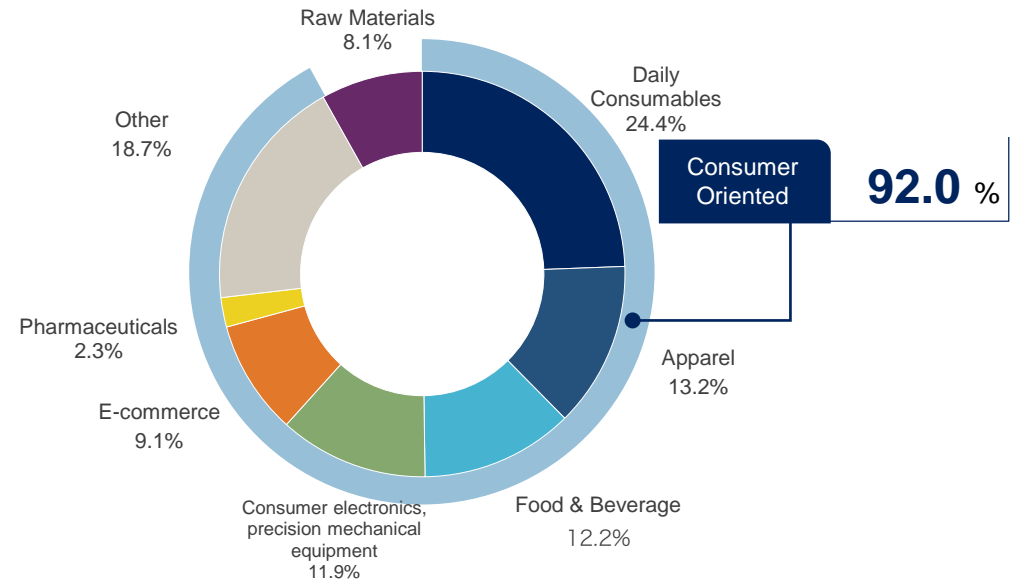
Tenants Diversification Overview ⁽¹⁾

(The outer ring represents end tenants for the top 10 tenants)

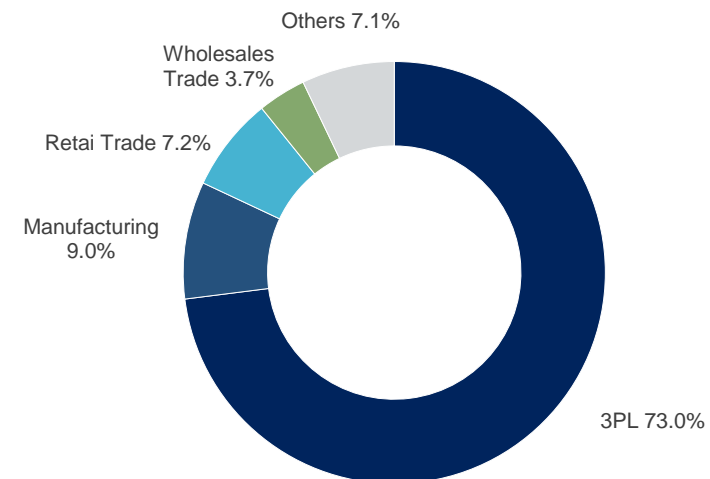


Top 5 tenants	31.0 %
Top 10 tenants	48.2 %
Total # of Tenants	112 ⁽²⁾

End User's Industry Type ⁽³⁾



Tenant Business Ratio ⁽³⁾



(Note) Figures are as of 8/31/2018.

(1) Based on leased area

(2) Some properties have overlapping tenants. Net number of tenants is 100.

(3) Calculated based on area (only storage area counted)

Occupancy Track Record

Occupancy Rates, Fixed Term Lease Ratios, Lease contract weighted average lease expirations

No.	Property Name	Occupancy Rates				# of tenants ⁽¹⁾	WALE (Yrs.) ⁽¹⁾	Fixed Term Lease Ratio ⁽¹⁾
		3/31/2016	8/31/2017	8/31/2018 ⁽¹⁾	Change from 3/31/2016			
Tokyo-1	LP Hashimoto	90.1%	100.0%	100.0%	+9.9 pt	15	3.5	100.0%
Tokyo-2	LP Sagamihara	97.9%	98.1%	99.7%	+1.8 pt	18	3.8	100.0%
Tokyo-3	LP Kita Kashiwa	100.0%	100.0%	100.0%	-	8	3.5	100.0%
Tokyo-4	LP Nagareyama A	100.0%	100.0%	100.0%	-	1	-(2)	100.0%
Tokyo-5	LP Nagareyama B	99.7%	99.9%	99.9%	+0.2 pt	8	2.9	100.0%
Tokyo-6	LP Higashi Ogishima A	95.5%	96.9%	96.8%	+1.3 pt	23	1.0	35.8%
Tokyo-7	LP Higashi Ogishima B	94.4%	95.4%	95.1%	+0.7 pt	16	1.0	38.6%
Tokyo-8	LP Higashi Ogishima C	95.2%	97.7%	98.7%	+3.5 pt	17	1.0	47.4%
Tokyo-9	LP Kawagoe	-	100.0%	100.0%	-	4	2.8	100.0%
Tokyo-10	LP Hiratsuka Shinmachi	-	100.0%	100.0%	-	1	-(2)	100.0%
Osaka-1	LP Sakai Minamijimacho	-	100.0%	100.0%	-	1	-(2)	100.0%
Portfolio Totals		96.5%	98.5%	98.8%	+2.3 pt	112 ⁽³⁾	2.6	78.0%
LLR-1	LP Amagasaki (Preferred Shares)	-	-	35.3%	-	6	5.0	100.0%

(1) LLR-1 is based as of September 30, 2018

(2) Not able to disclose due to not having received tenant approval

(3) Gross number of tenants

Portfolio Overview

Property No.	Property Name	Location	GFA (m ²)	Acq. Price (¥ bn)	Appraisal ⁽¹⁾ (¥ bn)	Inv. Ratio (%)	Completed	NOI Yield ⁽²⁾ (%)	PML ⁽³⁾ (%)
Tokyo—1	LP Hashimoto ⁽⁴⁾	Kanagawa Sagamihara-city	145,801	21.2	22.9	11.3	1/2015	4.6	1.3
Tokyo—2	LP Sagamihara ⁽⁴⁾	Kanagawa Sagamihara-city	200,045	23.0	25.3	12.2	8/2013	4.8	0.5
Tokyo—3	LP Kita Kashiwa	Chiba Kashiwa-city	104,302	25.3	28.6	13.4	10/2012	4.6	0.9
Tokyo—4	LP Nagareyama A	Chiba Nagareyama-city	17,673	3.5	4.0	1.9	7/2008	5.2	1.6
Tokyo—5	LP Nagareyama B	Chiba Nagareyama-city	133,414	26.6	28.9	14.1	7/2008	4.7	2.3
Tokyo—6	LP Higashi Ogishima A	Kanagawa Kawasaki-city	100,235	19.0	19.5	10.1	4/1987	5.1	6.5
Tokyo—7	LP Higashi Ogishima B	Kanagawa Kawasaki-city	117,546	19.1	21.3	10.1	4/1991	5.7	6.2
Tokyo—8	LP Higashi Ogishima C	Kanagawa Kawasaki-city	116,997	23.7	25.0	12.6	9/2001	5.0	6.3
Tokyo—9	LP Kawagoe	Saitama Kawagoe-city	50,742	11.9	12.2	6.3	1/2011	4.8	4.4
Tokyo—10	LP Hiratsuka Shinmachi	Kanagawa Hiratsuka	29,067	6.9	7.0	3.7	5/2016	4.8	5.2
Osaka—1	LP Sakai Minamijimacho	Osaka Sakai-city	30,696	8.1	8.3	4.3	10/2016	4.8	6.5
Totals / Averages			1,046,524	188.4	203.0	100.0		4.9	3.2
LLR—1	LP Amagasaki (Preferred Shares)	Hyogo Amagasaki City	258,704	1.22	1.44	-	4/2009 ⁽⁵⁾	5.5	5.6

(1) Appraisal values for Tokyo 1-10 and Osaka-1 are as of 8/31/2018. The LLR-1 appraisal is a reference value for the preferred shares as of September 2018.

(2) NOI yield is the appraisal NOI divided by the acquisition price. LLR-1 is based on the SPC's acquisition price.

(3) PML levels are as of 2/2018 and based off of Tokyo Marine Nichido's "11 Property Earthquake Risk Survey Portfolio Analysis Report." LLR-1 is as of September 2018 report.

(4) Acq price and appraisal values for Hashimoto and Sagamihara are expressed in relative proportion to LLR's co-ownership percentage. The GFA shown is of the entire property.

(5) Construction work for converting a factory to a logistics facility completed in October 2017.

Financial Management: 5th FP • 6th FP Initiatives

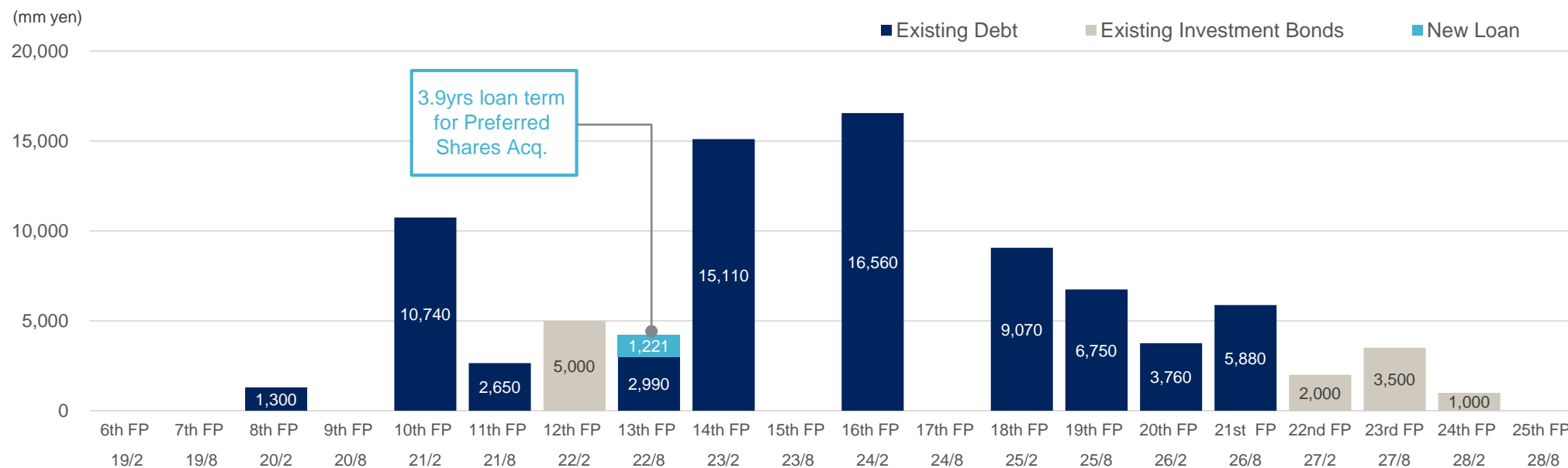
Build a strong financial structure ⁽¹⁾

Total Debt	LTV ⁽²⁾	Wtd. Avg. Interest	# of Lenders
¥87.53bn	43.6 %	0.59 %	11 banks
Inv. Corp. Bonds %	Avg. Remaining Debt Term ⁽³⁾	Avg. Debt Term ⁽³⁾	Fixed Rate % ⁽⁴⁾
13.1 %	5.1 yrs	7.0 yrs	91.9 %

Credit Rating

AA-
(Japan Credit Rating ("JCR"))

Maturity Ladder



(1) As of 9/30/2018

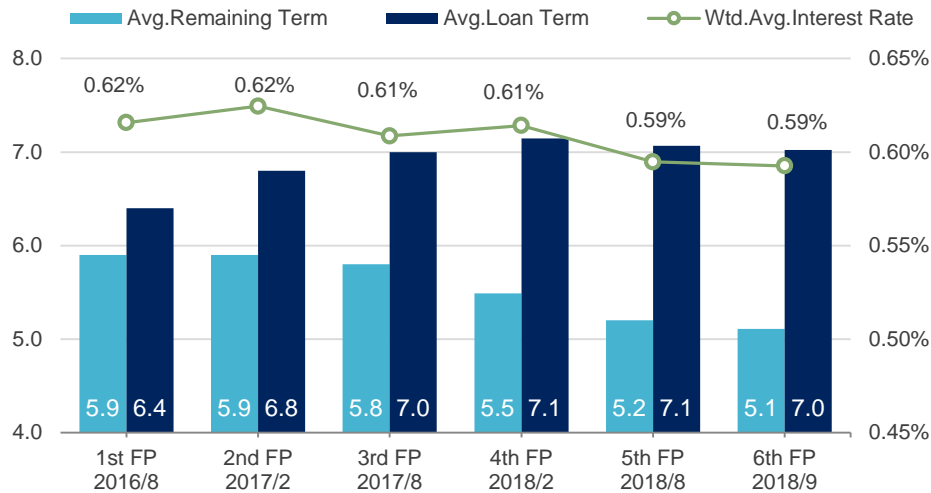
(2) LTV= Total Debt ÷ Total Assets

(3) Calculated by combining loans and investment corporation bonds' term

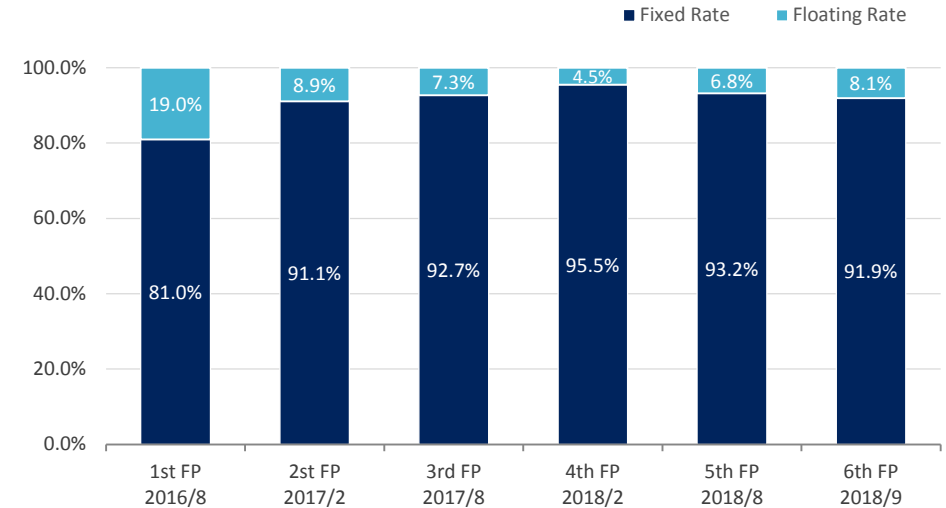
(4) "Fixed Rate %" is calculated by taking the ratio between fixed rate debt ÷ total debt

Financial Management: Prolonging loan terms, fixing rates, controlling LTV

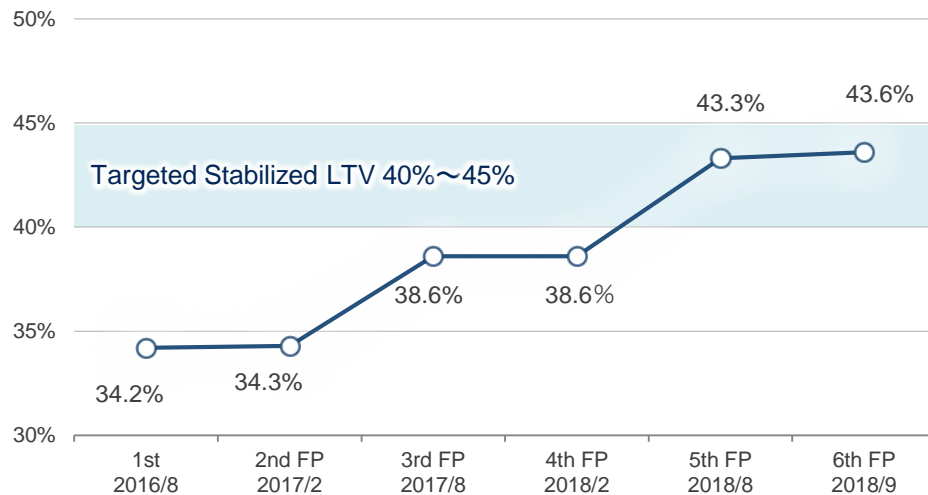
Promoting procurement cost controls and prolongation of borrowing terms



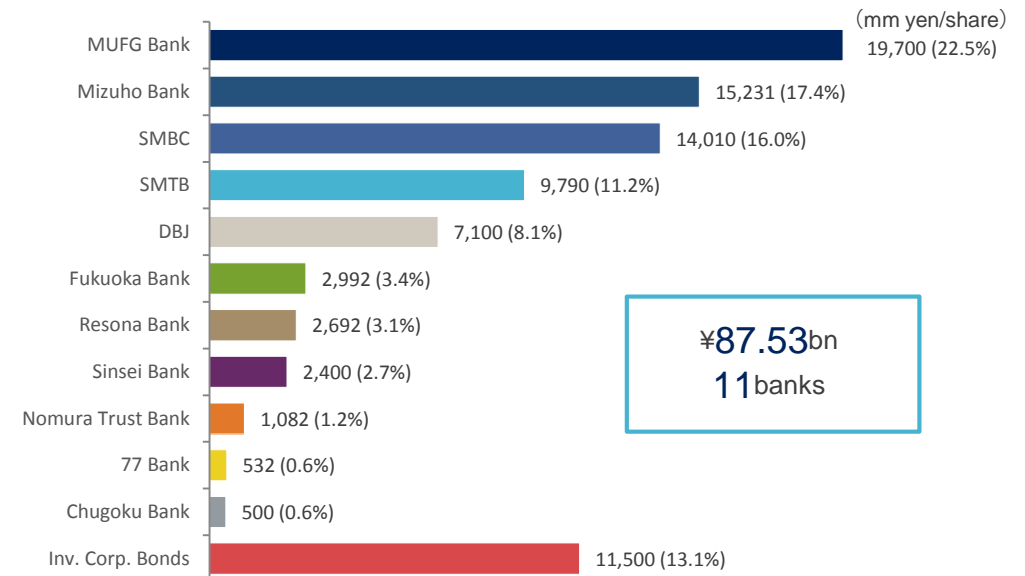
Enhancing the Fixed Rate Ratio



Controlling LTV



Financial Institution Transactions Situation



Memo

04

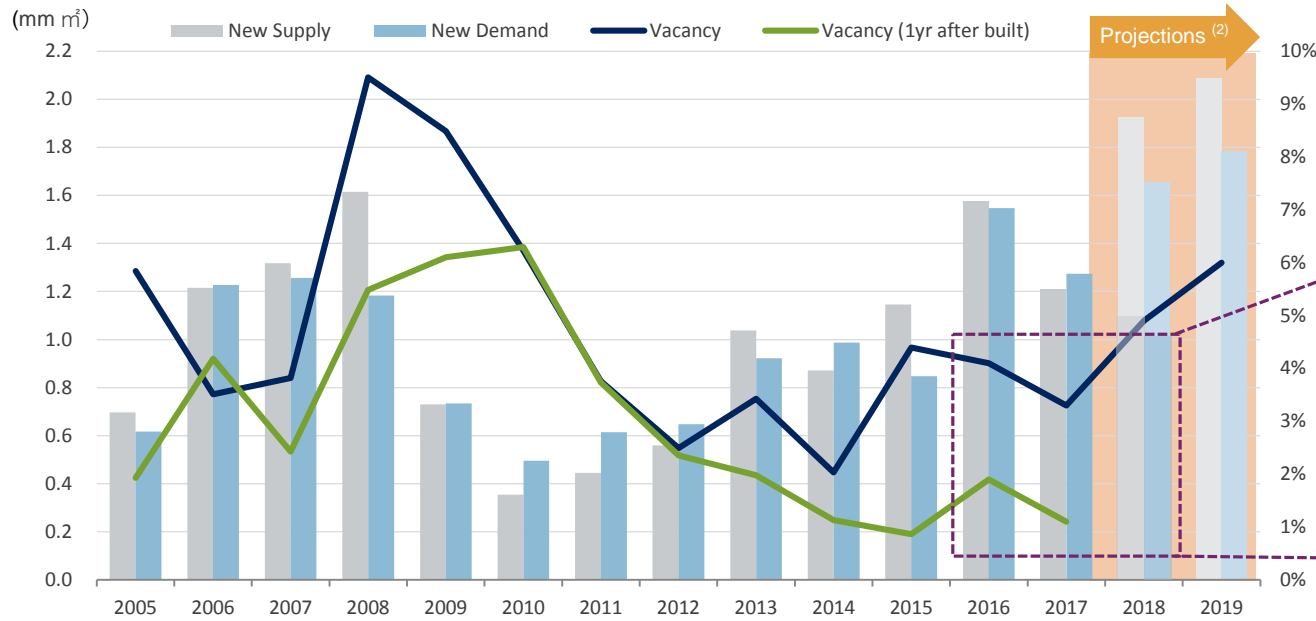
Logistics Market Outlook



LOGIPORT Hashimoto

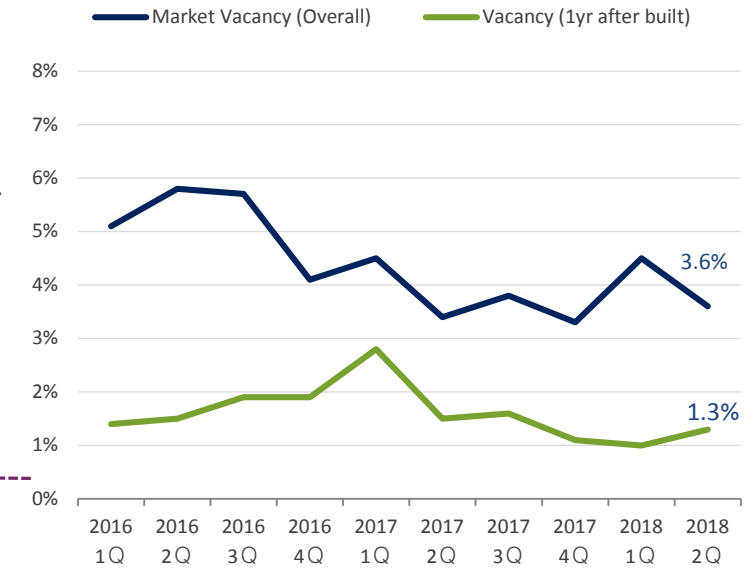
Tokyo Area Logistics Market

Supply/Demand and Mid-term Projections ⁽¹⁾

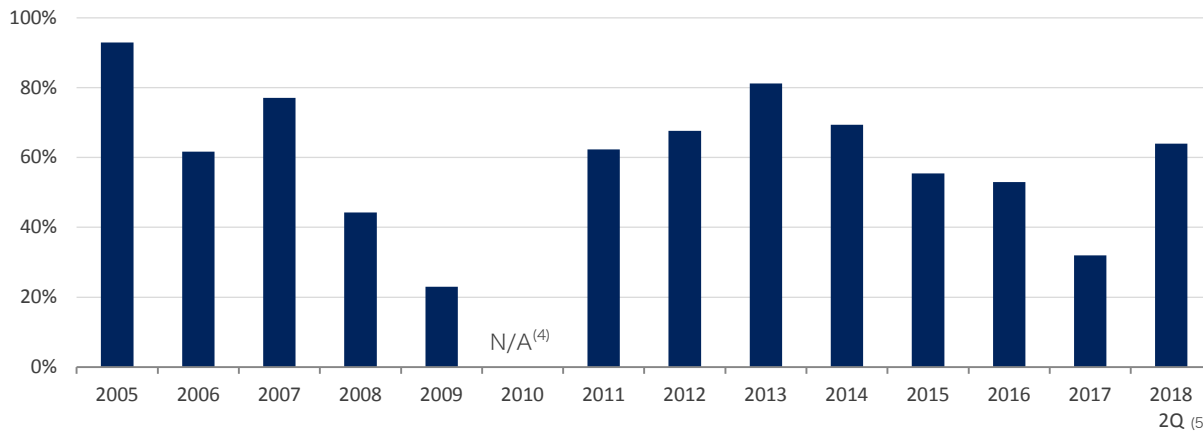


Source: CBRE (1) Logistics facilities with GFA greater than 5,000m²
 (2) Light colored bar chart represents projections, dark colored bars are actual figures from Jan-Jun 2018

Most recent vacancy change



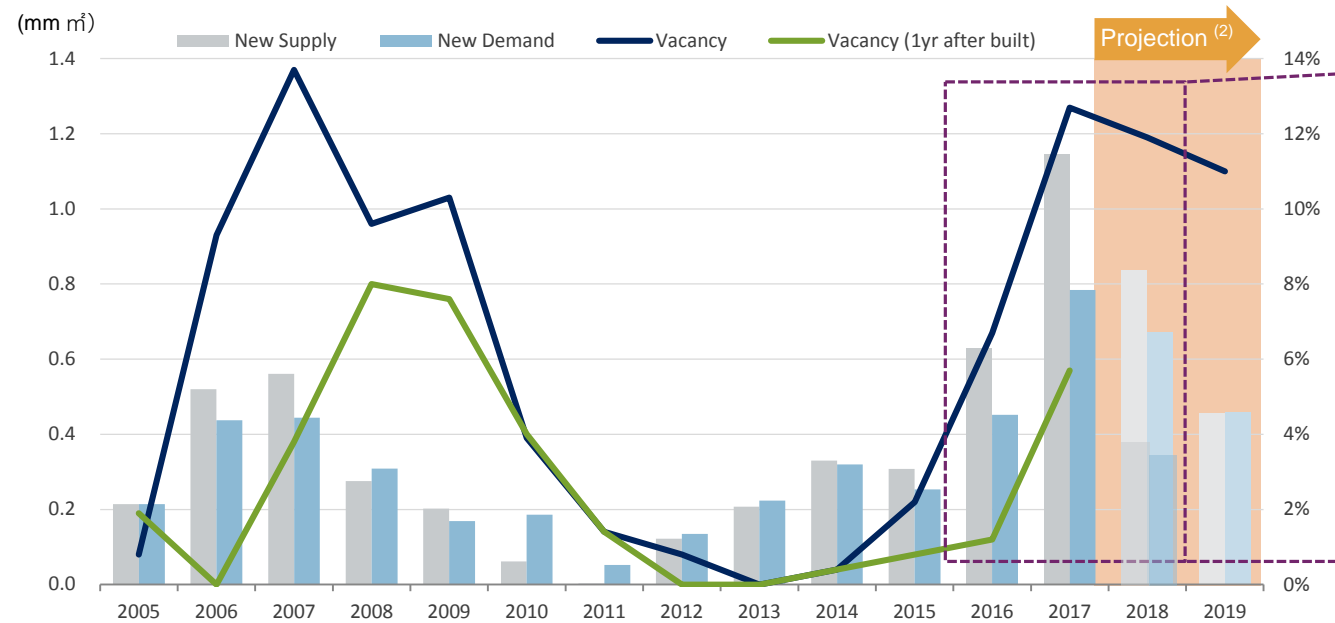
Change in occupancy for large scale multi-tenanted facilities ⁽³⁾ at completion



Source: CBRE (3) Multi-tenanted logistics facilities built with GFA greater than 10,000tsubo
 (4) In these years, there were too few examples to be counted
 (5) Cumulative amounts from Jan – Jun 2018

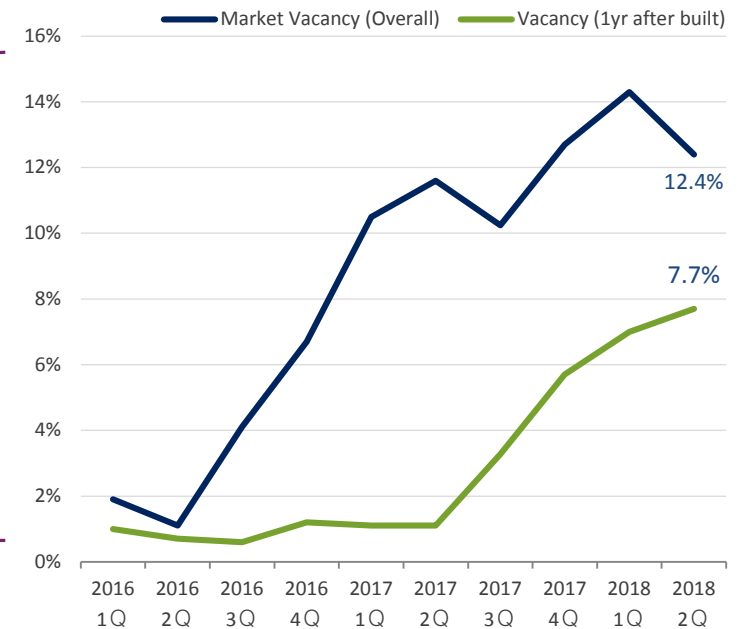
Osaka Area Logistics Market

Supply/Demand and Mid-term Projections ⁽¹⁾

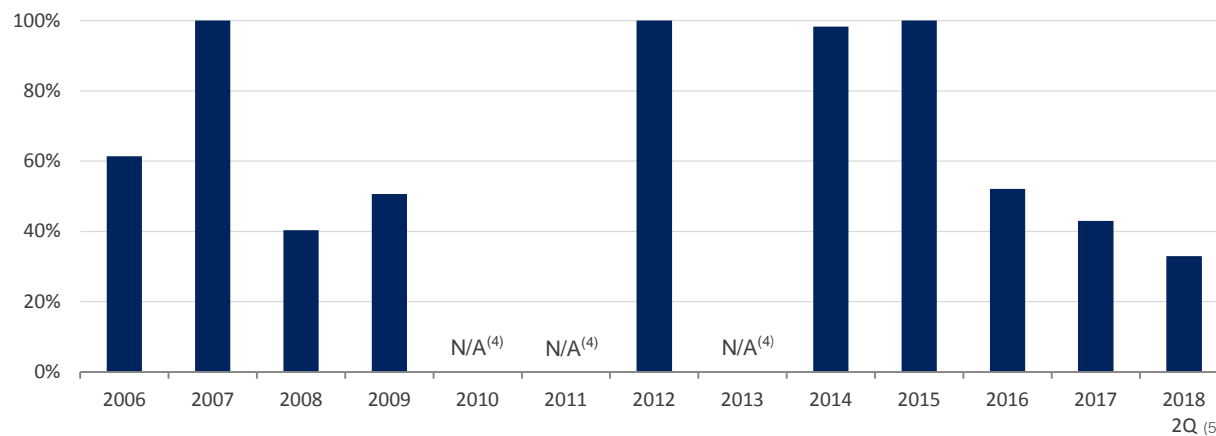


Source: CBRE (1) Logistics facilities with GFA greater than 5,000m²
 (2) Light colored bar chart represents projections, dark colored bars are actual figures from Jan-Jun 2018

Most recent vacancy change

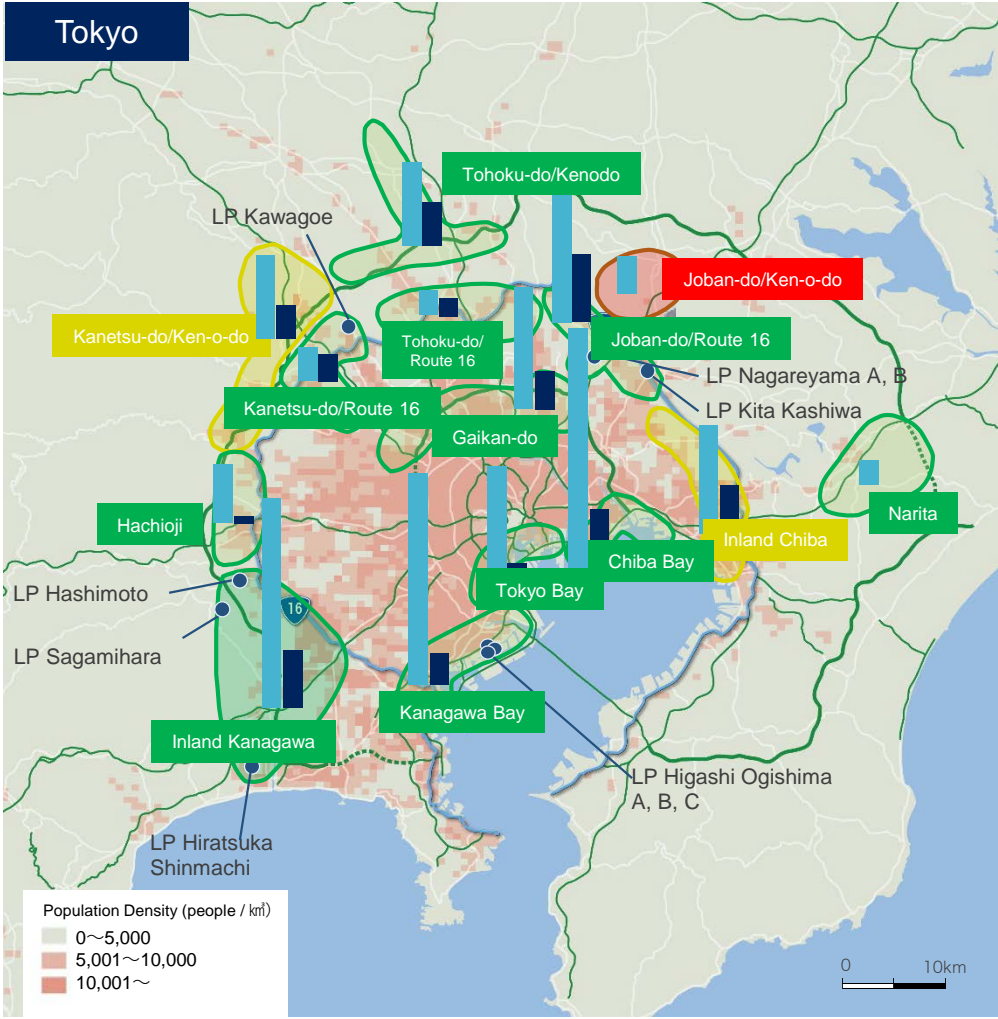


Change in occupancy for large scale multi-tenanted facilities ⁽³⁾ at completion

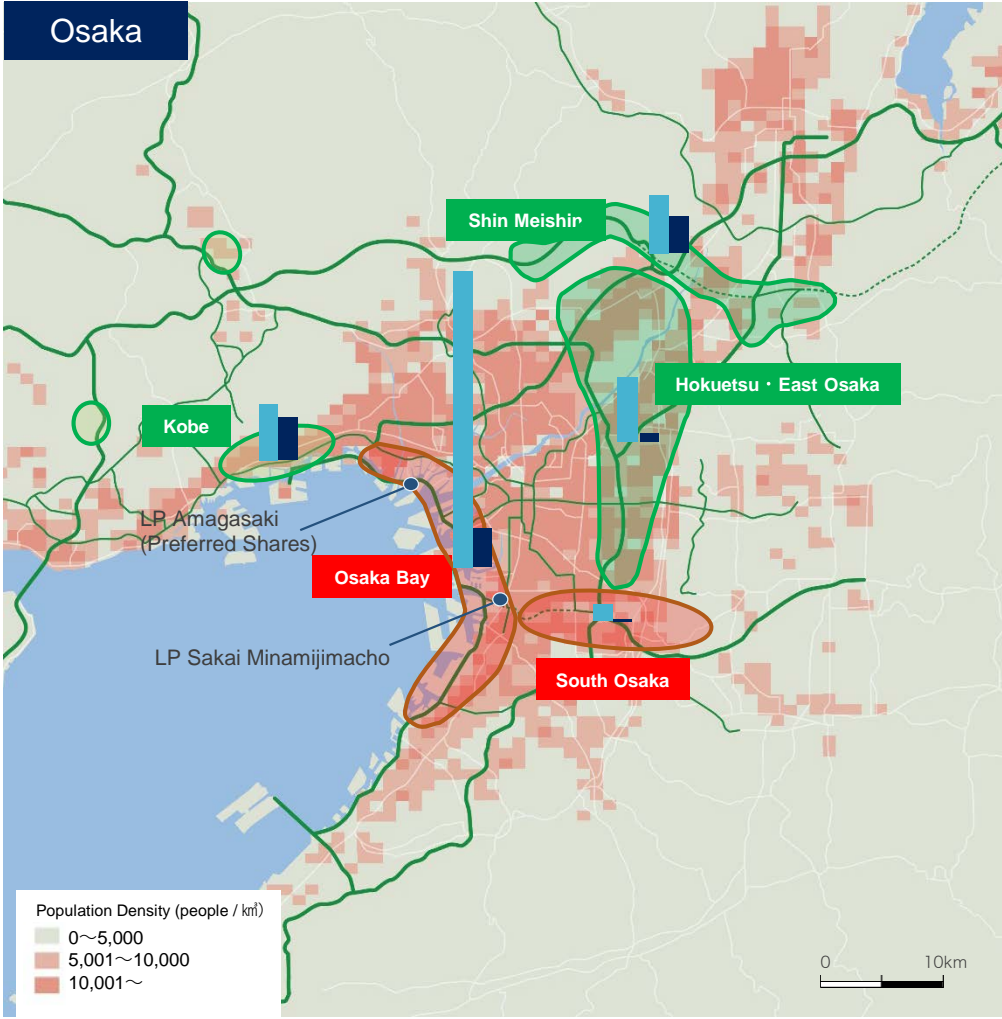


Source: CBRE (3) Multi-tenanted logistics facilities built with GFA greater than 10,000tsubo
 (4) In these years, there were too few examples to be counted
 (5) Cumulative amounts from Jan – Jun 2018

Tokyo Area / Osaka Area Submarket Vacancy Rate and Supply Outlook



Vacancy ⁽¹⁾ (2017 YE)	Supply / Demand Environment
0~5%	Supply/Demand is tight
5~10%	Supply/Demand is balanced
10~15%	Supply/Demand is softening
15%~	Supply/Demand is deteriorating



Existing stock as of 2nd Qtr 2018
2018 and 2019 projected supply

Source: CBRE data which was compiled by LLR's asset manager
(1) Logistics facilities with GFA greater than 5,000m²

Memo

05

A p p e n d i x



LOGIPORT Sagamihara

Summary on LaSalle LOGIPORT REIT

Features of LaSalle LOGIPORT REIT

1 Focused investments of Prime Logistics in Tokyo and Osaka

- The portfolio is primarily comprised of large scale logistics facilities in the Tokyo area
- In order to ensure a portfolio with superior mid- to long-term competitiveness, there is a focus and attention given to location and building specifications which are the source of a given properties' characteristics

2 Leveraging off of the LaSalle Group's asset management capabilities

- Capitalize upon the LaSalle Group's capabilities as a leading global investment manager with deep roots in core real estate investing
- Utilize LaSalle Japan's wealth of operational experience within the logistics space

Portfolio Summary ⁽¹⁾

AUM	¥188.4 bn	Tokyo & Osaka areas	100 %
NOI Yield ⁽²⁾	4.9 %	Occupancy	98.8 %

Investment Area Ratios ⁽³⁾

LLR		J-REIT Avg. (Logistics Only)		
Tokyo, Saitama, Chiba, Kanagawa	Kyoto, Osaka, Kobe	Tokyo, Saitama, Chiba, Kanagawa	Kyoto, Osaka, Kobe	Other
97.1%	2.9%	61.2%	20.2%	18.6%

Avg. GFA⁽³⁾

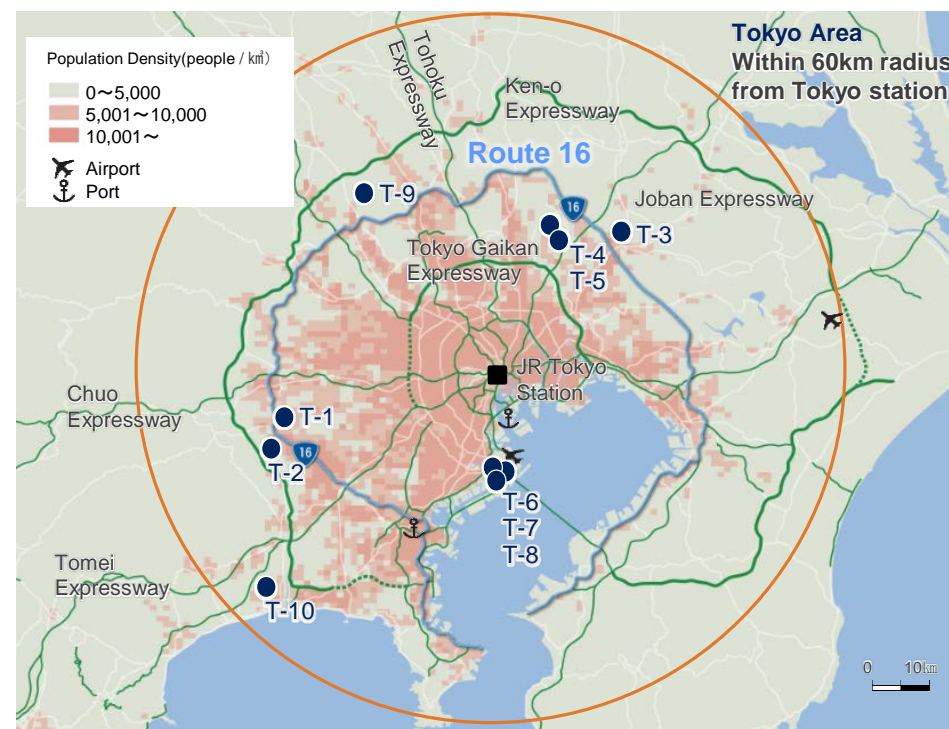
95,139m ²	LLR
36,497m ²	J-REIT Avg. (Logistics focused J-REITs only)

(1) As of 8/31/2018

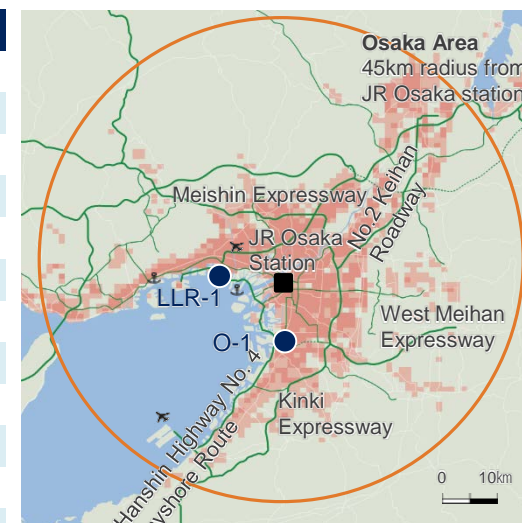
(2) "NOI Yield" is calculated by dividing the appraisal NOI by the acquisition price.

(3) "Investment Area Ratios" and "Average GFA" are calculated based on the total floor area, on a GFA basis, for all logistics properties that have been acquired by LLR and logistics focused J-REITs as of September 2018. (J-REITs that count leased land assets are excluded.)

Location of properties



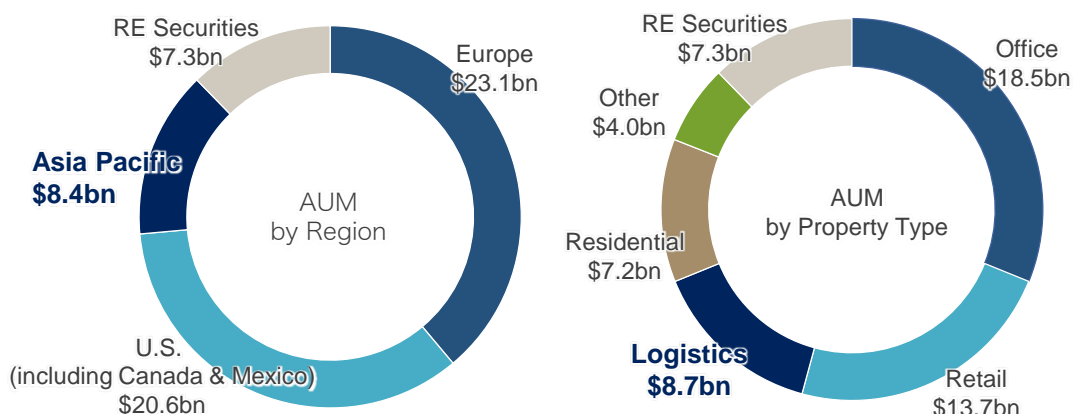
No.	Property Name
T-1	LP Hashimoto
T-2	LP Sagami-hara
T-3	LP Kita Kashiwa
T-4	LP Nagareyama A
T-5	LP Nagareyama B
T-6	LP Higashi Ogishima A
T-7	LP Higashi Ogishima B
T-8	LP Higashi Ogishima C
T-9	LP Kawagoe
T-10	LP Hiratsuka Shinmachi
O-1	LP Sakai Minamijimacho
LLR-1	LP Amagasaki (Preferred Shares)



LaSalle Group is a leader in real estate core investments



World leading real estate investment management firm



(Note) Figures above are as of 6/30/2018



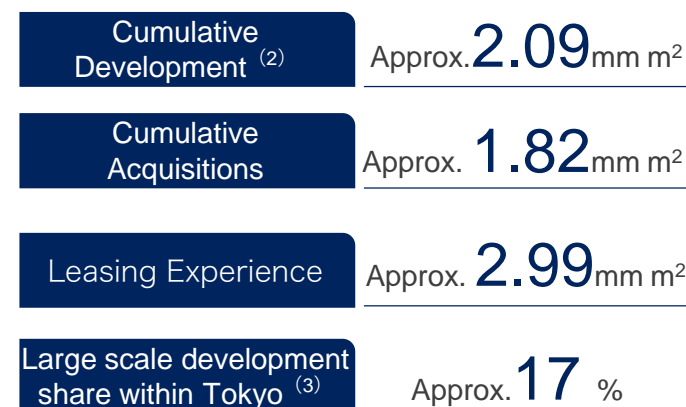
Global comprehensive real estate services firm
(Parent company of LaSalle Investment Management)



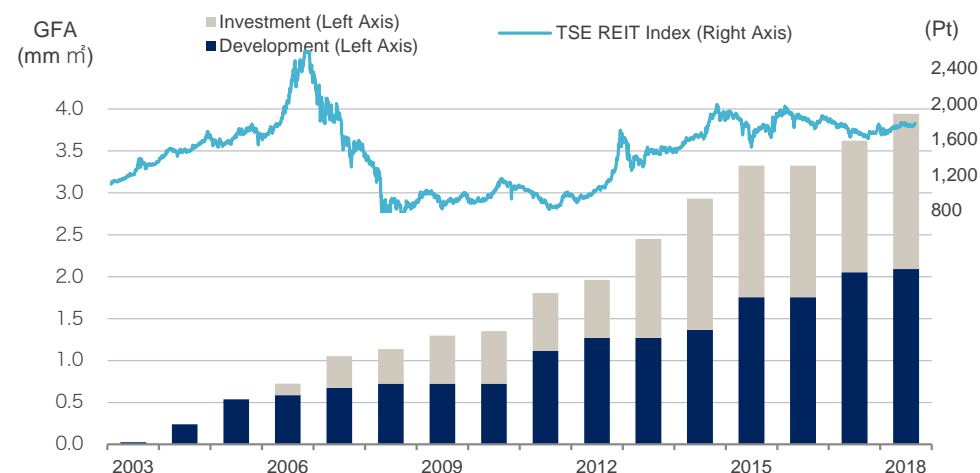
(Note) Above figures are as of 12/31/2017

Development, investment, and leasing track record of logistics properties in Japan

Robust experience in development, investment, and leasing ⁽¹⁾



Development • Investment (Aggregated Basis) ⁽²⁾



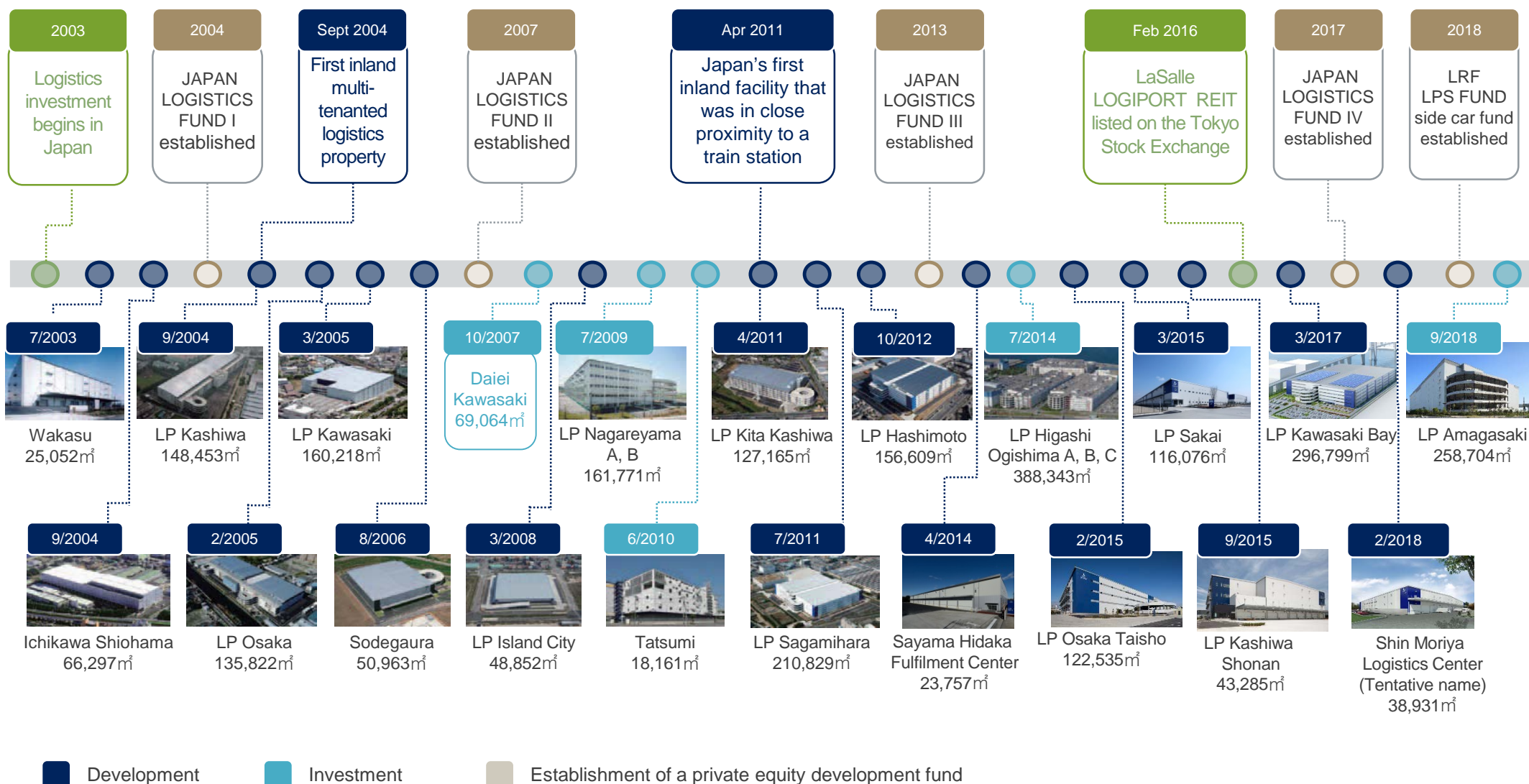
(1) As of 9/30/2018

(2) Includes development pipeline

(3) Source: CBRE. Developed by a private company in Tokyo, where total GFA exceeds 10,000m² (as of 6/30/2018)

LaSalle Group's track record for developing logistics facilities in Japan

- Fund management functionalities + Developer capabilities + Investor function = development & investment on an ongoing basis for large scale logistics facilities, regardless of the economic environment

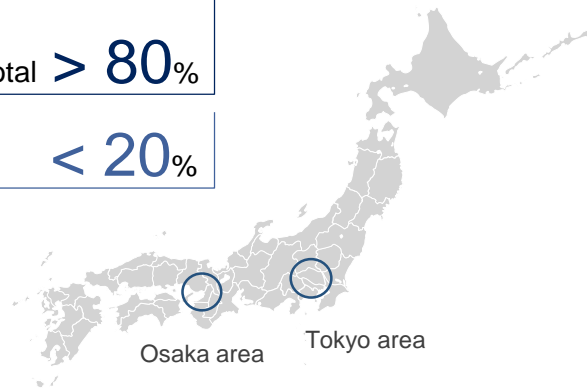
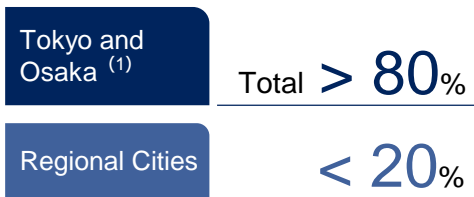


(Note) The timeline above reflects the timing to when a purchase and sale contract was consummated for the acquisition of land and building

Investment policy that focuses on locations and specifications as a source for maintaining property competitiveness

■ Tokyo and Osaka are target markets

Prospective portfolio composition



(1) "Osaka Area" is defined as the area that's within a 45km radius from JR Osaka station.

■ Characteristics of "Prime Logistics"

Suitable Sites

- ① Excellent access to high consumption areas (dense population areas)
- ② Close proximity to highway interchange nodes
- ③ Located in industrial use zoned areas that allow for 24 hour operations
- ④ Easy public transportation access in order to attract employees

Large Scale

- ① In general, GFA is greater than 16,500 m²

High Specs

- ① Effective ceiling heights are greater than 5.5m, floor loads can handle in excess of 1.5 t/m², and column spacing is typically 10m x 10m
- ② Large ramp ways for direct truck access to the upper floors or freight elevators with sufficient loading capacity
- ③ Designed with flexible bay partitioning
- ④ Ample office space
- ⑤ High safety features with seismic isolation or resistance performance

Example of a suitable site in the case of LOGIPORT Hashimoto

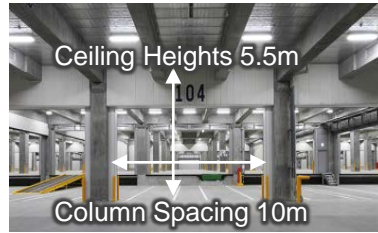


Features of “Prime Logistics”



Large Scale Ramp Ways

Enables truck access to the upper floors, or there are vertical conveyors with sufficient loading capacity.



Ceiling Heights 5.5m

104

Column Spacing 10m

High End Specifications

Effective ceiling heights, floor loading, and column spacing to enhance storage efficiency and work productivity.



Flexible partitioning of bays

Designed with truck berths, vertical conveyor layouts, fire prevention compartmentalization



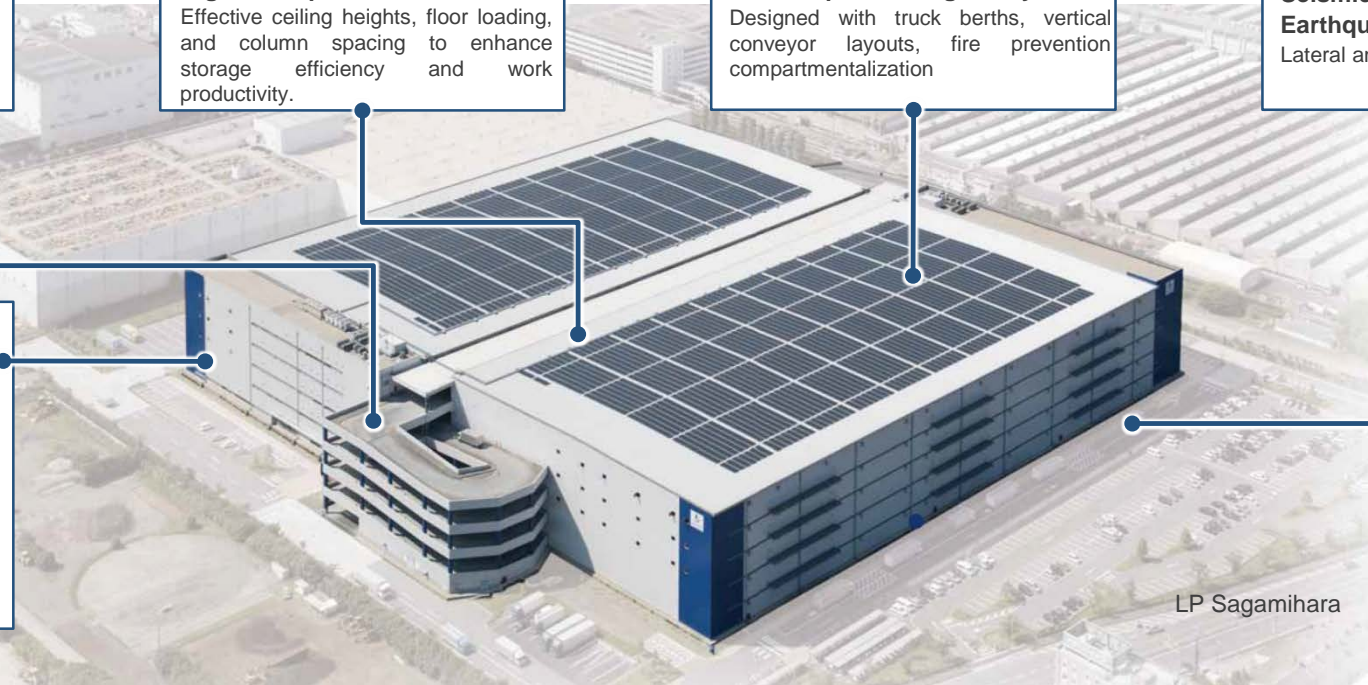
Seismic Isolation / Earthquake Resistance

Lateral and vertical motion dampeners



Office space

Ample office space



LP Sagamihara

Environmental, Energy Efficiency, Security Measures, Enhanced Amenities

Environmental, Energy Efficiency



Solar panels for renewable energy utilization



Exterior walls, sandwich panel system for thermal insulation and airtightness.



Automatic lighting sensors for corridors and bathrooms



Obtained S and A rankings, based on CASBEE evaluation for new and existing built.

Security Measures



24-7, 365 days, fire prevention center

Ample Amenities



Cafeteria space for employees during breaks



Convenience stores on-site for employee satisfaction



Operation of a commuter bus from the nearest station

ESG Initiatives

LaSalle Group's Commitment

At the LaSalle Group, in addition to being a industry leader in promoting sustainability through various organizations, LaSalle has established an in-house Global Sustainability Committee, which is conscious of the challenges involved with environmental, societal, and governance ("ESG") best practices and are incorporating these measures on a company wide basis.

- Singed onto the U.N. Principals for Responsible Investment (PRI)

(July 2009)



- ULI Greenprint: founding member



ULI Greenprint Center for Building Performance

- Founding member of GRESB



Efforts made by LLR

Installation of solar panels and more efficient energy usage has been incorporated into LLR owned assets as environmentally friendly measures in the course of operating properties

- Participated in GRESB Real Estate Assessment



GRESB Real Estate Assessment

LLR participated in the 2017 GRESB real estate assessment, which is conducted across real estate companies and funds, and was awarded Green Star status for its outstanding performance in ESG matters.

- Received CASBEE's architectural evaluation certification



CASBEE Architectural Evaluation

This is a comprehensive evaluation which measures the environmental performance of buildings, energy saving and resource savings, load reduction and recycling measures taken are measured.

- DBJ Green Building certifications achieved

4 of LLR's properties received Green Building certifications



DBJ Green Building certification

Introduced independently by the Development Bank of Japan ("DBJ"), this certification is a comprehensive scoring model targeting real estate that demonstrates concern for the environment and society. Evaluation is ranked on a 5 scale.



Stars : ★★★★★
LP Hashimoto



Stars : ★★★★★
LP Sagamiyama



Stars : ★★★
LP Kita Kashiwa



Stars : ★★★
LP Nagareyama B

- Achieved BELS recognition award



BELS Assessment

BELS is a third party certification system that displays the energy saving performance of buildings. From April 2016, real estate companies were required to strive toward energy conservation practices per the Act on Building Energy Consumption Enhancement Improvement Act (Building Energy Conservation Law).

- Awarded SMBC's Environmental Considerations Rating



SMBC Environmental Assessment

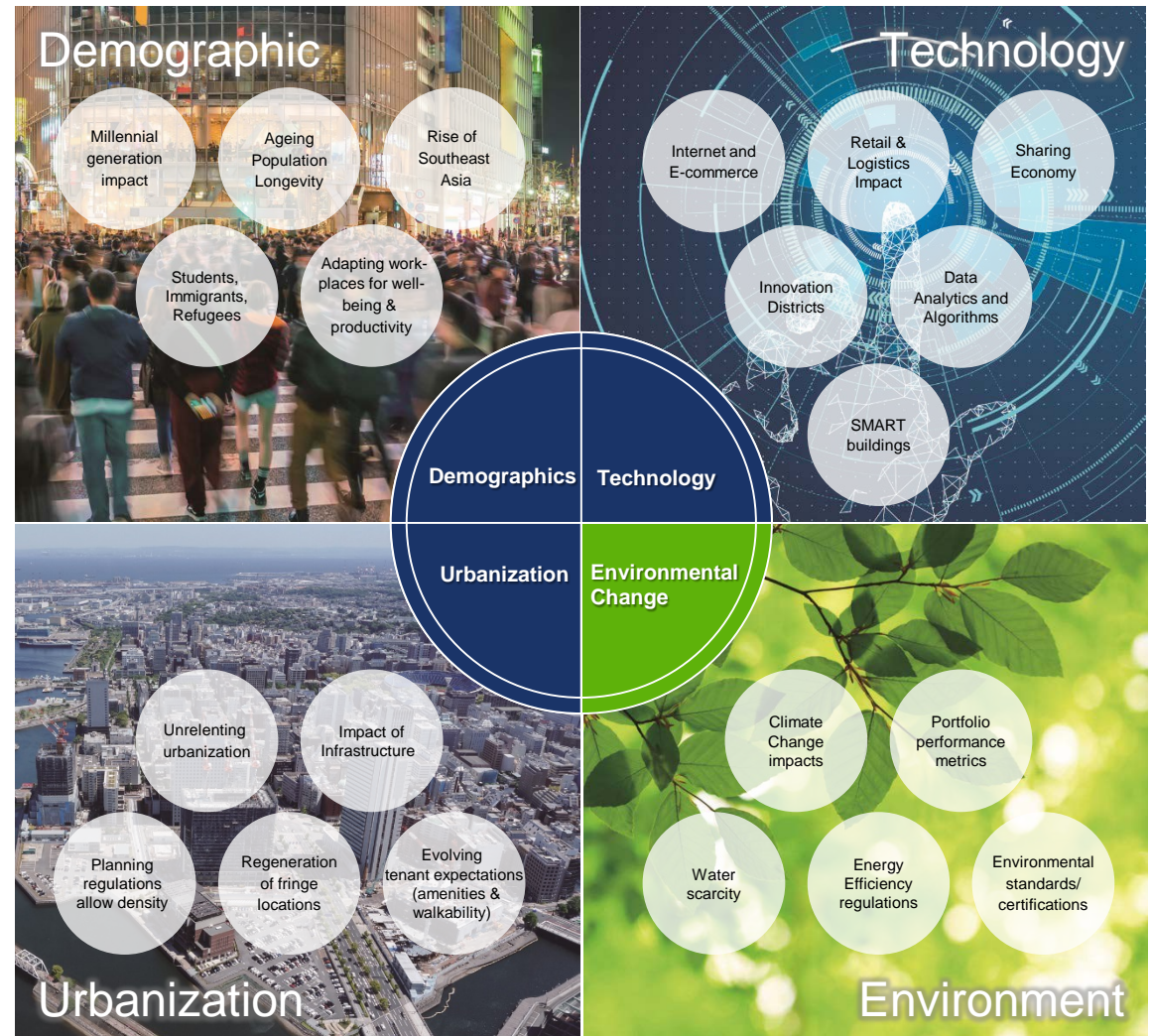
The "SMBC Environmental Evaluation Consideration Loan" is to evaluate the environmental considerations that companies have done based on a rating system developed by the Sumitomo Mitsui Banking Corporation and Nippon Research Institute Co., Ltd.

ESG Initiatives

DTU (Demographics, Technology, Urbanization) + E (Environmental)

Six years ago, the LaSalle Group decided to undertake focused research on the long term “secular” drivers of real estate. As a result, LaSalle developed the DTU (demographics, technology, urbanization) research program to better understand how fundamental drivers of demand interact. LaSalle’s hypothesis is that these secular drivers have the power to shape real estate markets in ways that supersede and outlast the shorter-term property cycles.

- In 2016, LaSalle added a fourth secular trend for real estate investors to focus on in the next decade and beyond. LaSalle has identified a broad array of environmental factors (“E-factors”) that can contribute to improvements in the risk-adjusted returns of real estate investments.
- E-factors include: energy conservation, carbon footprint reduction, climate change, water and waste recycling, and green building ratings to certify sustainable building design.
- E-factors should be an important consideration in the investment analysis of portfolios and assets. Any real estate financial analysis should take into account the rising demand for the sustainability and resilience features of a building. The rising demand occurs through both regulatory and market forces.
- LaSalle has also been tracking the growing awareness by governments and regulatory bodies to the E-factors. National and local governments both realize that real estate is a major user of energy and water, and that activities inside buildings are major generators of recyclable waste. Therefore, construction and management of the built environment can play a major role in reducing carbon emissions, improving water and energy conservation, and stopping unsustainable waste disposal practices.
- The broader market effects – rising tenant preferences for sustainable, healthy, and flexible spaces for work, social interaction, shopping, leisure, storage/distribution, and residential living spaces – also vary greatly between and within countries.
- By adding “E” to the “DTU” framework, LaSalle is committing to continue to conduct and review rigorous research in order to determine how its clients can benefit from sustainability initiatives.



Governance Structure Emphasizing Unitholders' Interest and Transparency

■ Management Fees which align with unitholders' value

Management Fee Components of Asset Manager

Recurring Management Fees

- (1) AM Fee 1 (tied to AUM):
Prior FP Total Assets \times 0.22% (Upper limit rate)
- (2) AM Fee 2 (tied to ordinary income):
(Prior FP Ordinary Income + Depreciation Expense + Deferred Assets Amortization – Transfer Gains of Losses on Specified Assets – Valuation Gains or Losses) \times 5.8% (Upper limit rate)
- (3) (AM Fee 1 + AM Fee 2) \times Adjusted EPU \times 0.026% (Upper Limit Rate)

Acquisition / Transfer Fee

- (4) Purchase Price when acquiring or transferring real estate related assets \times 1.0% (Upper limit rate)

Merger Fee

- (5) Appraisal value of real estate related assets owned by counterparties of consolidation type merger or absorption type merger \times 1.0% (Upper limit rate)

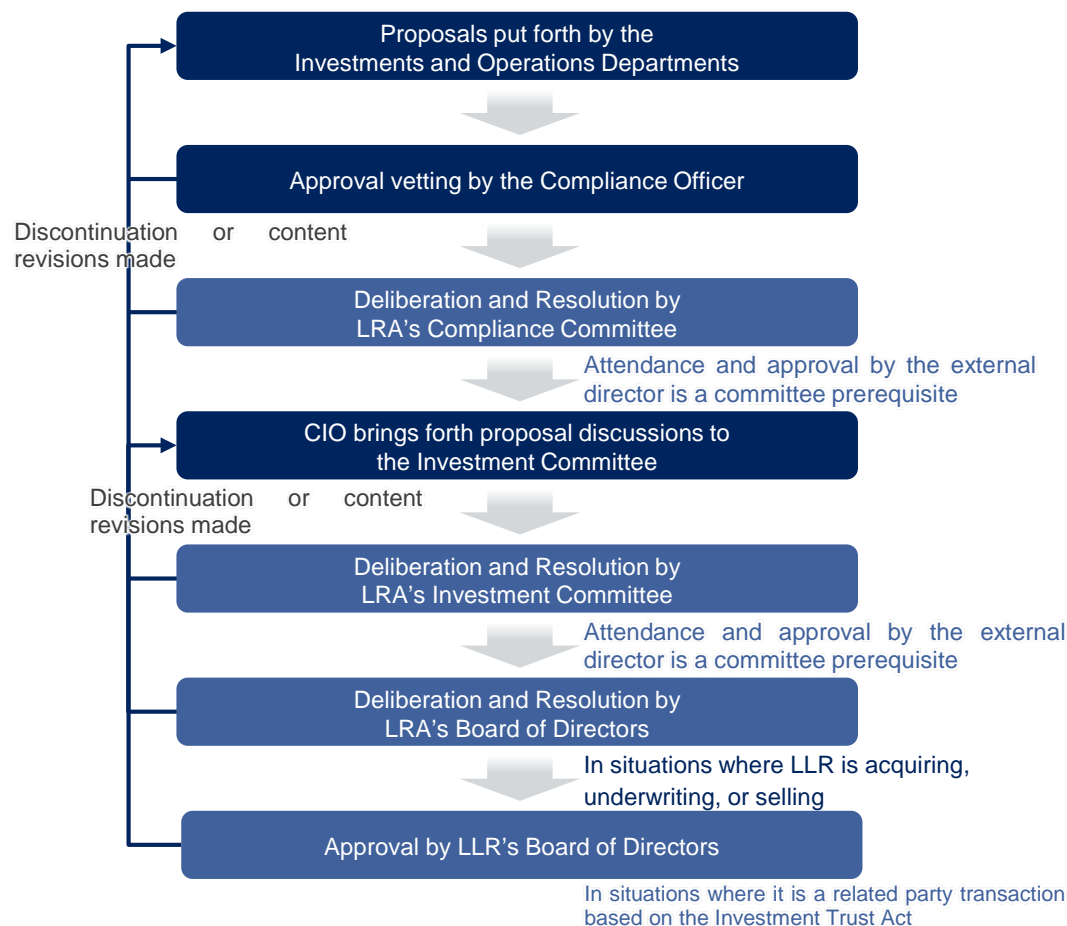
■ Alignment of interest between unitholders and the LaSalle Group

Approximately 4% of the outstanding investment units are held by the LaSalle Group and JLL, demonstrating alignment of economic interests

■ Introduction of Investment Unit Ownership System

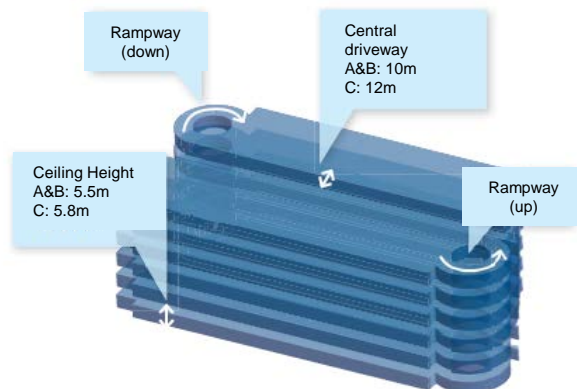
Promotion of alignment of interest between LLR Investors and LRA's and Sponsor's Directors & Employees

■ Decision making flow chart of LRA as it relates to related party transactions



Property Close Up: Features of LP Higashi Ogishima 1/3

- LP Higashi Ogishima A, B, C are located in suitable sites for large scale, highly functional “Prime Logistics”



Suitable Sites

- ① Access to high consumption areas
Good access to major consumption concentrations – Tokyo CBD, Yokohama, Kawasaki
- ② Proximity to main arterial roads (interchanges)
Adjacent to the Shutoko Expressway entry/exit, with easy access to logistics hubs such as Haneda Airport, Tokyo Port, and Yokohama Port
- ③ Zoned for 24 hour operations and industrial use
Factories and logistics facilities comprise this large aggregated area for industrial use, enabling 24 hour operations
- ④ Pedestrian access to/from public transportation
Adjacent to bus station (1 min) which connects to Kawasaki and Yokohama stations, frequent bus service (weekdays in excess of 120 roundtrips)

Large Scale

- ① GFA in excess of 30,000 tsubo, NRA per floor is in excess of 5,000 tsubo

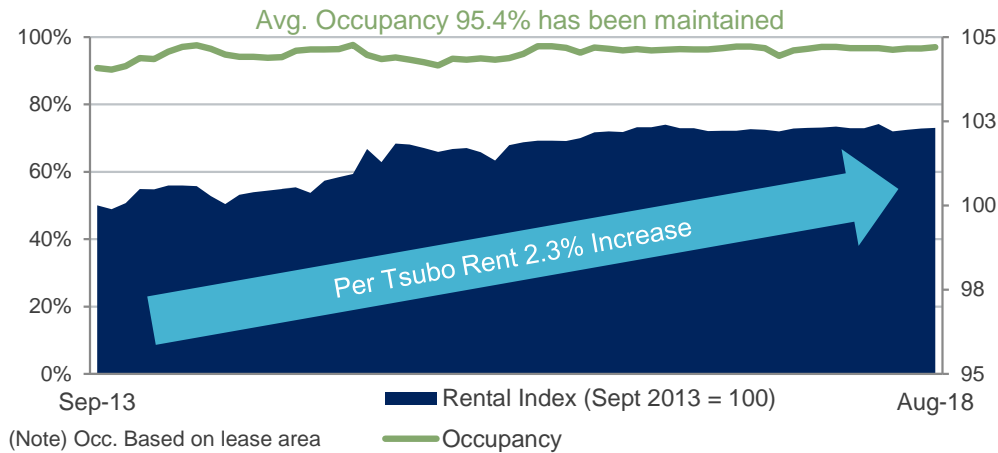
High Functionality

- ① Ceiling heights from 5.5m to 5.8m, floor load is 1.66 t/m², column spacing is greater than 10m
- ② Equipped with double ramp-ways, allowing for direct truck access onto each floor
- ③ Enabled with flexible partitioning, from a minimum of 200 tsubo
- ④ Ensured with adequate office space with air conditioning
- ⑤ Built out of reinforced concrete for high seismic resistance

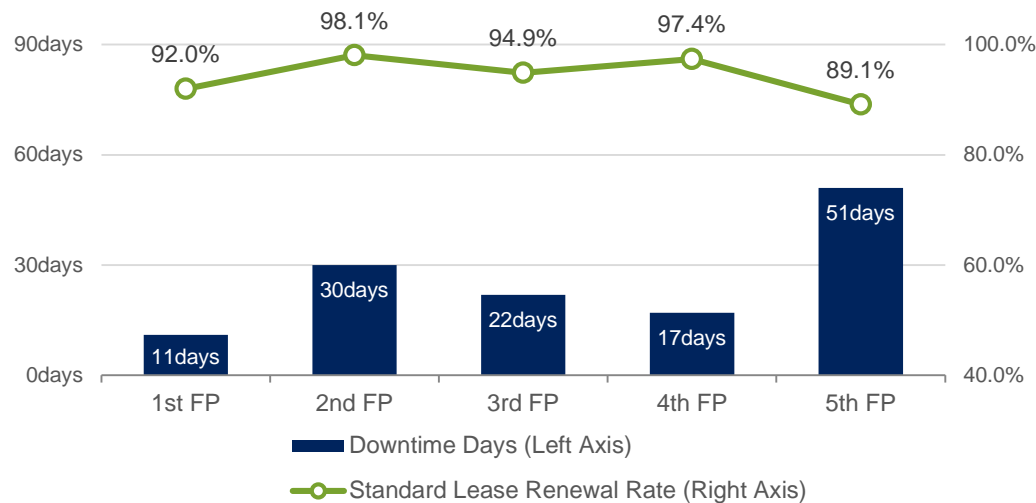
Property Close Up: Features of LP Higashi Ogishima 2/3

■ Built upon a track record of stable operations, per tsubo rents have steadily increased

Occupancy • Rent Unit Price Differential



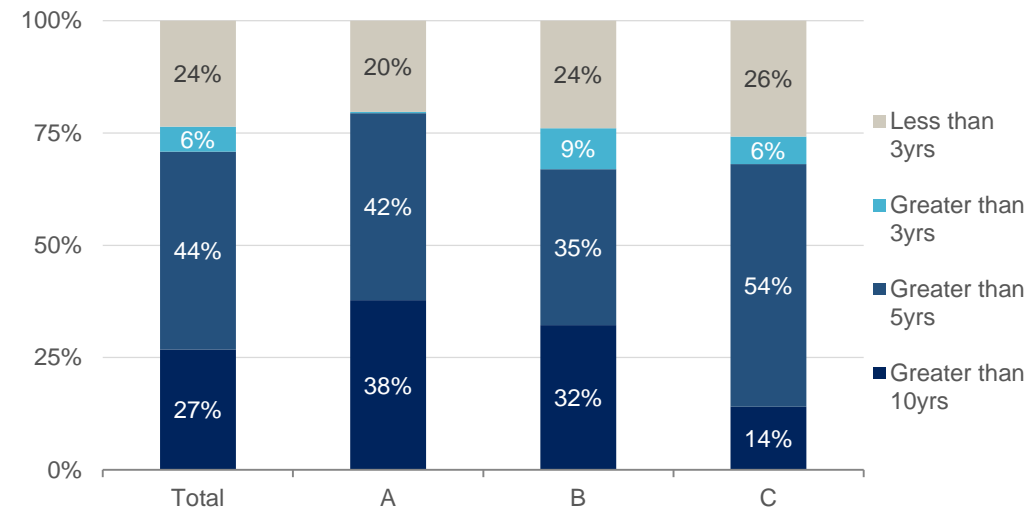
Automatic renewal rates out of standard leases and associated downtime for tenants who vacate



Avg. Period of Occupancy for Existing Tenants

- Due to the number of leases that are under standard lease terms is significant, the average WALE is 2.0 years
- Among the existing tenants, their avg. occupancy has lasted 7.9 years (counting from the first lease start date through the 5th FP)

■ Breakdown to length of occupancy



(Note) Based on leased area

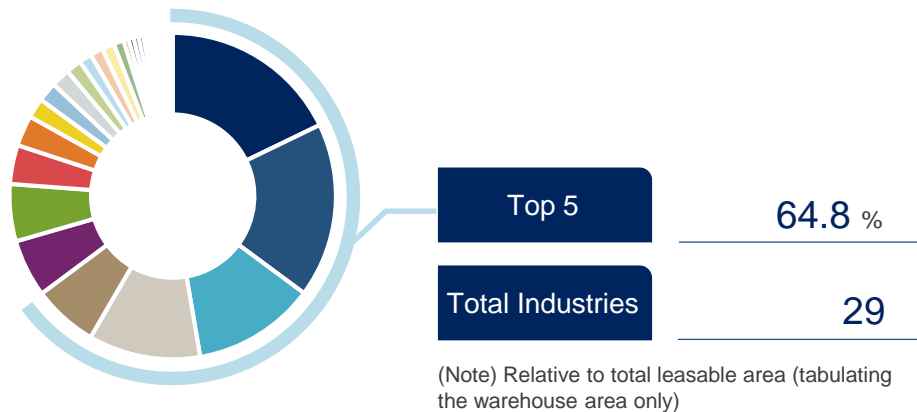
Property Close Up: Features of LP Higashi Ogishima 3/3

■ Due to dispersion of tenants/end tenants, below market rents, occupancy is stabilized

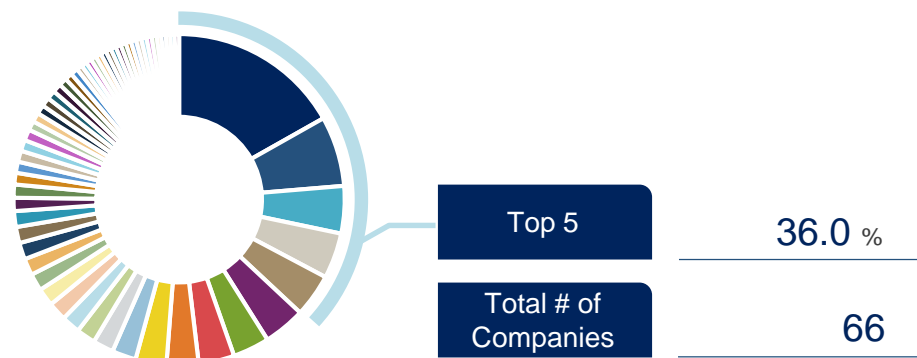
Tenants and End Tenants Composition

- Due to flexible layouts of space, tenants range from small to large sizes
- As large scale tenants have received deposits of good from multiple end users, actual tenant dispersion is even greater

■ Tenant dispersion by industry



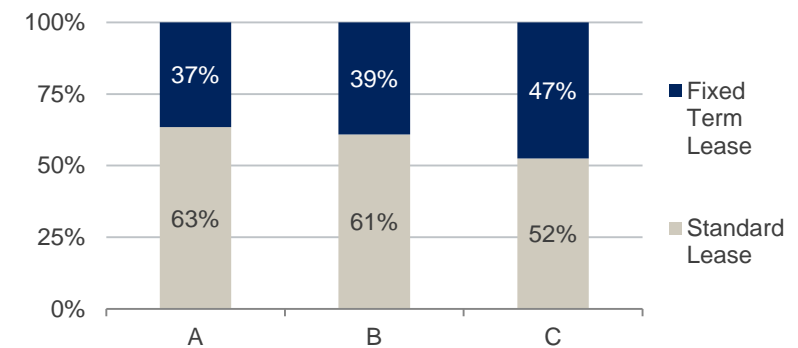
■ Tenant dispersion based on actual end users



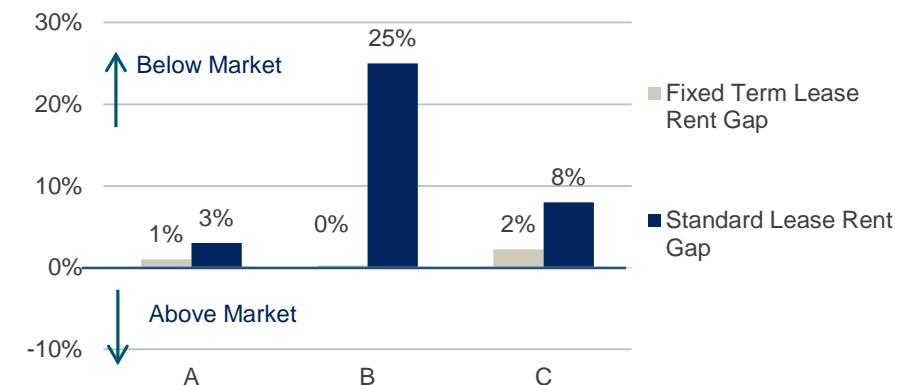
Current rent levels

- In-place rents are below market by 1%~25%
- As the rental gap is relatively large for those tenants under standard lease terms, the motivation for them to move is low, thus, while their contracted lease terms are short, their actual period of occupancy has been long.

■ Fixed Term Lease · Standard Lease Term Ratio

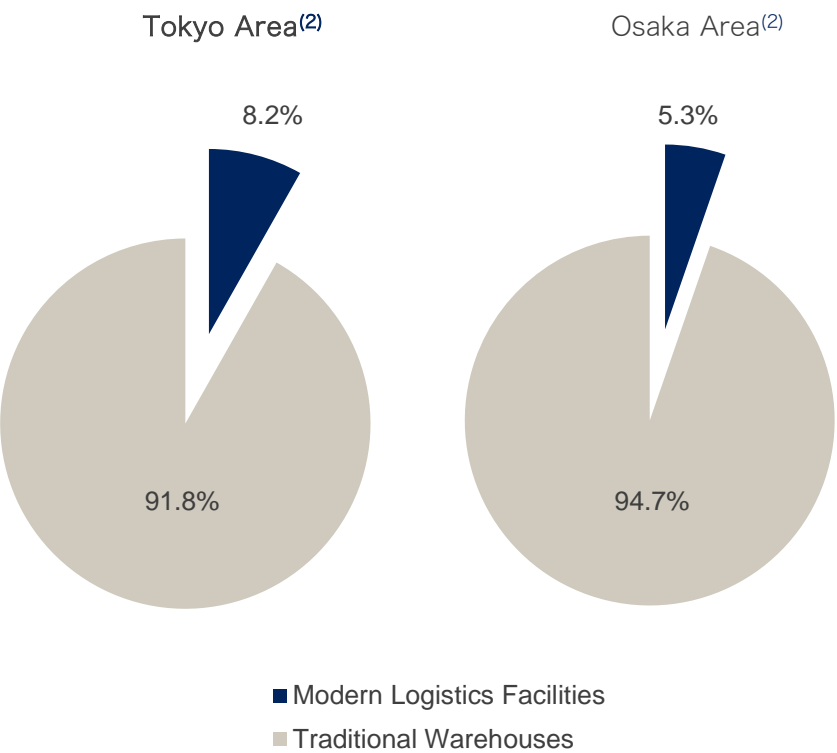


■ Rental Gap

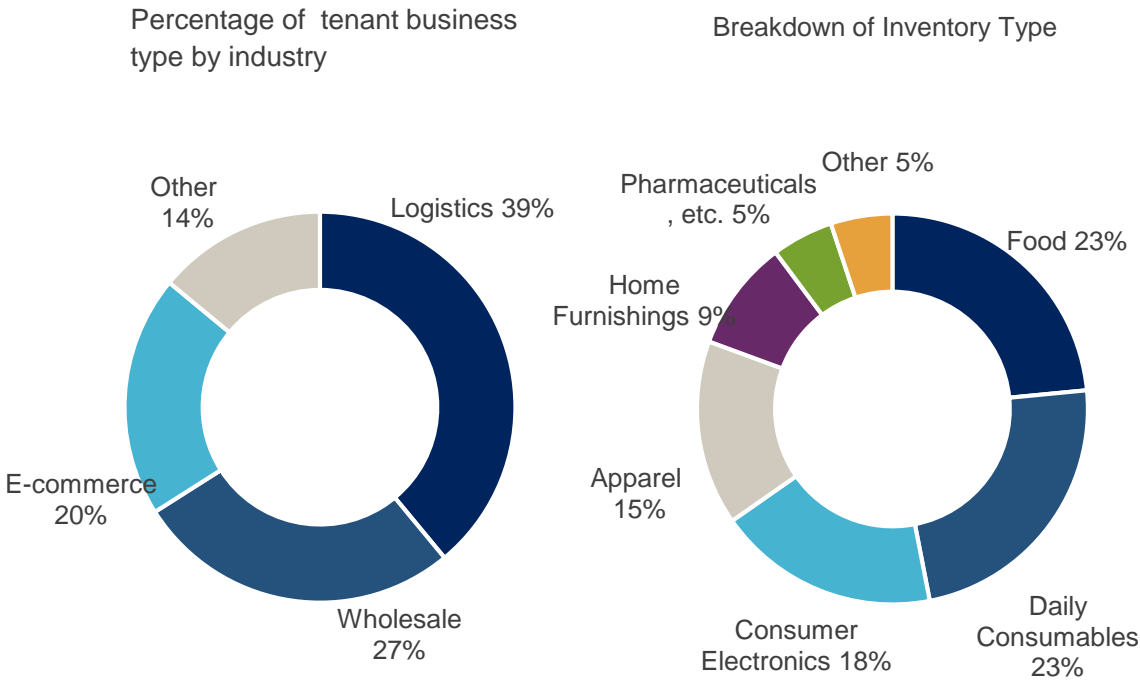


Logistics Real Estate Stock

Comparison of modern logistics facilities⁽¹⁾ relative to overall warehouse stock



Tokyo area multi-tenanted facilities and the inventory that underlies space demand needs⁽³⁾



Source: Both of the above are from CBRE

(1) GFA >10,000m², modern leasable facilities that satisfy functional design standards that warrant their modernity. As of 3/2017 information.

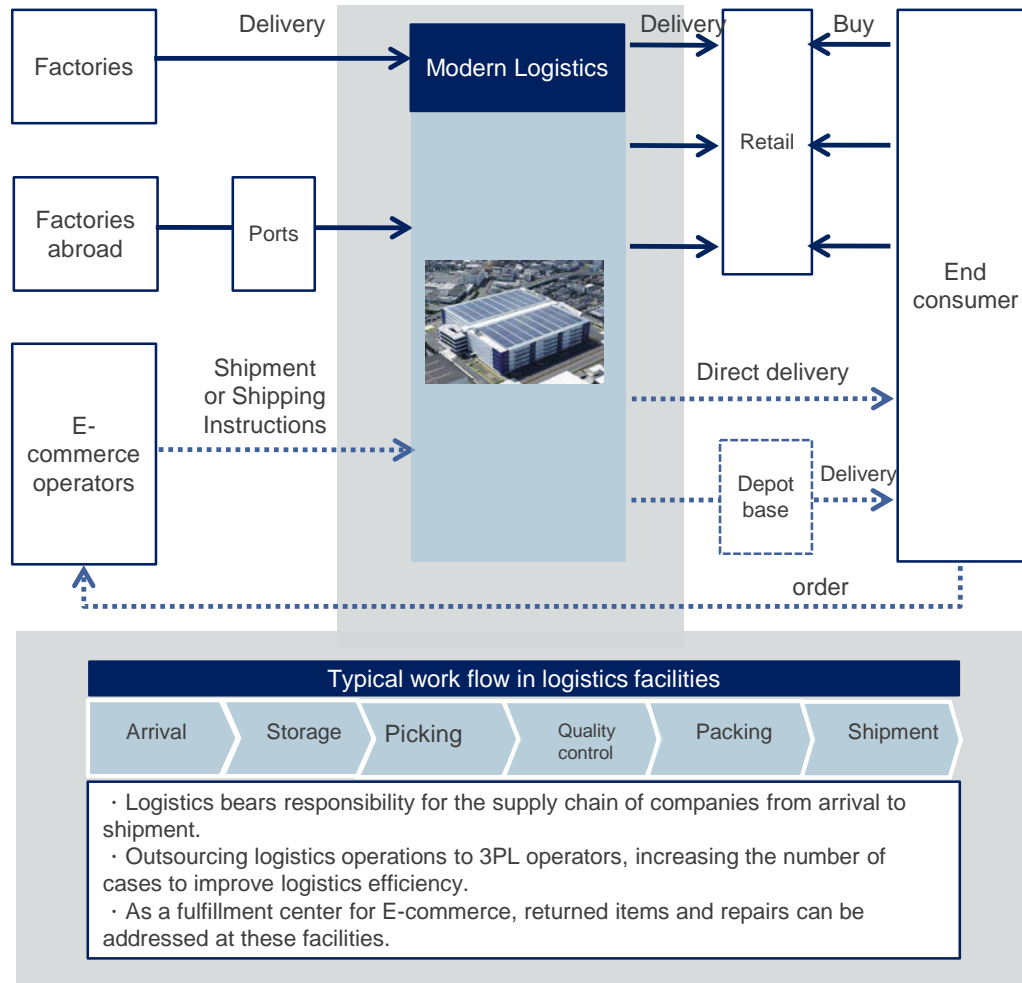
(2) Tokyo Area is defined as Tokyo, Kanagawa, Saitama, Chiba and Ibaraki prefecture, "Osaka Area" is defined as Osaka, Kyoto, Hyogo prefecture.

(3) Tokyo Area multi-tenanted facilities with GFA >10,000 m²

Specific needs related to logistics real estate

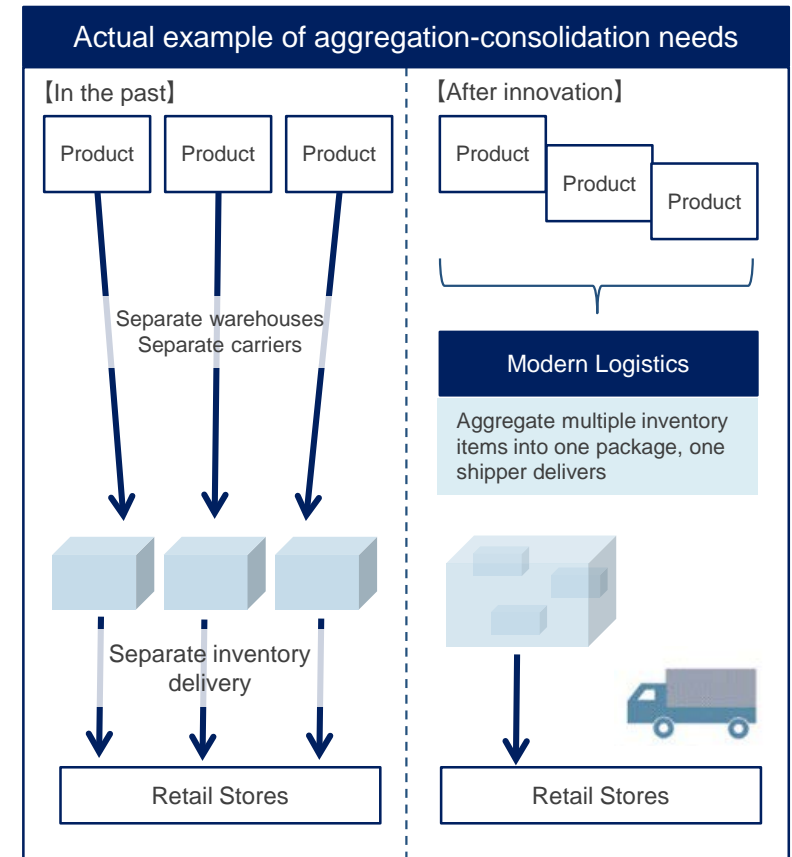
The role that modern logistics play in the supply chain

- What used to center around purely simple storage functions for traditional warehouses, modern logistics has evolved into facilities that can efficiently perform tasks such as sorting, processing, and delivery.



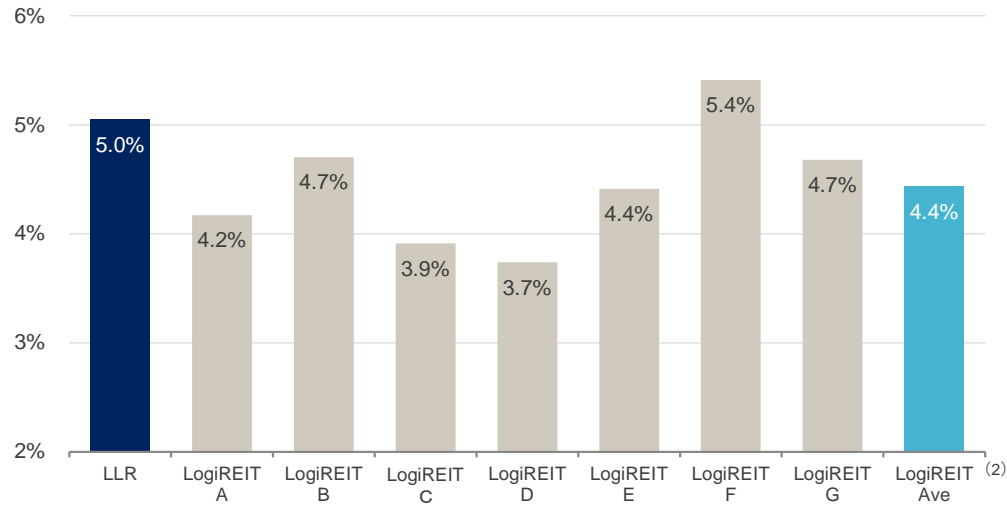
Expansion of consolidation and integration needs

- The source of logistics' robust demand is driven by two factors. First is the relocation needs from conventional small to medium-sized warehouses that demand aggregation and integration of operations. Second is from new demand arising from the burgeoning growth of e-commerce.

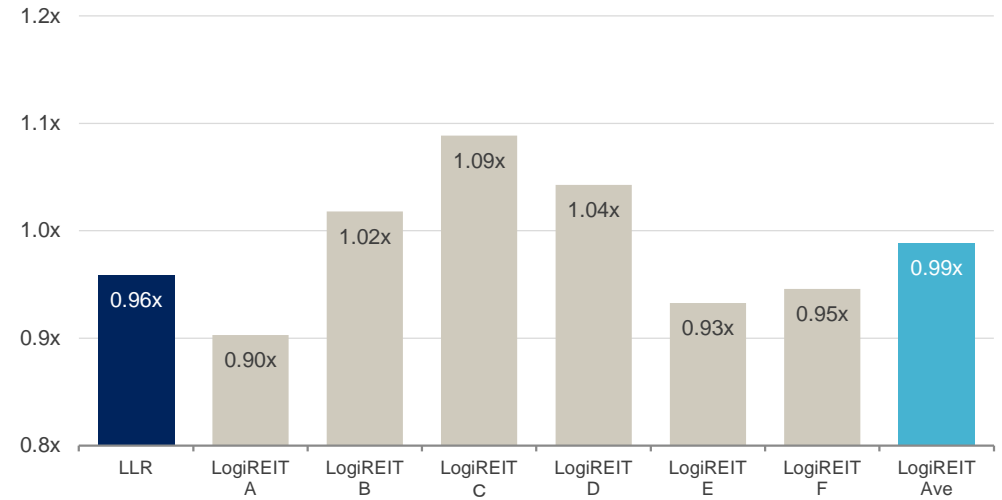


(Reference) J-REIT Valuations

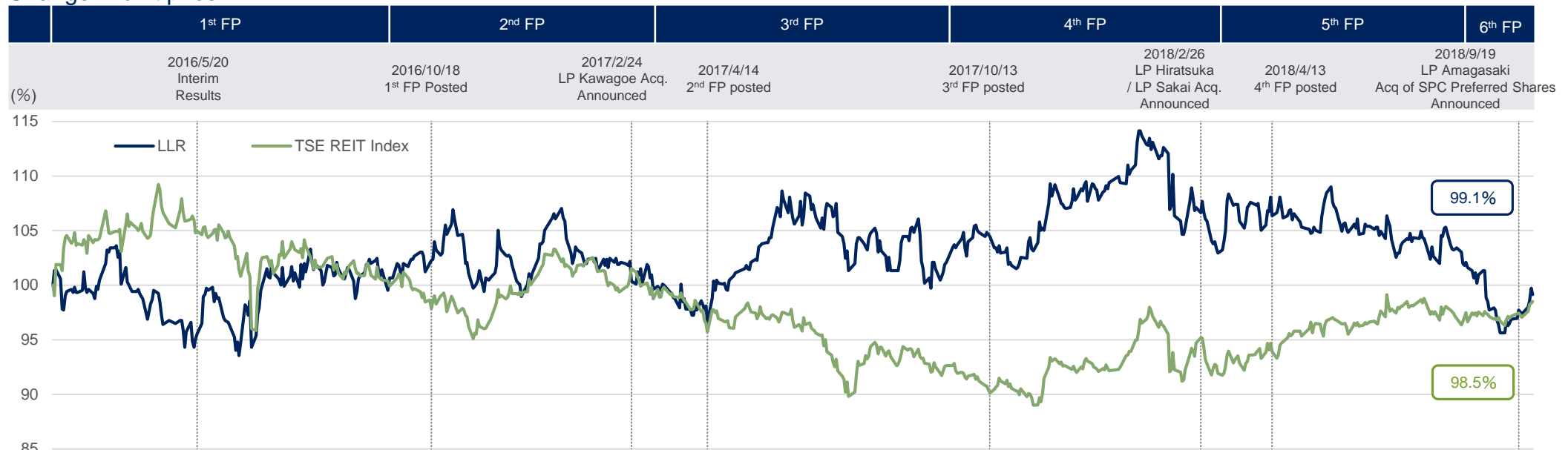
Dividend Yield ⁽¹⁾



P/NAV Ratio



Change in unit price ⁽³⁾



(1) Dividend yield is calculated by doubling the forecasted DPU for each REIT's current fiscal period (or calculates stabilized DPU after factoring in the upfront capitalized real estate taxes)

(2) Simple average for each logistics REIT excluding LLR (same below)

(3) Assumes an index of 100 for LLR and the TSE REIT Index as of 2/16/2016, and the relative change up to 9/30/2018

Source: Bloomberg

(Reference) Portfolio level per tsubo rents vs. Occupancy rates and their sensitivity to DPU growth

Sensitivity to DPU of Occupancy vs. Per Tsubo Rents (Expressed in yen)

		Occupancy						
		-3.0%	-2.0%	-1.0%	0.0%	1.0%	2.0%	3.0%
Rent Level	-5.0%	-339	-298	-256	-215	-173	-132	-90
	-4.0%	-297	-256	-214	-172	-130	-88	-46
	-3.0%	-256	-213	-171	-129	-87	-44	-2
	-2.0%	-214	-171	-129	-86	-43	-0	42
	-1.0%	-173	-129	-86	-43	0	43	87
	0.0%	-131	-87	-44	0	44	87	131
	1.0%	-89	-45	-1	43	87	131	175
	2.0%	-48	-3	41	86	130	175	219
	3.0%	-6	39	84	129	174	219	264
	4.0%	36	81	126	172	217	262	308
	5.0%	77	123	169	215	260	306	352

Sensitivity to DPU of Occupancy vs. Per Tsubo Rents (Expressed as a %)

		Occupancy						
		-3.0%	-2.0%	-1.0%	0.0%	1.0%	2.0%	3.0%
Rent Level	-5.0%	-13.4%	-11.7%	-10.1%	-8.5%	-6.8%	-5.2%	-3.6%
	-4.0%	-11.7%	-10.1%	-8.4%	-6.8%	-5.1%	-3.5%	-1.8%
	-3.0%	-10.1%	-8.4%	-6.7%	-5.1%	-3.4%	-1.7%	-0.1%
	-2.0%	-8.4%	-6.7%	-5.1%	-3.4%	-1.7%	0.0%	1.7%
	-1.0%	-6.8%	-5.1%	-3.4%	-1.7%	0.0%	1.7%	3.4%
	0.0%	-5.2%	-3.4%	-1.7%	0.0%	1.7%	3.4%	5.2%
	1.0%	-3.5%	-1.8%	0.0%	1.7%	3.4%	5.2%	6.9%
	2.0%	-1.9%	-0.1%	1.6%	3.4%	5.1%	6.9%	8.6%
	3.0%	-0.2%	1.5%	3.3%	5.1%	6.8%	8.6%	10.4%
	4.0%	1.4%	3.2%	5.0%	6.8%	8.5%	10.3%	12.1%
	5.0%	3.0%	4.8%	6.7%	8.5%	10.3%	12.1%	13.9%

(Note) The estimate to DPU impact is based on an amount calculated by LLR's asset management company, divided by the total number of issued investment units as of September 2018.
Both are figures calculated from a targeted plan and neither LLR nor its asset manager does not guarantee their realization.

Fund Summary

<i>Expressed as millions yen unless specified otherwise</i>	4 th FP (Actual)	5 th FP (Actual)
Operating Revenues	5,251	5,663
Net Operating Income ("NOI")	4,142	4,502
Depreciation	627	685
After Depreciation NOI	3,515	3,816
Asset Management Fee	618	676
Operating Income	2,806	3,043
Interest Expense	258	342
Net Income	2,543	2,696
Total Distributable Amount	2,731	2,901
Capital Expenditures	80	104
Funds From Operations ("FFO")	3,170	3,382
Adjusted FFO ("AFFO")	3,090	3,278
Acquisition Price	173,390	188,440
Tangible Fixed Asset Book Value	173,937	188,639
Real Estate Appraisal Value	185,530	203,090
Unrealized Capital Gain	11,592	14,450
Unrealized Capital Gain (%)	6.7%	7.7%
Interest Bearing Debts	71,030	86,310
Net Assets	108,343	108,309
Total Assets	183,842	199,373
NOI Yield (Acq. Price basis)	4.8%	4.7%
After Depreciation NOI Yield (Acq. Price basis)	4.1%	4.0%
LTV (Book Value Basis)	38.6%	43.3%
LTV (Market Value Basis)	36.3%	40.4%
# of Outstanding Units at FP end	1,100,000	1,100,000
NAV	117,204	119,858

<i>Expressed as millions yen unless specified otherwise</i>	4 th FP (Actual)	5 th FP (Actual)
Distribution Per Unit ("DPU")	2,483 yen	2,638 yen
Earnings Per Unit ("EPU")	2,312 yen	2,452 yen
Distributions in Excess of EPU	171 yen	186 yen
AFFO per unit	2,810 yen	2,980 yen
NAV per unit	106,549 yen	108,962 yen
Net Asset per unit	98,494 yen	98,462 yen
Investment Unit Price (Last Day with rights)	112,900 yen	106,800 yen
Market Capitalization (Last Day with rights)	124,190	117,480
Dividend Yield	4.44%	4.90%
Price to Book Ratio	1.15x	1.09x
Price / NAV	1.06x	0.98x
ROE	4.7%	5.0%
AFFO Payout Ratio	88.4%	88.5%

1. $\text{FFO} = \text{Net Income} + \text{Depreciation Expense} - \text{Gain on sale of real estate}$
2. $\text{AFFO} = \text{FFO} - \text{Capital Expenditures}$
3. $\text{NOI Yield} = \text{NOI (Annual conversion)} \div \text{Acquisition Price}$
4. $\text{After Depreciation NOI Yield} = \text{NOI} - \text{Depreciation (Annual conversion)} \div \text{Acquisition Price}$
5. $\text{LTV (Book Value Basis)} = \text{Interest Bearing Debt} \div \text{Total Assets}$
6. $\text{LTV (Market Value Basis)} = \text{Interest Bearing Debt} \div (\text{Total Assets} - \text{Tangible Fixed Asset Book Value} + \text{Real Estate Appraisal Value})$
7. $\text{NAV} = \text{Net Assets} - \text{Expected Dividend Distribution Amount} + \text{Unrealized Capital Gain/Loss}$
8. $\text{Dividend Yield} = \text{DPU (Annual Conversion)} \div \text{Investment Unit Price}$
9. $\text{Price to Book Ratio (Unit price Net Assets' multiple)} = \text{Investment Unit Price} \div \text{Net Assets Equity per Unit}$
10. $\text{Price/NAV ratio} = \text{Investment Unit Price} \div \text{NAV per unit}$
11. $\text{ROE (per unit profitability ratio)} = \text{Net Income (Annual conversion)} \div \text{Net Assets}$
12. $\text{AFFO Payout Ratio} = \text{Total Distributable Amount} \div \text{AFFO}$

P&L of Leasing Business on a per Property Basis

5th Fiscal Period (3/1/2018 ~ 8/31/2018)

(units: thousands of yen)

	LP Hashimoto	LP Sagamihara	LP Kita Kashiwa	LP Nagareyama A	LP Nagareyama B	LP Higashi Ogishima A	LP Higashi Ogishima B	LP Higashi Ogishima C	LP Kawagoe	LP Hiratsuka Shinmachi	LP Sakai Minamijima cho
Days of Operation during 5 th FP	184	184	184	184	184	184	184	184	184	184	184
① Rental Revenues Total	607,080	709,751	772,189	839,857		597,451	656,149	761,653	339,577		
Leasing Business	560,468	644,241	691,507	777,532		543,449	576,689	686,271	320,917		
Other Revenues	46,611	65,510	80,682	62,325		54,001	79,459	75,382	18,659		
② Operating Expenses Total	197,805	236,104	269,893	339,250		165,640	212,061	254,361	111,620		
Outsourced Contract Costs	19,953	32,430	30,474	30,816		48,555	39,828	53,957	17,650		
Utilities	32,497	44,489	64,714	49,297		18,681	28,534	42,465	18,296	Not Disclosed	Not Disclosed
Real Estate Taxes	53,575	60,819	72,425	59,156		38,680	59,819	57,698	29,561		
Insurance	963	1,146	1,221	1,641		1,114	1,394	1,485	509		
Repair & Maintenance	3,437	12,420	7,976	47,271		6,831	10,900	7,675	1,819		
Depreciation	74,755	67,724	90,309	146,901		49,627	70,214	88,858	40,517		
Other Expenses	12,621	17,071	2,773	4,165		2,149	1,369	2,219	3,266		
③ NOI After Depreciation (=①－②)	409,274	473,647	502,295	44,119	456,488	431,810	444,088	507,292	227,956	146,310	173,590
④ NOI (=③+ Depreciation)	484,030	541,372	592,604	66,042	581,466	481,438	514,302	596,151	268,474	171,819	204,540

(Notes) As consent for disclosure from an end tenant (1 lessee) of LP Nagareyama A has not been obtained, each of the line items have been combined with LP Nagareyama B.
As consent has not been obtained from the tenants at LP Hiratsuka Shinmachi and LP Sakai Minamijimacho, this information is not disclosed

Income Statement and Balance Sheet

Income Statement

(units : thousands of yen)

Item	4 th FP (Actual) 2/28/2018	5 th FP (Actual) 8/31/2018
Operating Revenues	5,251,985	5,663,743
Leasing Business Revenues	4,790,438	5,179,266
Other Leasing Business Revenues	461,547	484,477
Operating Expenses	2,445,640	2,620,386
Operating expenses related to leasing business	1,736,382	1,846,869
Asset Management Fee	618,816	676,123
Asset Custody/Administrative Fee	28,889	27,150
Directors' Compensation	3,600	3,600
Independent Auditors' Fee	10,000	10,000
Other Operating Expenses	47,952	56,643
Operating Revenues Less Expenses	2,806,345	3,043,356
Non-Operating Income	298	42
Interest Income Receivables	41	42
Interest on Refund	257	-
Non-Operating Expenses	261,968	345,713
Interest Expense	191,433	231,312
Interest on Investment Corporation Bonds	23,519	26,786
Amortization of Deferred Establishment Expenses	3,656	3,656
Amortization of Investment Corporation Bonds Issuance Costs	4,925	5,656
Financing Related Expenses	38,433	78,301
Ordinary Income	2,544,675	2,697,686
Net Income Before Taxes	2,544,675	2,697,686
Net Income	2,543,602	2,696,927
Prior Period Profit Carried Forward	309	711
Net Income Available for Distributions	2,543,911	2,697,639

Balance Sheet

(units: thousands of yen)

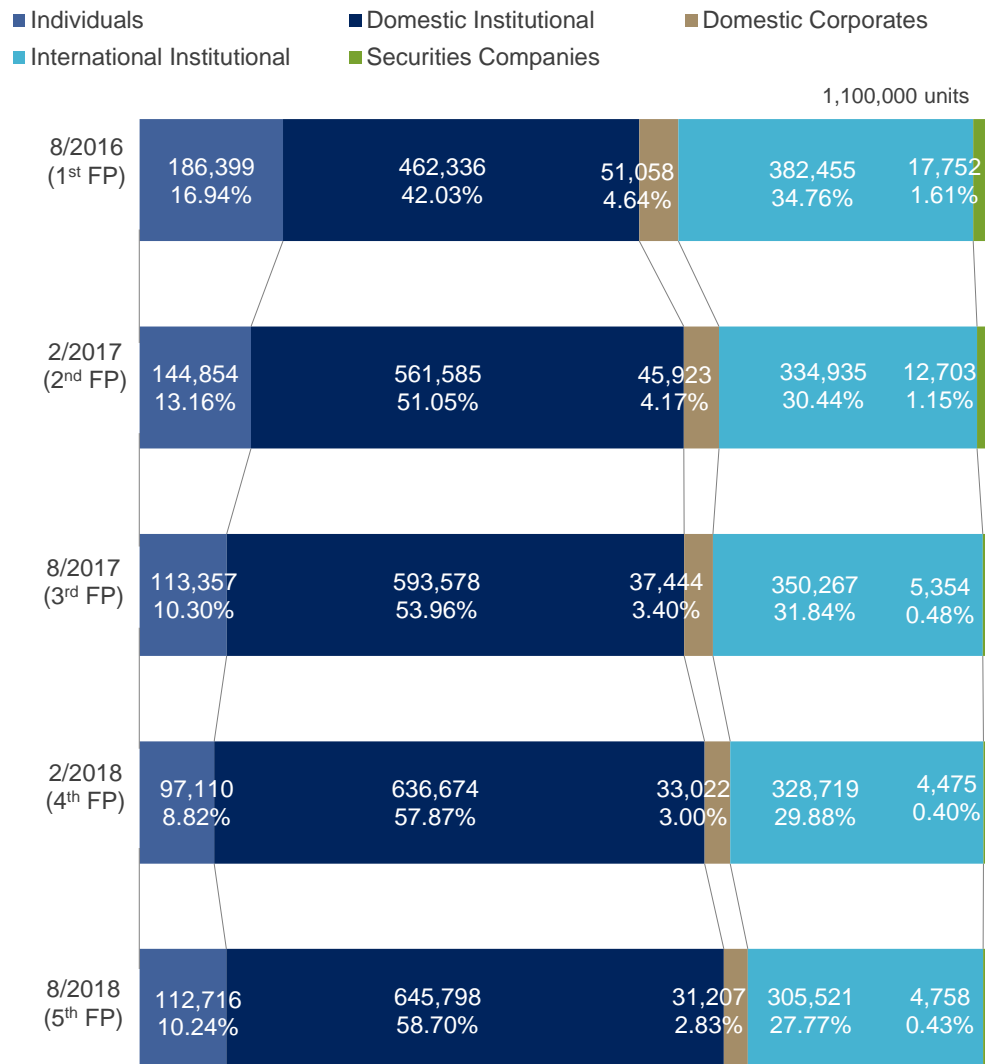
Item	4 th FP (Actual) 2/28/2018	5 th FP (Actual) 8/31/2018
Current Assets	9,469,888	10,208,860
Cash & Deposits	4,565,339	5,858,660
Cash & Deposits in Trust	4,651,951	3,860,404
Other Current Assets	252,595	489,793
Fixed Assets	174,284,502	189,085,998
Tangible Fixed Assets	173,937,899	188,639,035
Investments & Other Assets	346,602	446,963
Deferred Assets	87,883	78,570
Establishment Costs	18,891	15,234
Investment Corporation Bonds Issuance Costs	68,991	63,335
TOTAL ASSETS	183,842,273	199,373,430
Current Liabilities	2,261,796	2,251,120
Operating Accounts Payables	181,515	191,545
Accounts Payable	670,488	772,830
Consumption Taxes Payable	109,004	-
Advances Received	892,724	969,612
Other Current Liabilities	408,063	317,130
Fixed Liabilities	73,236,899	88,813,105
Investment Corporation Bonds	11,500,000	11,500,000
Long Term Borrowings	59,530,000	74,810,000
Security Deposits Held in Trust	2,206,899	2,503,105
TOTAL LIABILITIES	75,498,696	91,064,226
Net Assets	108,343,576	108,309,204
Unitholders Capital ⁽¹⁾	105,799,665	105,611,565
Surplus Capital	2,543,911	2,697,639
TOTAL NET ASSETS	108,343,576	108,309,204
TOTAL LIABILITIES + NET ASSETS	183,842,273	199,373,430

(1) Unitholders Capital is equal to the equity raised at IPO less any distributions in excess of retained earnings.

Unitholders Summary

(As of August 31, 2018)

Change in Number of Investment Units by Investor Type



Number of Investors by Ownership Type

	5 th FP (As at 8/31/2018)			
	# of investors	% of Total Investors	# of Units	% of Total # of Units
Individuals	9,791	94.99%	112,716	10.24%
Domestic Institutional	91	0.88%	645,798	58.70%
Domestic Corporates	227	2.20%	31,207	2.83%
International Institutional	179	1.73%	305,521	27.77%
Securities Companies	19	0.18%	4,758	0.43%
Total	10,307	100.0%	1,100,000	100.0%

Major Unitholders (Top 10 Ranking)

	Name of Account	# of Units	% Ratio
1	The Master Trust Bank of Japan ,Ltd. (Trust Account)	229,200	20.83%
2	Japan Trustees Services Bank, Ltd. (Trust Account)	209,026	19.00%
3	The Nomura Trust and Banking Co., Ltd. (Trust Account)	53,190	4.83%
4	NSI CUSTOMER SECURED 30.7. OMNIBUS ⁽³⁾	46,200	4.20%
5	Trust & Custody Services Bank, Ltd. (Securities Investment Trust Account)	25,445	2.31%
6	THE BANK OF NEW YORK MELLON SA/NV 10	24,154	2.19%
7	STATE STREET BANK WEST CLIENT-TREATY 505234	13,072	1.18%
8	SSBTC CLIENT OMNIB US ACCOUNT	12,305	1.11%
9	THE HACHIJUNI BANK,LTD.	12,028	1.09%
10	THE BANK OF NEW YORK MELLON 140044	9,113	0.82%
Total		633,733	57.61%

(1) Ratios are rounded to the nearest hundredth

(2) Includes sponsor owned 46,200 units

(3) Jones Lang LaSalle Co-Investment, Inc. (a subsidiary of JLL) currently held # of LLR units. As shown in the right hand table, the 46,200 units are actually held by Jones Lang LaSalle Co-Investment Inc.

Optimal Cash Management

- Distribution policy of cash reserves related to depreciation expense

Repayment of Interest Bearing Debts

Construction of robust financial condition

New Property Acquisitions

Strengthening growth potential

Utilize towards R&M or CapEx

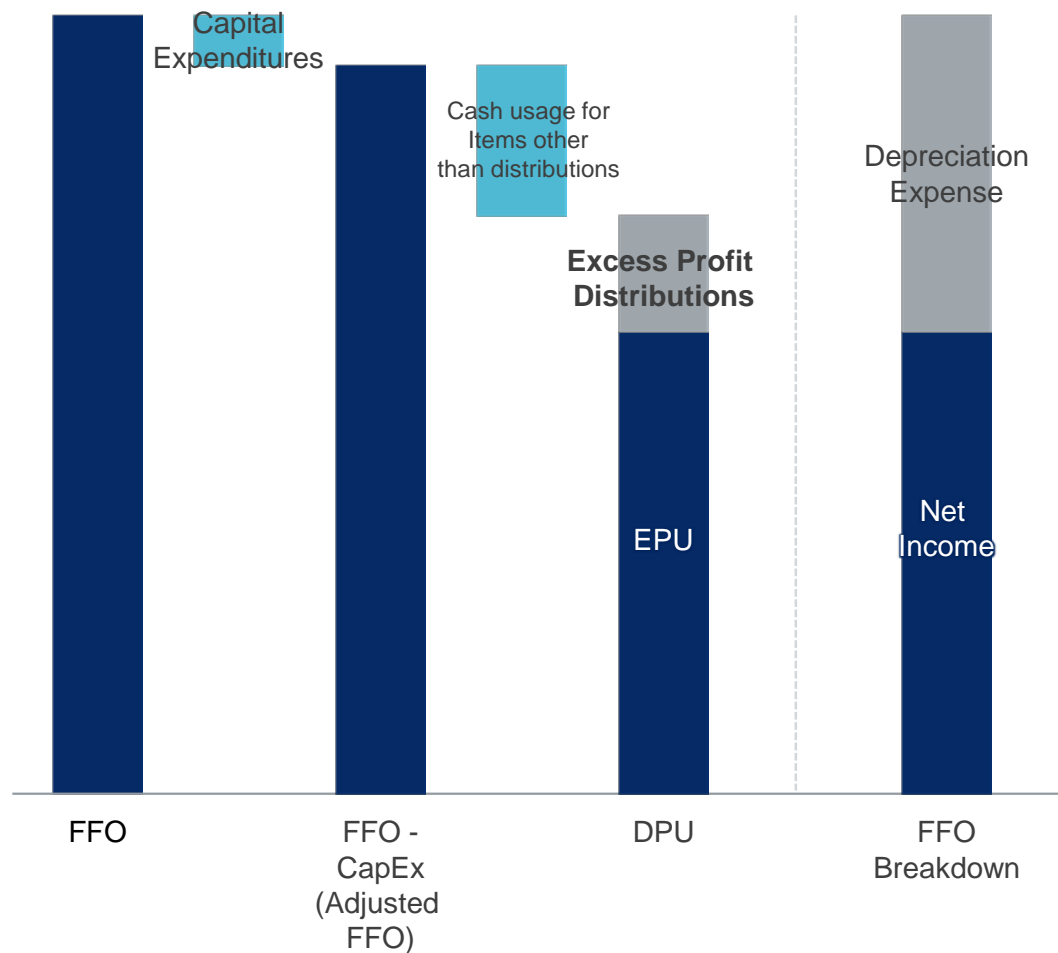
Maintain and strengthen competitiveness of owned assets

Excess Profit Distribution (Return of Capital)

Estimate (vs. Depreciation Expense)

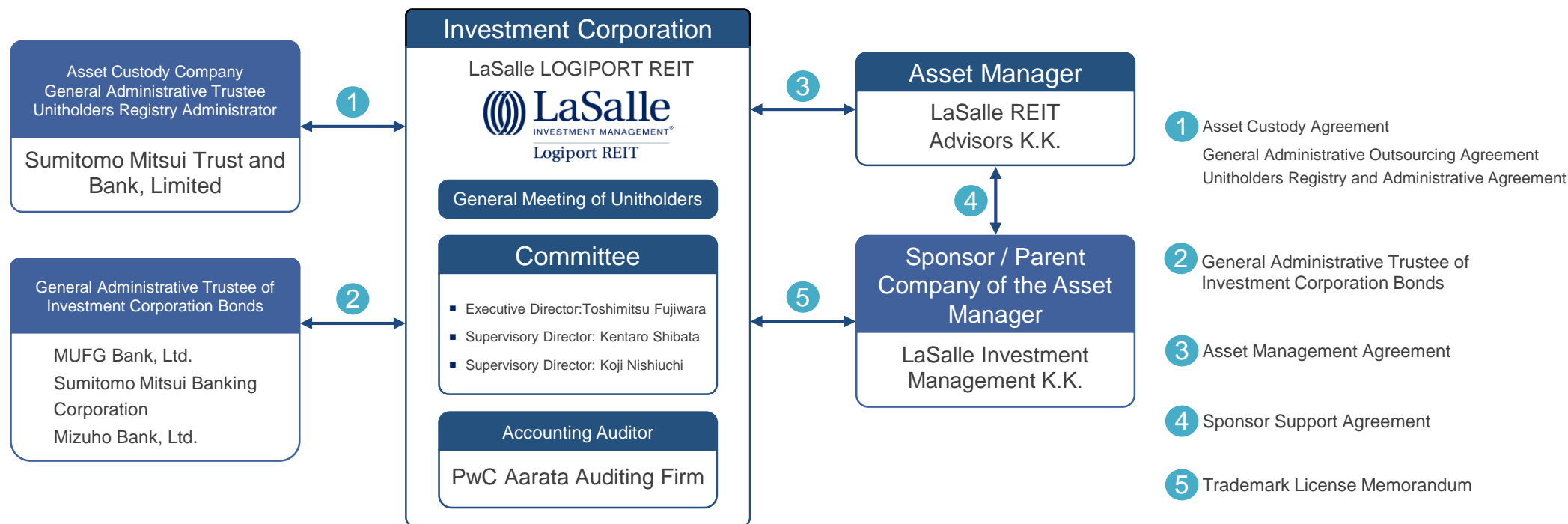
- Continual excess profit distributions...30%
- Continual excess profit distributions + one time excess profit distributions...40%

- Sample illustration of cash management due to implementation of excess profit distribution



LaSalle LOGIPORT REIT's Structure

■ Structure Diagram of the Investment Corporation



■ Overview of Asset Management Company

Company Name	LaSalle REIT Advisors K.K.
Paid in Capital	¥164,500,000
Shareholder	LaSalle Investment Management K.K. (100%)
President and CEO	Toshimitsu Fujiwara
Registration and Licenses, etc.	Building Lots and Buildings Transaction Business Governor of Tokyo (1) No. 97862 Trading discretionary proxy MLIT approved No. 92 Financial Instruments Business Director of the Kanto Local Financial Bureau No. 2863

Disclaimer

This document which has been prepared solely for informational purposes, should not be construed or considered for the purpose of recruitment, solicitation, or sales of the particular investment product in question.

In this document, there is information about LaSalle LOGIPORT REIT (Hereinafter the “Investment Corporation” or “LLR”) which are based off of charts and data provided by third parties that were utilized by LaSalle REIT Advisors K.K. (hereinafter the “Asset Management Company” or “LRA”). In addition, there is analyses, judgments, and other opinions expressed by the Asset Management Company that draw inferences from these data.

Given that the content of this document is unaudited, there are no guarantees provided with respect to its accuracy or reliability. In addition, please understand in advance, that with respect to LRA’s analyses and judgment, these views merely reflect current opinions, and may change or discontinue without notice. With respect to the data, indicators, etc. published by third parties, neither the investment Corporation nor the Asset Management Company will assume any responsibility for their accuracy (inclusive of data that is based on real estate appraisal reports).

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In the future, if there are any material corrections to be made with regards to the content within this disclosure document, then such correction(s) will be posted onto LLR’s website (<http://lasalle-logiport.com/english/>)

The Asset Management Company is a financial instruments firm based on the Financial Instruments and Exchange Act.