

**19th Fiscal Period
Semi-Annual Report**

LaSalle LOGIPORT REIT

From March 1, 2025 to August 31, 2025



Balance Sheet

		Thousands of yen	
		As of	
		August 31, 2025	February 28, 2025
ASSETS			
Current assets			
Cash and deposits (Note 3)	¥	17,477,625	¥ 15,307,472
Cash and deposits in trust (Note 3)		7,921,096	7,769,149
Operating accounts receivable		546,219	460,892
Prepaid expenses		274,968	274,333
Income taxes refund receivable		48,077	32,180
Other		37,491	34,208
Total current assets		26,305,478	23,878,236
Non-current assets			
Property and equipment (Note 6)			
Buildings in trust		137,032,416	139,219,129
Structures in trust		184,350	192,302
Machinery and equipment in trust		214,383	214,383
Tools, furniture and fixtures in trust		33,995	30,429
Land in trust		241,120,323	245,822,492
Less: accumulated depreciation		(19,524,513)	(18,495,091)
Total property and equipment		359,060,954	366,983,646
Investments and other assets			
Investment securities (Note 4)		9,476,875	6,487,348
Long-term prepaid expenses		581,308	642,764
Deferred tax assets (Note 13)		15	24
Lease and guarantee deposits		10,000	10,000
Lease and guarantee deposits in trust		10,137	10,137
Total investments and other assets		10,078,337	7,150,275
Total non-current assets		369,139,291	374,133,921
Deferred assets			
Investment unit issuance expenses		2,835	4,536
Investment corporation bond issuance costs		31,990	36,762
Total deferred assets		34,825	41,298
Total Assets	¥	395,479,595	¥ 398,053,456

The accompanying notes are an integral part of these financial statements.

Balance Sheet, continued

		Thousands of yen	
		As of	
		August 31, 2025	February 28, 2025
LIABILITIES			
Current liabilities			
Operating accounts payable	¥	293,189	¥ 290,622
Current portion of long-term loans payable (Notes 4 and 11)		17,580,000	22,100,000
Accounts payable		2,205,474	2,188,657
Accrued expenses		13,512	12,545
Income taxes payable		701	759
Accrued consumption taxes		489,539	343,105
Advances received		1,973,839	1,991,006
Current portion of tenant leasehold and security deposits in trust		754,533	1,026,714
Other		24,975	4,214
Total current liabilities		23,335,766	27,957,624
Non-current liabilities			
Investment corporation bonds payable (Notes 4 and 12)		13,500,000	13,500,000
Long-term loans payable (Notes 4, 5 and 11)		139,940,000	135,420,000
Tenant leasehold and security deposits in trust		4,912,565	4,648,059
Total non-current liabilities		158,352,565	153,568,059
Total Liabilities		181,688,332	181,525,683
NET ASSETS (Note 10)			
Unitholders' equity			
Unitholders' capital, net		207,222,905	210,189,558
Units authorized:			
10,000,000 units as of August 31, 2025 and February 28, 2025			
Units issued and outstanding:			
1,795,786 units as of August 31, 2025 and 1,810,620 units as of February 28, 2025			
Surplus			
Retained earnings		6,568,357	6,338,214
Total unitholders' equity		213,791,262	216,527,772
Total Net Assets		213,791,262	216,527,772
Total Liabilities and Net Assets	¥	395,479,595	¥ 398,053,456

The accompanying notes are an integral part of these financial statements.

Statement of Income

		Thousands of yen	
		For the periods ended	
		August 31, 2025	February 28, 2025
Operating revenues (Note 17)			
Rental revenues (Note 8)	¥	10,564,498	¥ 10,595,258
Other rental revenues (Note 8)		863,122	848,322
Gain on sale of real estate properties (Note 8)		1,565,958	1,143,087
Dividend income		130,037	52,321
Distributions of investments in silent partnerships		22,027	29,415
Interest income		90,739	89,260
Total operating revenue		13,236,384	12,757,666
Operating expenses			
Expenses related to leasing business (Note 8)		3,838,619	3,825,867
Asset management fee		1,797,068	1,697,264
Asset custody and administrative fee		41,882	42,175
Directors' compensations		5,400	5,400
Audit fee		14,000	14,000
Other operating expenses		112,648	109,235
Total operating expenses		5,809,618	5,693,943
Operating income		7,426,765	7,063,723
Non-operating revenues			
Interest income		22,906	12,046
Reversal of distributions payable		387	409
Interest on tax refund		8	5
Other		-	53
Total non-operating income		23,302	12,514
Non-operating expenses			
Interest expenses		645,601	538,609
Interest expenses on investment corporation bonds		39,903	38,646
Amortization of investment unit issuance expenses		1,701	1,701
Amortization of investment corporation bond issuance costs		4,772	4,772
Borrowing related expenses		176,215	147,356
Loss on redemption of investment securities		11,981	-
Other		1,641	6,375
Total non-operating expenses		881,817	737,461
Ordinary income		6,568,250	6,338,776
Income before income taxes		6,568,250	6,338,776
Income taxes – current		929	1,124
Income taxes – deferred		9	(14)
Total income taxes		938	1,110
Net income		6,567,312	6,337,666
Retained earnings brought forward		1,044	548
Retained earnings at end of period	¥	6,568,357	¥ 6,338,214

The accompanying notes are an integral part of these financial statements.

Statement of Changes in Net Assets

Thousands of yen

	Number of units	Unitholders' capital, net	Retained earnings	Treasury investment units	Total net assets
Balance as of August 31, 2024 (Note 10)	1,866,753	¥ 218,620,530	¥ 6,308,306	¥ -	¥ 224,928,836
Distributions in excess of retained earnings		(461,087)			(461,087)
Distributions of retained earnings			(6,307,758)		(6,307,758)
Net income			6,337,666		6,337,666
Purchase of treasury investment units				(7,969,884)	(7,969,884)
Cancellation of treasury investment units	(56,133)	(7,969,884)		7,969,884	-
Balance as of February 28, 2025 (Note 10)	1,810,620	¥ 210,189,558	¥ 6,338,214	¥ -	¥ 216,527,772
Distributions in excess of retained earnings		(914,363)			(914,363)
Distributions of retained earnings			(6,337,170)		(6,337,170)
Net income			6,567,312		6,567,312
Purchase of treasury investment units				(2,052,289)	(2,052,289)
Cancellation of treasury investment units	(14,834)	(2,052,289)		2,052,289	-
Balance as of August 31, 2025 (Note 10)	1,795,786	¥ 207,222,905	¥ 6,568,357	¥ -	¥ 213,791,262

The accompanying notes are an integral part of these financial statements.

Statement of Cash Distributions

Distributions related to the period but declared after the balance sheet date are summarized as follows:

	Yen			
	For the periods ended			
	August 31, 2025		February 28, 2025	
	Total	Per unit	Total	Per unit
I Unappropriated retained earnings	¥ 6,568,357,083		¥ 6,338,214,888	
II Distributions in excess of retained earnings				
Deduction from unitholders' capital	454,333,858		914,363,100	
III Distributions				
Distributions of retained earnings	6,567,189,402	3,657	6,337,170,000	3,500
Distributions in excess of retained earnings	454,333,858	253	914,363,100	505
Total distributions	7,021,523,260	3,910	7,251,533,100	4,005
IV Retained earnings carried forward	¥ 1,167,681		¥ 1,044,888	

Pursuant to the "Distribution Policy" as defined in Article 36, Paragraph 1 of Article 2 of incorporation of LLR, the amount of distributions shall not exceed the amount of unappropriated retained earnings for the period but shall exceed 90% of the distributable earnings as defined in Article 67-15 of the Special Taxation Measures Act.

Based on the policy, LLR declared the distribution amount of 6,567,189,402 yen and 6,337,170,000 yen for distributions related to the periods ended August 31, 2025 and February 28, 2025, respectively. These amounts were equivalent to the maximum integral multiples of numbers of investment units issued and outstanding as of each period end.

Based on the distribution policy as defined in Article 36, Paragraph 2 of incorporation, LLR shall make distributions in excess of retained earnings, as a refund of investment categorized as a distribution from unitholders' capital for tax purposes (capital-refund distribution under tax law), in each period on a continuous basis.

Based on this policy, for the distributions related to the period ended August 31, 2025, LLR decided to allocate 454,333,858 yen, which was calculated as approximately 30% of depreciation expense of 1,514,978,069 yen for the period ended August 31, 2025, as distributions in excess of retained earnings (capital-refund distribution under tax law).

For the distributions related to the period ended February 28, 2025, LLR decided to allocate 914,363,100 yen, which was the total of the following as distributions in excess of retained earnings (capital-refund distribution under tax law):

(i) 456,276,240 yen, which was calculated as approximately 30% of depreciation expense of 1,524,979,304 yen for the period ended February 28, 2025 and (ii) 458,086,860 yen, which was equivalent to the amount intended to be returned to unitholders through purchase of treasury investment units.

Statement of Cash Flows

	Thousands of yen	
	For the periods ended	
	August 31, 2025	February 28, 2025
Cash flows from operating activities:		
Income before income taxes	¥ 6,568,250	¥ 6,338,776
Depreciation	1,514,978	1,524,979
Amortization of investment unit issuance expenses	1,701	1,701
Amortization of investment corporation bond issuance costs	4,772	4,772
Interest income	(22,906)	(12,046)
Interest expenses	685,504	577,255
Loss (gain) on redemption of investment securities	11,981	-
Decrease (increase) in operating accounts receivable	(86,312)	93,512
Decrease (increase) in income taxes refund receivable	(15,896)	(10,845)
Decrease (increase) in prepaid expenses	(634)	(21,743)
Decrease (increase) in long-term prepaid expenses	61,455	(5,558)
Increase (decrease) in operating accounts payable	2,567	(118,695)
Increase (decrease) in accounts payable	102,040	54,051
Increase (decrease) in accrued consumption taxes	146,434	(28,316)
Increase (decrease) in advances received	(17,166)	(34,955)
Decrease in property and equipment in trust due to sale	6,707,289	3,231,613
Other, net	17,309	(6,058)
Subtotal	15,681,367	11,588,441
Interest income received	22,906	12,046
Interest expenses paid	(684,537)	(573,868)
Income taxes paid	(987)	(1,033)
Net cash provided by (used in) operating activities	15,018,749	11,025,585
Cash flows from investing activities:		
Purchase of property and equipment in trust	(397,726)	(431,892)
Purchase of investment securities	(3,533,516)	(1,201,044)
Proceeds from redemption of investment securities	544,934	30,745
Proceeds from tenant leasehold and security deposits in trust	144,311	28,493
Repayments of tenant leasehold and security deposits in trust	(148,915)	(78,764)
Net cash provided by (used in) investing activities	(3,390,912)	(1,652,462)
Cash flows from financing activities:		
Proceeds from long-term loans payable	12,400,000	15,820,000
Repayments of long-term loans payable	(12,400,000)	(15,820,000)
Purchase of treasury investment units	(2,052,289)	(7,969,884)
Payment of distributions of retained earnings	(6,336,209)	(6,307,587)
Payment of distributions in excess of retained earnings	(914,168)	(461,076)
Net cash provided by (used in) financing activities	(9,302,667)	(14,738,547)
Net increase (decrease) in cash and cash equivalents	2,325,169	(5,365,424)
Cash and cash equivalents at beginning of period	20,806,712	26,172,136
Cash and cash equivalents at end of period (Note 3)	¥ 23,131,881	¥ 20,806,712

The accompanying notes are an integral part of these financial statements.

Notes to Financial Statements

1. Organization and Basis of Presentation

a) Organization

With LaSalle REIT Advisors as the organizer, LaSalle LOGIPORT REIT (hereinafter referred to as “LLR”) was established with capital of 150 million yen (1,500 units) on October 9, 2015 pursuant to the Act on Investment Trusts and Investment Corporations (hereinafter referred to as “the Investment Trusts Act,” Act No. 198 of 1951, including subsequent amendments), and was listed on the J-REIT section of the Tokyo Stock Exchange (Securities Code: 3466) on February 17, 2016.

b) Basis of Presentation

The accompanying financial statements have been prepared in accordance with the provisions set forth in the Investment Trusts Act, the Financial Instruments and Exchange Act of Japan (hereinafter referred to as the “FIEAJ”) and their related accounting regulations. They are also in conformity with accounting principles generally accepted in Japan (hereinafter referred to as “Japanese GAAP”), which are different in certain aspects as to the application and disclosure requirements from the International Financial Reporting Standards.

The accompanying financial statements have been prepared, in a format which is more familiar to readers outside Japan, by reformatting, rephrasing and translating into English from the LLR’s financial statements prepared in accordance with Japanese GAAP, and filed with the appropriate Local Finance Bureau of the Ministry of Finance as required by the FIEAJ.

As permitted by the regulations under the FIEAJ, amounts of less than one thousand yen have been omitted. As a result, the totals shown in the accompanying financial statements do not necessarily agree with the sums of the individual amounts.

LLR’s fiscal period is a six-month period ending at the end of February and August of each year.

2. Summary of Significant Accounting Policies

a) Cash and Cash Equivalents

Cash and cash equivalents consist of cash on hand and cash in trust, floating deposits, deposits in trust and short-term investments that are very liquid and realizable with a maturity of three months or less when purchased, and that are subject to insignificant risks of changes in value.

b) Investment Securities

Available-for-sale securities

(i) Shares without market price

Stated at cost determined by the moving average method.

(ii) Equity interests in silent partnerships

Stated at the amount equivalent to the LLR’s interest in a silent partnership in net.

(iii) Securities other than shares without market price and equity interests in silent partnerships

Stated at market value (unrealized gains or losses are reported as a separate component of net assets, and the cost of securities sold is determined by the moving-average method).

c) Property and Equipment

Depreciation of property and equipment, including property and equipment in trust, is calculated by the straight-line method over the estimated useful lives as follows:

Buildings	2-79 years
Structures	10-45 years
Machinery and equipment	8-24 years
Tools, furniture and fixtures	4-15 years

d) Revenue Recognition

The details of major performance obligations concerning revenues generated from contracts between LLR and its customers and the normal point in time to satisfy performance obligations (normal point in time to recognize revenues) are as follows.

(i) Sale of real estate property

LLR recognizes a revenue from sale of real estate property when a purchaser, as a customer, obtains control of the real estate property. Also, LLR discloses “Gain on sale of real estate properties” or “Loss on sale of real estate properties” in the statement of income at the amount calculated by deducting the book value of properties sold and other sales expenses from the sales proceeds.

(ii) Utility charge

LLR supplies utility services such as electricity, water, etc. to a lessee as a customer and recognizes those revenues based on the contract with the customer.

e) Taxes on Property and Equipment

With respect to the property-related taxes that include property taxes, city planning taxes and depreciable asset taxes, of the tax amount assessed and determined, the amount corresponding to the relevant fiscal period is accounted for as leasing expenses.

Of the amounts paid for the acquisition of real estate properties or trust beneficiary interests, the amount equivalent to the property-related taxes is capitalized as part of the acquisition cost of the relevant property instead of being charged as expenses. The amount of the property-related taxes included in the acquisition costs of real estate, etc. was not applicable for the periods ended August 31, 2025 and February 28, 2025.

f) Investment Unit Issuance Expenses

Investment unit issuance expenses are amortized using the straight-line method over three years.

g) Investment Corporation Bond Issuance Costs

Investment corporation bond issuance costs are amortized using the straight-line method over the respective terms of the bonds.

h) Hedge Accounting

LLR enters into derivative transactions in order to hedge against risks defined in its Articles of Incorporation. In compliance with the general risk management policy, LLR uses interest rate swaps for the purpose of hedging its risk exposure associated with interest on floating rate loans payable. Where deferral accounting is generally adopted for hedge transactions, LLR applies deferred hedge accounting. However, special accounting treatment provided under Japanese GAAP is applied to those interest rate swaps that meet the criteria for special accounting treatment. Under the special accounting treatment, interest rate swaps are not measured at fair value, but the differential paid or received amount under the swap agreements is recognized and included in interest expenses or income, respectively.

Assessment of the hedge effectiveness has been omitted since all interest rate swaps meet the specific matching criteria under the special accounting treatment.

i) Trust Beneficiary Interests

As to trust beneficiary interests, all assets and liabilities for assets in trust, as well as the related income generated and expenses incurred, are recorded in the relevant balance sheet and statement of income.

The following material items of assets in trust recognized in the relevant account items are listed separately on the balance sheet.

(i) Cash and deposits in trust

(ii) Buildings in trust, structures in trust, machinery and equipment in trust, tools, furniture and fixtures in trust, land in trust

(iii) Lease and guarantee deposits in trust

(iv) Current portion of tenant leasehold and security deposits in trust, tenant leasehold and security deposits in trust

j) Nondeductible Portion of Consumption Taxes

The nondeductible portion of consumption taxes imposed in connection with property and equipment are included in the acquisition cost of the respective assets.

k) Accounting Standard Issued but Not Yet Applied

“Accounting Standard for Leases” (ASBJ Statement No. 34, September 13, 2024)

“Implementation Guidance on Accounting Standard for Leases” (ASBJ Guidance No. 33, September 13, 2024)

(i) Overview

As part of efforts to align Japanese GAAP with international standards, the ASBJ has been discussing the development of an accounting standard for leases that would require lessees to recognize an asset and a liability for all leases, in line with international accounting standards. As a general policy, while IFRS 16’s single accounting model serves as a basis, the ASBJ has primarily adopted its major provisions, rather than all of its provisions. Accordingly, the new accounting standard was issued with the aim of being simple and practical, as well as compatible with the application of IFRS 16 provisions in non-consolidated financial statements without requiring adjustments.

As the accounting treatment for lessees, a single accounting model is applied to all leases in the same manner as IFRS 16, whereby depreciation on the right-of-use asset and interest expense on the lease liability are recognized, regardless of whether the lease is a finance lease or an operating lease.

(ii) Planned date of application

LLR plans to apply the new accounting standard and guidance from the beginning of the period ending February 29, 2028.

(iii) Effect of application

The impact on LLR's financial statements from the application of the new accounting standard and guidance is under evaluation.

3. Cash and Cash Equivalents

The relationship between cash and cash equivalents in the statement of cash flows and the balance sheet is as follows:

Thousands of yen			
As of			
	August 31, 2025		February 28, 2025
Cash and deposits	¥ 17,477,625	¥	15,307,472
Cash and deposits in trust	7,921,096		7,769,149
Restricted deposits in trust (Note)	(2,266,839)		(2,269,909)
Cash and cash equivalents	¥ 23,131,881	¥	20,806,712

(Note) Restricted deposits in trust are reserved for the refund of leases and guarantee deposits received from tenants.

4. Financial Instruments

a) Detailed Information on Financial Instruments

(i) Policy on Financial Instruments

At the time of acquisition of new real estate properties, LLR raises funds through issuance of investment units, borrowings from financial institutions or issuing investment corporation bonds.

As a general policy, LLR invests surplus funds in deposits, prioritizing security and liquidity while taking market conditions and its own cash flow situation into due consideration.

In addition, LLR uses derivative transactions to hedge against interest rate fluctuation risks and other risks associated with loans and other funding sources, and does not engage in speculative transactions.

(ii) Financial Instruments, their Risks and Risk Management System

Deposits are made for investment of LLR's surplus funds. They are exposed to credit risks such as the solvency of the deposit-taking financial institutions. However, LLR manages the risk by carefully limiting to the short-term deposits only, prioritizing security and liquidity while taking market conditions and its own cash flow situation into due consideration.

Loans payable and investment corporation bonds payable are used to raise funds for the acquisition of real estate properties, repayment of loans payable and redemption of investment corporation bonds payable. They are exposed to liquidity risks at the time of repayment. However, LLR mitigates liquidity risk by staggering repayment dates, diversifying its financing sources and securing liquidity, and manages the risk by preparing cash flow plans. In addition, some loans payable are floating rate borrowings, which are exposed to the risk of rising interest rates. LLR is striving to minimize the impact of higher interest payments on operations by maintaining a conservative ratio of interest-bearing borrowings and increasing the ratio of long-term fixed-rate borrowings.

(iii) Supplemental Explanation Regarding Fair Values of Financial Instruments

Since certain assumptions, etc. are used in measuring the fair value of financial instruments, the relevant values may vary when different assumptions, etc. are applied. In addition, the contract amounts of derivative transactions in "Derivative Transactions" below do not represent the market risks associated with the derivative transactions.

b) Estimated Fair Value of Financial Instruments

The book value, fair value and difference between the two as of August 31, 2025 and February 28, 2025 are shown below. Shares without market price are not included in the following table (see Note 2 below). The notes for "Cash and deposits" and "Cash and deposits in trust" are omitted due to their short-term settlement. Additionally, the notes for "Tenant leasehold and security deposits in trust" and "Current portion of tenant leasehold and security deposits in trust" are omitted due to immateriality.

Thousands of yen			
As of August 31, 2025			
	Book value	Fair value	Difference
(1) Current portion of long-term loans payable	¥ 17,580,000	¥ 17,560,162	¥ (19,837)
(2) Investment corporation bonds payable	13,500,000	12,874,850	(625,150)
(3) Long-term loans payable	139,940,000	139,346,453	(593,546)
Total liabilities	¥ 171,020,000	¥ 169,781,465	¥ (1,238,534)
(4) Derivative transactions	¥ -	¥ -	¥ -

Thousands of yen			
As of February 28, 2025			
	Book value	Fair value	Difference
(1) Current portion of long-term loans payable	¥ 22,100,000	¥ 22,065,156	¥ (34,843)
(2) Investment corporation bonds payable	13,500,000	12,863,700	(636,300)
(3) Long-term loans payable	135,420,000	134,061,199	(1,358,800)
Total liabilities	¥ 171,020,000	¥ 168,990,056	¥ (2,029,943)
(4) Derivative transactions	¥ -	¥ -	¥ -

(Note 1) Methods to estimate fair values of financial instruments

(1) Current portion of long-term loans payable and (3) Long-term loans payable

The fair value of long-term loans payable is determined based on the present value of contractual cash flows which would be applicable to new loans payable under the same conditions and terms.

(2) Investment corporation bonds payable

The reference statistical prices disclosed by the Japan Securities Dealers Association are used as the fair value.

(4) Derivative transactions

Please refer to Note 5, "Derivative Transactions."

(Note 2) Investment securities

As of August 31, 2025 and February 28, 2025, LLR's investment securities consist of the following financial instruments: preferred securities, specified corporate bonds and equity interests in silent partnerships.

The relevant detail disclosures for those financial instruments are omitted based on certain regulation and practical implementation guidance under Japanese GAAP:

The description and balances of those financial instruments included in investment securities are as follows:

Thousands of yen			
As of			
	August 31, 2025	February 28, 2025	
Shares without market price:			
Preferred securities	¥ 1,379,834	¥ 1,732,536	
Specified corporate bonds	2,025,521	2,025,521	
Equity interests in silent partnerships	6,071,519	2,729,290	
Investment securities	¥ 9,476,875	¥ 6,487,348	

(Note 3) Repayment schedule for investment corporation bonds and long-term loans payable after August 31, 2025

Thousands of yen						
As of August 31, 2025						
	Due within one year	Due after one to two years	Due after two to three years	Due after three to four years	Due after four to five years	Due after five years
Investment corporation bonds payable	¥ -	¥5,500,000	¥3,000,000	¥ -	¥3,000,000	¥2,000,000
Long-term loans payable	17,580,000	18,700,000	18,520,000	40,100,000	35,560,000	27,060,000
Total	¥17,580,000	¥24,200,000	¥21,520,000	¥40,100,000	¥38,560,000	¥29,060,000

Repayment schedule for investment corporation bonds and long-term loans payable after February 28, 2025

Thousands of yen						
As of February 28, 2025						
	Due within one year	Due after one to two years	Due after two to three years	Due after three to four years	Due after four to five years	Due after five years
Investment corporation bonds payable	¥ -	¥2,000,000	¥6,500,000	¥ -	¥3,000,000	¥2,000,000
Long-term loans payable	22,100,000	18,680,000	16,920,000	29,500,000	35,920,000	34,400,000
Total	¥22,100,000	¥20,680,000	¥23,420,000	¥29,500,000	¥38,920,000	¥36,400,000

5. Derivative Transactions

For the periods ended August 31, 2025 and February 28, 2025, LLR only utilized interest rate swaps, which qualified for hedge accounting and met the special matching criteria, as described below.

Thousands of yen						
As of August 31, 2025						
Hedge accounting method	Type of derivative transaction	Primary hedged item	Contract amount			
			Total	Due after one year	Fair value	Fair value measurement
Special treatment for interest rate swaps	Interest rate swaps Receive floating / Pay fixed	Long-term loans payable	¥ 139,750,000	¥ 127,220,000	(Note)	(Note)

(Note) Interest rate swaps, designated as hedged items, under the special accounting treatment are accounted for as the integral part of long-term loans payable. Therefore, the fair value is included in long-term loans payable disclosed in the aforementioned Note 4, "Financial Instruments, b) Estimated Fair Value of Financial Instruments, (1) Current portion of long-term loans payable and (3) Long-term loans payable."

Thousands of yen						
As of February 28, 2025						
Hedge accounting method	Type of derivative transaction	Primary hedged item	Contract amount			
			Total	Due after one year	Fair value	Fair value measurement
Special treatment for interest rate swaps	Interest rate swaps Receive floating / Pay fixed	Long-term loans payable	¥ 127,350,000	¥ 120,700,000	(Note)	(Note)

(Note) Interest rate swaps, designated as hedged items, under the special accounting treatment are accounted for as the integral part of long-term loans payable. Therefore, the fair value is included in long-term loans payable disclosed in the aforementioned Note 4, "Financial Instruments, b) Estimated Fair Value of Financial Instruments, (1) Current portion of long-term loans payable and (3) Long-term loans payable."

6. Property and Equipment

The following table summarizes the property and equipment as of August 31, 2025 and February 28, 2025.

Thousands of yen						
As of August 31, 2025						
	At cost				Accumulated depreciation	Book value
	Beginning balance	Increase	Decrease	Ending balance		
Buildings in trust	¥139,219,129	¥291,483	¥2,478,196	¥137,032,416	¥19,399,637	¥117,632,778
Structures in trust	192,302	2,902	10,855	184,350	66,430	117,919
Machinery and equipment in trust	214,383	-	-	214,383	45,500	168,882
Tools, furniture and fixtures in trust	30,429	5,190	1,624	33,995	12,945	21,050
Land in trust	245,822,492	-	4,702,169	241,120,323	-	241,120,323
Total	¥385,478,737	¥299,575	¥7,192,844	¥378,585,468	¥19,524,513	¥359,060,954

Thousands of yen						
As of February 28, 2025						
	At cost				Accumulated depreciation	Book value
	Beginning balance	Increase	Decrease	Ending balance		
Buildings in trust	¥140,019,777	¥480,688	¥1,281,336	¥139,219,129	¥18,379,021	¥120,840,107
Structures in trust	199,890	2,330	9,918	192,302	63,495	128,807
Machinery and equipment in trust	214,383	-	-	214,383	41,026	173,356
Tools, furniture and fixtures in trust	32,054	-	1,624	30,429	11,547	18,882
Land in trust	248,017,235	-	2,194,743	245,822,492	-	245,822,492
Total	¥388,483,341	¥483,018	¥3,487,622	¥385,478,737	¥18,495,091	¥366,983,646

7. Investment and Rental Properties

LLR owns logistics properties mainly in the Tokyo and Osaka areas for the purpose of earning property-related revenues. The book value of the properties, changes of book value during the period and the fair value at the end of the period are as follows:

Thousands of yen			
For the periods ended			
	August 31, 2025		February 28, 2025
Book value (Note 1)			
Balance at the beginning of the period	¥	366,983,646	¥ 371,257,220
Changes during the period (Note 2)		(7,922,691)	(4,273,573)
Balance at the end of the period	¥	359,060,954	¥ 366,983,646
Fair value at the end of the period (Note 3)	¥	451,670,000	¥ 456,992,500

(Note 1) Book value is calculated by deducting accumulated depreciation from the acquisition cost.

(Note 2) For the period ended August 31, 2025, the decrease was due to the sale of LOGIPOINT Nagareyama B (Joint co-ownership interest of 12.5%) in the amount of 3,234,203 thousand yen and LOGIPOINT Kawagoe (Joint co-ownership interest of 30.0%) in the amount of 3,473,085 thousand yen) in addition

to depreciation expenses of 1,514,978 thousand yen.

For the period ended February 28, 2025, the decrease was due to the sale of LOGIPORT Nagareyama B (Joint co-ownership interest of 12.5%) in the amount of 3,231,613 thousand yen and depreciation expenses of 1,524,979 thousand yen.

(Note 3) The fair value at the end of the period is based on the appraisal value obtained from an independent real estate appraiser.

8. Property-related Revenues and Expenses

The following table summarizes the revenues and expenses generated from property leasing activities for the periods ended August 31, 2025 and February 28, 2025.

	Thousands of yen			
	For the periods ended			
	August 31, 2025		February 28, 2025	
(1) Property-related revenues				
Rental revenues:				
Rental income	¥	9,757,746	¥	9,781,991
Common service fee		806,752		813,267
Rental revenues, total	¥	10,564,498	¥	10,595,258
Other rental revenues:				
Utility charge reimbursement	¥	591,147	¥	571,600
Parking revenue		186,850		188,089
Other revenues		85,125		88,632
Other rental revenues, total	¥	863,122	¥	848,322
Total property-related revenues	¥	11,427,621	¥	11,443,581
(2) Property-related expenses				
Expenses related to leasing business:				
Outsourcing costs	¥	443,550	¥	457,802
Utility expenses		518,182		509,125
Taxes and public dues		1,075,663		1,060,081
Insurance premiums		24,755		23,998
Repair and maintenance		103,989		113,962
Depreciation		1,514,978		1,524,979
Other expenses		157,499		135,917
Expenses related to leasing business, total	¥	3,838,619	¥	3,825,867
(3) Operating income from property leasing activities((1) - (2))	¥	7,589,001	¥	7,617,714

The following table summarizes the gain on sale of real estate properties for the periods ended August 31, 2025 and February 28, 2025.

	Thousands of yen	
	For the period ended August 31, 2025	
	LOGIPORT Nagareyama B (Joint co-ownership interest of 12.5%)	LOGIPORT Kawagoe (Joint co-ownership interest of 30.0%)
Sales proceed	¥ 4,375,000	¥ 3,900,000
Cost of properties sold	3,234,203	3,473,085
Other selling expenses	0	1,752
Gain on sale of real estate properties	¥ 1,140,796	¥ 425,161

	Thousands of yen	
	For the period ended February 28, 2025	
	LOGIPORT Nagareyama B (Joint co-ownership interest of 12.5%)	
Sales proceed	¥ 4,375,000	
Cost of properties sold	3,231,613	
Other selling expenses	299	
Gain on sale of real estate properties	¥ 1,143,087	

9. Leases

The future minimum rental revenues from tenants under non-cancelable operating leases of properties are as follows:

	Thousands of yen	
	As of	
	August 31, 2025	February 28, 2025
Due within one year	¥ 17,450,025	¥ 17,448,024
Due after one year	55,192,233	61,257,526
Total	¥ 72,642,258	¥ 78,705,551

10. Net Assets

a) Stated Capital

LLR issues non-par value units in accordance with the Investment Trusts Act, and all issue amounts of new units are designated as stated capital. LLR maintains at least 50,000 thousand yen as minimum net assets as required by Article 67, Paragraph 4 of the Investment Trusts Act.

b) Unitholders' Capital, net

Unitholders' capital, net as of August 31, 2025 and February 28, 2025 consists of the following items:

	Thousands of yen	
	As of	
	August 31, 2025	February 28, 2025
Unitholders' capital	¥ 223,876,689	¥ 223,876,689
Deduction from unitholders' capital:		
Accumulated distribution in excess of retained earnings	(16,653,783)	(13,687,130)
Unitholders' capital, net	¥ 207,222,905	¥ 210,189,558

11. Long-term Loans Payable

Long-term loans payable consist of bank borrowings under loan agreements. The following table summarizes the long-term loans payable as of August 31, 2025 and February 28, 2025.

	Thousands of yen			
	As of			
	August 31, 2025		February 28, 2025	
0.98000% unsecured long-term loans due 2026	¥	1,510,000	¥	1,510,000
0.93127% unsecured long-term loans due 2026 (*)		2,250,000		2,250,000
0.59950% unsecured long-term loans due 2026 (*)		5,880,000		5,880,000
0.34020% unsecured long-term loans due 2026 (*)		3,100,000		3,100,000
0.42105% unsecured long-term loans due 2027 (*)		5,100,000		5,100,000
0.30050% unsecured long-term loans due 2026 (*)		1,300,000		1,300,000
0.36250% unsecured long-term loans due 2027 (*)		5,700,000		5,700,000
0.40350% unsecured long-term loans due 2027 (*)		7,900,000		7,900,000
1.08628% unsecured long-term loans due 2025		-		5,000,000
0.44400% unsecured long-term loans due 2027 (*)		6,300,000		6,300,000
0.50950% unsecured long-term loans due 2028 (*)		20,000,000		20,000,000
1.08082% unsecured long-term loans due 2026		1,540,000		1,540,000
0.41000% unsecured long-term loans due 2028 (*)		4,300,000		4,300,000
0.51700% unsecured long-term loans due 2029 (*)		7,000,000		7,000,000
1.08082% unsecured long-term loans due 2026		2,000,000		2,000,000
0.40440% unsecured long-term loans due 2028 (*)		2,800,000		2,800,000
0.52360% unsecured long-term loans due 2029 (*)		13,100,000		13,100,000
1.03082% unsecured long-term loans due 2028		1,000,000		1,000,000
0.71150% unsecured long-term loans due 2030 (*)		3,850,000		3,850,000
1.08082% unsecured long-term loans due 2028		2,720,000		2,720,000
1.22285% unsecured long-term loans due 2030 (*)		10,890,000		10,890,000
1.14082% unsecured long-term loans due 2031		1,500,000		1,500,000
1.08082% unsecured long-term loans due 2028		1,400,000		1,400,000
1.10563% unsecured long-term loans due 2031		6,100,000		6,100,000
1.19500% unsecured long-term loans due 2031 (*)		9,060,000		9,060,000
1.31795% unsecured long-term loans due 2032 (*)		3,000,000		3,000,000
0.81700% unsecured long-term loans due 2025		-		7,400,000
1.45570% unsecured long-term loans due 2030 (*)		15,820,000		15,820,000
1.42670% unsecured long-term loans due 2030 (*)		5,000,000		-
1.53200% unsecured long-term loans due 2031 (*)		4,400,000		-
1.83200% unsecured long-term loans due 2034 (*)		3,000,000		-
		157,520,000		157,520,000
Less: Current portion of long-term loans payable		(17,580,000)		(22,100,000)
Long-term loans payable	¥	139,940,000	¥	135,420,000

The stated interest rate is the weighted average interest rate during the period ended August 31, 2025. For certain loans (*) for which LLR uses interest rate swaps to hedge their interest rate risk exposure, the effective interest rate which includes the effect of the interest rate swap is stated.

The redemption schedule for long-term loans payable subsequent to August 31, 2025 is disclosed in Note 4, "Financial Instruments."

LLR has commitment line agreements with two banks.

	Thousands of yen			
	As of			
	August 31, 2025		February 28, 2025	
Total amount of committed line of credit	¥	4,000,000	¥	4,000,000
Borrowings drawn down		-		-
Balance of unused committed line of credit	¥	4,000,000	¥	4,000,000

12. Investment Corporation Bonds Payable

The investment corporation bonds payable will be redeemed on a lump-sum basis at their contractual maturity dates. The following table summarizes the investment corporation bonds payable as of August 31, 2025 and February 28, 2025.

	Issued date	Maturity date	Interest rate	Thousands of yen			
				As of			
				August 31, 2025		February 28, 2025	
2nd unsecured bond	February 15, 2017	February 15, 2027	0.580%	¥	2,000,000	¥	2,000,000
3rd unsecured bond	July 13, 2017	July 13, 2027	0.650%		3,500,000		3,500,000
5th unsecured bond	December 21, 2017	December 21, 2027	0.630%		1,000,000		1,000,000
6th unsecured bond (Green bond)	February 20, 2020	February 20, 2030	0.590%		3,000,000		3,000,000
7th unsecured bond (Green bond)	February 16, 2021	February 15, 2036	0.760%		2,000,000		2,000,000
8th unsecured bond (Green bond)	February 10, 2022	February 10, 2028	0.250%		2,000,000		2,000,000
Total				¥	13,500,000	¥	13,500,000

13. Income Taxes

LLR is subject to Japanese corporate income taxes on its taxable income. The tax effect of temporary differences that give rise to a significant portion of the deferred tax assets and liabilities as of August 31, 2025 and February 28, 2025 are as follows:

	Thousands of yen			
	As of			
	August 31, 2025		February 28, 2025	
Enterprise tax payable	¥	15	¥	24
Total deferred tax assets		15		24
Net deferred tax assets	¥	15	¥	24

Reconciliation of major items that caused differences between the statutory tax rate and effective tax rate with respect to pre-tax income reflected in the accompanying statement of income for the periods ended August 31, 2025 and February 28, 2025 are as follows:

	For the periods ended	
	August 31, 2025	February 28, 2025
Statutory tax rate	31.46 %	31.46 %
Adjustments:		
Tax-deductible distributions	(31.45 %)	(31.45 %)
Other	0.00 %	0.01 %
Actual effective income tax rate	0.01 %	0.02 %

14. Per Unit Information

The following table summarizes per unit information for the periods ended August 31, 2025 and February 28, 2025.

	Yen			
	For the periods ended			
	August 31, 2025		February 28, 2025	
Net income per unit				
Basic net income per unit	¥	3,627	¥	3,395
Weighted average number of units outstanding (units)		1,810,378		1,866,443
	Yen			
	As of			
	August 31, 2025		February 28, 2025	
Net assets per unit	¥	119,051	¥	119,587

(Note) Net income per unit is calculated by dividing net income by the weighted average number of investment units for the period. Net income used as the basis for calculating net income per unit is 6,567,312 thousand yen and 6,337,666 thousand yen for the periods ended August 31, 2025 and February 28, 2025, respectively. The diluted net income per unit is not stated as there are no diluted investment units.

15. Transactions with Related Parties

a) Transactions and Account Balances with the Parent Company and Major Unitholders

(For the period ended August 31, 2025)

None

(For the period ended February 28, 2025)

None

b) Transactions and Account Balances with Affiliates

(For the period ended August 31, 2025)

None

(For the period ended February 28, 2025)

None

c) Transactions and Account Balances with Companies under Common Control

(For the period ended August 31, 2025)

(For the period ended August 31, 2019)						Relation		Transaction amount	Ending Balance			
Classification	Name of the company	Address	Stated capital (thousands of yen)	Type of business	Percentage of voting rights owned	Common board member	Business relationship	Type of transaction (Note 2)	(thousands of yen) (Note 1)	(thousands of yen) (Note 1)		
Subsidiary of other affiliate	LaSalle REIT Advisors K.K.	Chiyoda-ku, Tokyo	¥ 164,500	Investment management business	-	-	Executive Director of LLR and President & CEO of the Asset Manager	Asset Manager	Payment of asset management fee (Note 3)	¥ 1,831,788	Accounts payable	¥ 1,977,336

(Note 1) The transaction amount does not include the consumption tax whereas the tax is included in the ending balance.

(Note 2) The terms and conditions of these transactions were determined based on market practices.

(Note 3) The asset management fee, attributable to acquisitions of asset-backed securities, was 34,720 thousand yen. The amount was capitalized as part of the relevant assets.

(For the period ended February 28, 2025)

(For the period ended February 28, 2016)												
Classification	Name of the company	Address	Stated capital (thousands of yen)	Type of business	Percentage of voting rights owned	Relation		Type of transaction (Note 2)	Transaction amount (thousands of yen) (Note 1)	Account	Ending Balance (thousands of yen) (Note 1)	
						Common board member	Business relationship					
Subsidiary of other affiliate	LaSalle REIT Advisors K.K.	Chiyoda-ku, Tokyo	¥164,500	Investment management business	-	-	Executive Director of LLR and President & CEO of the Asset Manager	Asset Manager	Payment of asset management fee (Note 3)	¥1,708,824	Accounts payable	¥1,866,990

(Note 1) The transaction amount does not include the consumption tax whereas the tax is included in the ending balance.

(Note 2) The terms and conditions of these transactions were determined based on market practices.

(Note 3) The asset management fee, attributable to acquisitions of asset-backed securities, was 11,560 thousand yen. The amount was capitalized as part of the relevant assets.

16. Segment Information

Segment Information

Segment information has been omitted as LLR has only one segment, which is real estate leasing business.

Related Information

(For the periods ended August 31, 2025 and February 28, 2025)

a) Information by Products and Services

Information on products and services has been omitted because operating revenues from external customers for a single segment of product and service are in excess of 90% of the total operating revenues on the statement of income.

b) Information by Geographic Region

(i) Operating Revenues

Information on operating revenues has been omitted because operating revenues from external customers in Japan are in excess of 90% of the total operating revenues on the statement of income.

(ii) Property and Equipment

Information on property and equipment has been omitted because the amount of property and equipment located in Japan is in excess of 90% of the amount of property and equipment on the balance sheet.

c) Information by Major Customers

Information on major customers has been omitted because there is no single external customer accounting for 10% or more of total operating revenues on the statement of income.

17. Revenue Recognition

a) The breakdown information on revenues from contracts with customers for the periods ended August 31, 2025 and February 28, 2025 are as follows:

	Thousands of yen	
	For the period ended August 31, 2025	
	Revenues from contracts with customers (Note)	Sale to external customers
Sale of real estate properties	¥ 4,375,000	¥ 1,565,958
Utility charge reimbursement	591,147	591,147
Other	-	11,079,278
Total	¥ 4,966,147	¥ 13,236,384

	Thousands of yen	
	For the period ended February 28, 2025	
	Revenues from contracts with customers (Note)	Sale to external customers
Sale of real estate properties	¥ 4,375,000	¥ 1,143,087
Utility charge reimbursement	571,600	571,600
Other	-	11,042,978
Total	¥ 4,946,600	¥ 12,757,666

(Note) The following revenues are excluded from the above amounts as such revenues are out of the scope of the application of the Accounting Standard for Revenue Recognition (ASBJ Statement No.29): (i) rental revenues, etc. subject to the Accounting Standard for Lease Transactions (ASBJ Statement No.13) and (ii) revenues from sale of properties subject to the Practical Guidelines on the Accounting by Transferors for the Securitization of Real Estate Using Special-Purpose Companies (ASBJ Guidance, No.10). Revenue from contracts with customers mainly represents proceeds from sale of real estate properties and utility charge reimbursement.

b) Information on the relationship between the satisfaction of performance obligations under contracts with customers and cash flows from those contracts, and amounts and timing of revenues expected to be recognized in subsequent periods from contracts with customers that exist at the end of the current period.

(For the period ended August 31, 2025)

Transaction price allocated to remaining performance obligations

As of August 31, 2025, transaction prices of 9,100,000 thousand yen and 7,000,000 thousand yen were allocated to remaining performance obligations related to the sale of real estate properties, for which the relevant

purchase and sale agreements were concluded on October 15, 2024 and April 21, 2025, respectively. Of these remaining performance obligations, LLR expects to complete the transfer of real estate properties amounting to 9,100,000 thousand yen on November 4, 2025 and 7,000,000 thousand yen on March 2, 2026. Regarding utility charge reimbursement, LLR has the right to receive from the customer the amount of consideration that directly corresponds to the value to the lessee, the customer, for the portion of performance obligations completed by the end of the period. LLR therefore recognizes revenues at the amount it is entitled to claim in accordance with Paragraph 19 of the Implementation Guidance on the Accounting Standard for Revenue Recognition. Accordingly, the provision of Paragraph 80-22(2) of the Accounting Standard for Revenue Recognition has been applied and the transaction price allocated to the remaining performance obligations has not been included in the notes.

(For the period ended February 28, 2025)

Transaction price allocated to remaining performance obligations

As of February 28, 2025, transaction prices of 4,375,000 thousand yen and 13,000,000 thousand yen were allocated to remaining performance obligations related to the sale of real estate properties, for which the relevant purchase and sale agreements were concluded on April 15, 2024 and October 15, 2024, respectively. As to remaining performance obligations of 4,375,000 thousand yen, LLR completed the transfer of real estate properties on March 21, 2025, and thus satisfied the remaining performance obligation. Accordingly, LLR expects to recognize a revenue of 4,375,000 thousand yen in the subsequent period. Of 13,000,000 thousand yen of remaining performance obligations, LLR expects to complete the transfer of real estate properties amounting to 3,900,000 thousand yen on July 1, 2025 and 9,100,000 thousand yen on November 4, 2025. Please refer to [Additional Information] for details.

Regarding utility charge reimbursement, LLR has the right to receive from the customer the amount of consideration that directly corresponds to the value to the lessee, the customer, for the portion of performance obligations completed by the end of the period. LLR therefore recognizes revenues at the amount it is entitled to claim in accordance with Paragraph 19 of the Implementation Guidance on the Accounting Standard for Revenue Recognition. Accordingly, the provision of Paragraph 80-22(2) of the Accounting Standard for Revenue Recognition has been applied and the transaction price allocated to the remaining performance obligations has not been included in the notes.

18. Subsequent Events

Conclusion of acquisition of assets (preferred securities and specified corporate bonds)

On October 21, 2025, LLR decided to acquire the following preferred securities and specified corporate bonds B. The preferred securities and specified corporate bonds B are scheduled to be acquired on December 10, 2025 and December 12, 2025, respectively. In addition, the following investment securities are scheduled to be redeemed by the end of February 28, 2026: (i) preferred securities and specified corporate bonds of NY Properties TMK, which are backed by the underlying properties Nanko Logistics Center and Yachiyo Logistics Center, and (ii) TK equity interest B of Okinawa Itoman Properties GK, which are backed by the underlying property Okinawa Itoman Logistics Center.

Asset name	Intended acquisition price (million yen)	Acquiring entity	Subject properties
LLHC TMK preferred securities	¥ 833	LLHC TMK	Sendai Ogimachi Logistics Center,
LLHC TMK specified corporate bonds B	3,000		Nanko Logistics Center, Yachiyo Logistics Center and Okinawa Itoman Logistics Center

[Additional Information]

a) Decision to purchase and cancel treasury investment units

On October 21, 2025, LLR decided to purchase treasury investment units based on the provisions of Article 80-2 of the Investment Trusts Act, which is applied by replacing the terms and phrases pursuant to the provisions of Article 80-5, Paragraph 2 of the Investment Trusts Act. Furthermore, LLR decided to cancel the repurchased investment units based on the provisions of Article 80, Paragraph 2 and Paragraph 4 of the Investment Trusts Act.

Purchase of treasury investment units

Total number of investment units to be purchased	: 71,500 units (maximum)
Total amount of investment units to be purchased	: ¥10,000 million (maximum)
Purchase method	: Market purchase on the Tokyo Stock Exchange based on a discretionary transaction agreement with a securities company

for the purchase of treasury investment units

Purchase period

: From October 22, 2025 to October 9, 2026

(Note) The purchase period excludes the five business days ending on February 28, 2026 and August 31, 2026, which are the end of the fiscal period.

Cancellation of treasury investment units

Based on the resolution regarding purchase treasury investment units on April 21, 2025 and aforementioned resolutions on October 21, 2025, LLR will cancel all treasury investment units held as of February 27, 2026 on the same date.

b) Acquisition of assets (Equity interests in silent partnerships)

On October 31, 2025, LLR acquired the following equity interests in silent partnerships:

Asset name	Acquisition price (million yen)	Acquiring entity	Subject properties
TK equity interest B of Nagoya Kawasaki Properties GK	¥444	Nagoya Kawasaki Properties GK	LOGIPORT Nagoya LOGIPORT Kawasaki Bay

c) Sale of assets (Trust beneficiary interests)

On November 4, 2025, LLR sold the following trust beneficiary interests:

Area	Property number	Asset name	Location	Selling price (million yen)	Buyer
Tokyo area	Tokyo-9	LOGIPORT Kawagoe (Joint co-ownership interest of 70%)	Kawagoe-city, Saitama	¥9,100	LJPF GK

d) Acquisition of assets (Preferred securities)

LLR will acquire the following preferred securities with an effective date of November 27, 2025:

Asset name	Acquisition price (million yen)	Acquiring entity	Subject properties
Preferred Securities of Japan・ Logistics・Development 2 TMK	¥305	Japan Logistics Development 2 TMK	Sendai Project

In addition, LLR plans to acquire the following preferred securities during the period from February to April 2026:

Preferred securities: 4th acquisition of Preferred Securities of Japan・Logistics・Development 2 TMK in the amount of ¥670 million (maximum).

Supplementary Schedules

1. Schedule of Securities

a) Stocks

None

b) Securities other than stocks

		Thousands of yen						
Type	Issue	As of August 31, 2025				Remarks		
		Face value		Book value	Fair value (Note 1)		Valuation gain or loss	
Preferred securities	Japan Logistics Development 2 TMK Preferred Securities	¥	-	¥ 578,895	¥ 578,895	¥	-	(Note 2)
Preferred securities	NY Properties TMK Preferred Securities		-	745,460	745,460		-	(Note 3)
Specified corporate bonds	NY Properties TMK Specified corporate bonds		-	2,025,521	2,025,521		-	(Note 3)
Equity interests in silent partnerships	LRF3 Properties GK B Equity interest in a silent partnership		-	2,250,729	2,250,729		-	(Note 4)
Equity interests in silent partnerships	Okinawa Itoman Properties GK Equity interest in a silent partnership		-	523,480	523,480		-	(Note 5)
Equity interests in silent partnerships	Nagoya Kawasaki Properties GK B Equity interest in a silent partnership		-	3,297,309	3,297,309		-	(Note 6)
Preferred securities	HK Properties TMK Preferred Securities		-	55,477	55,477		-	(Note 7)
Total		¥	-	¥9,476,875	¥9,476,875	¥	-	

(Note 1) The book value is used as its fair value.

(Note 2) The underlying asset is Sendai Project.

(Note 3) The underlying assets are trust beneficiary interests in Nanko Logistics Center and Yachiyo Logistics Center.

(Note 4) The underlying assets are trust beneficiary interests in LOGIPORT Kazo, Osaka Suminoe Logistics Center, Konosu Project, Iruma Project, Urawa Misono Project, Iwanuma Project, Amagasaki Project, LOGIPORT Nagoya, Matsudo Matsuhidai Logistics Center and Urayasu Logistics Center.

(Note 5) The underlying asset is a trust beneficiary interest in Okinawa Itoman Logistics Center.

(Note 6) The underlying assets are trust beneficiary interests in LOGIPORT Nagoya and LOGIPORT Kawasaki Bay.

(Note 7) The underlying asset is Tomakomai Project.

2. Schedule of Contract Amounts and Fair Value of Derivative Transactions and Forward Exchange Transactions

Classification	Type of derivative transaction	Thousands of yen		
		As of August 31, 2025		
		Contract amounts (Note 1)		Fair value (Note 2)
		Total	Due after one year	
OTC transaction	Interest rate swaps Receive floating / Pay fixed	¥139,750,000	¥127,220,000	¥ 3,415,823

(Note 1) The contract amounts of interest rate swaps are presented based on their notional amounts.

(Note 2) The fair value is determined based on the price quoted by the counterparty financial institution.

(Note 3) The transactions are not valued at fair value because the special accounting treatment for interest rate swaps under Japanese GAAP is applied.

3. Schedule of Property and Equipment

The schedule is shown in the aforementioned Note 6, “Property and Equipment”

4. Schedule of Other Specified Assets

The trust beneficiary interests are included in the aforementioned schedule in Note 6, “Property and Equipment.

5. Schedule of Investment Corporation Bonds Payable

				Thousands of yen				
				As of August 31, 2025				
	Issued date	Maturity date	Interest rate	Beginning balance	Increase (Decrease)	Ending balance	Use	Collateral
2nd unsecured bond	February 15, 2017	February 15, 2027	0.580%	¥ 2,000,000	¥ -	¥ 2,000,000	Repayment of existing borrowings	Unsecured/ unguaranteed
3rd unsecured bond	July 13, 2017	July 13, 2027	0.650%	3,500,000	-	3,500,000		
5th unsecured bond	December 21, 2017	December 21, 2027	0.630%	1,000,000	-	1,000,000		
6th unsecured bond (Green bond)	February 20, 2020	February 20, 2030	0.590%	3,000,000	-	3,000,000		
7th unsecured bond (Green bond)	February 16, 2021	February 15, 2036	0.760%	2,000,000	-	2,000,000		
8th unsecured bond (Green bond)	February 10, 2022	February 10, 2028	0.250%	2,000,000	-	2,000,000	Redemption of 1st unsecured bond	
Total				¥13,500,000	¥ -	¥13,500,000		

(Note) The schedule of redemption for investment corporation bonds payable within five years after August 31, 2025 is as follows:

Thousands of yen					
As of August 31, 2025					
	Due within one year	Due after one to two years	Due after two to three years	Due after three to four years	Due after four to five years
Investment corporation bonds payable	¥ -	¥ 5,500,000	¥ 3,000,000	¥ -	¥ 3,000,000

6. Schedule of Long-term Loans Payable

Lender	Thousands of yen				Average interest rate (Note 1)	Repayment date	Use	Remarks
	As of August 31, 2025							
	Beginning balance	Increase	Decrease	Ending balance				
Long-term loans payable								
MUFG Bank, Ltd.	¥1,510,000	¥ -	¥ -	¥1,510,000	0.98000%	February 17, 2026 (Note 8)	(Note 2)	Unsecured/ unguaranteed
Mizuho Bank, Ltd.	900,000	-	-	900,000	0.93127%	February 17, 2026 (Note 8)	(Note 2)	Unsecured/ unguaranteed
Sumitomo Mitsui Banking Corporation	900,000	-	-	900,000				
Sumitomo Mitsui Trust Bank, Limited	450,000	-	-	450,000				
MUFG Bank, Ltd.	1,850,000	-	-	1,850,000	0.59950%	March 5, 2026 (Note 8)	(Note 2)	Unsecured/ unguaranteed
Mizuho Bank, Ltd.	1,450,000	-	-	1,450,000				
Sumitomo Mitsui Banking Corporation	1,450,000	-	-	1,450,000				
Sumitomo Mitsui Trust Bank, Limited	1,130,000	-	-	1,130,000				
Resona Bank, Limited	550,000	-	-	550,000	0.34020%	February 17, 2026 (Note 8)	(Note 2)	Unsecured/ unguaranteed
The Bank of Fukuoka, Ltd.	550,000	-	-	550,000				
SBI Shinsei Bank, Limited	700,000	-	-	700,000				
The 77 Bank, Ltd.	400,000	-	-	400,000				
The Nomura Trust and Banking Co., Ltd.	450,000	-	-	450,000				
The Chugoku Bank, Limited	450,000	-	-	450,000				
MUFG Bank, Ltd.	1,600,000	-	-	1,600,000	0.42105%	February 15, 2027	(Note 2)	Unsecured/ unguaranteed
Mizuho Bank, Ltd.	1,200,000	-	-	1,200,000				
Sumitomo Mitsui Banking Corporation	800,000	-	-	800,000				
Sumitomo Mitsui Trust Bank, Limited	800,000	-	-	800,000				
Development Bank of Japan Inc.	700,000	-	-	700,000				
The Bank of Fukuoka, Ltd.	93,000	-	-	93,000	0.30050%	February 17, 2026 (Note 8)	(Note 2)	Unsecured/ unguaranteed
SBI Shinsei Bank, Limited	743,000	-	-	743,000				
The 77 Bank, Ltd.	232,000	-	-	232,000				
The Nomura Trust and Banking Co., Ltd.	232,000	-	-	232,000				
SBI Shinsei Bank, Limited	1,500,000	-	-	1,500,000	0.36250%	February 15, 2027	(Note 2)	Unsecured/ unguaranteed
Resona Bank, Limited	1,300,000	-	-	1,300,000				
THE NISHI-NIPPON CITY BANK, LTD.	1,000,000	-	-	1,000,000				
The Nomura Trust and Banking Co., Ltd.	900,000	-	-	900,000				
The Chugoku Bank, Limited	500,000	-	-	500,000				
The Bank of Fukuoka, Ltd.	500,000	-	-	500,000				
MUFG Bank, Ltd.	2,300,000	-	-	2,300,000	0.40350%	July 13, 2027	(Note 2)	Unsecured/ unguaranteed
Mizuho Bank, Ltd.	2,200,000	-	-	2,200,000				
Sumitomo Mitsui Banking Corporation	1,800,000	-	-	1,800,000				
Development Bank of Japan Inc.	1,600,000	-	-	1,600,000				
Sumitomo Mitsui Trust Bank, Limited	5,000,000	-	5,000,000	-	1.08628%	August 29, 2025 (Note 9)	(Note 2)	Unsecured/ unguaranteed

Lender	Thousands of yen				Average interest rate (Note 1)	Repayment date	Use	Remarks
	Beginning balance	Increase	Decrease	Ending balance				
Development Bank of Japan Inc.	1,500,000	-	-	1,500,000	0.44400%	December 21, 2027	(Note 2)	Unsecured/ unguaranteed
Resona Bank, Limited	1,300,000	-	-	1,300,000				
The Bank of Fukuoka, Ltd.	1,000,000	-	-	1,000,000				
SBI Shinsei Bank, Limited	1,000,000	-	-	1,000,000				
The Chugoku Bank, Limited	500,000	-	-	500,000				
THE NISHI-NIPPON CITY BANK, LTD.	1,000,000	-	-	1,000,000	0.50950%	December 20, 2028	(Note 2)	Unsecured/ unguaranteed
MUFG Bank, Ltd.	7,900,000	-	-	7,900,000				
Mizuho Bank, Ltd.	6,300,000	-	-	6,300,000				
Sumitomo Mitsui Banking Corporation	5,800,000	-	-	5,800,000				
Sumitomo Mitsui Trust Bank, Limited	1,540,000	-	-	1,540,000	1.08082%	February 17, 2026 (Note 8)	(Note 3)	Unsecured/ unguaranteed
Resona Bank, Limited	950,000	-	-	950,000	0.41000%	June 30, 2028	(Note 3)	Unsecured/ unguaranteed
The Bank of Fukuoka, Ltd.	1,350,000	-	-	1,350,000				
SBI Shinsei Bank, Limited	900,000	-	-	900,000				
The Chugoku Bank, Limited	100,000	-	-	100,000				
THE NISHI-NIPPON CITY BANK, LTD.	1,000,000	-	-	1,000,000				
MUFG Bank, Ltd.	1,640,000	-	-	1,640,000	0.51700%	June 29, 2029	(Note 3)	Unsecured/ unguaranteed
Mizuho Bank, Ltd.	1,640,000	-	-	1,640,000				
Sumitomo Mitsui Banking Corporation	1,640,000	-	-	1,640,000				
Development Bank of Japan Inc.	2,080,000	-	-	2,080,000				
Sumitomo Mitsui Trust Bank, Limited	2,000,000	-	-	2,000,000	1.08082%	April 30, 2026 (Note 8)	(Note 2)	Unsecured/ unguaranteed
SBI Shinsei Bank, Limited	1,000,000	-	-	1,000,000	0.40440%	June 30, 2028	(Note 2)	Unsecured/ unguaranteed
Aozora Bank, Ltd.	1,000,000	-	-	1,000,000				
Resona Bank, Limited	800,000	-	-	800,000				
MUFG Bank, Ltd.	4,200,000	-	-	4,200,000	0.52360%	June 29, 2029	(Note 2)	Unsecured/ unguaranteed
Mizuho Bank, Ltd.	3,800,000	-	-	3,800,000				
Sumitomo Mitsui Banking Corporation	3,600,000	-	-	3,600,000				
Development Bank of Japan Inc.	1,500,000	-	-	1,500,000				
Aozora Bank, Ltd.	1,000,000	-	-	1,000,000	1.03082%	June 30, 2028	(Note 4)	Unsecured/ unguaranteed
MUFG Bank, Ltd.	2,550,000	-	-	2,550,000	0.71150%	June 28, 2030	(Note 5)	Unsecured/ unguaranteed
Development Bank of Japan Inc.	500,000	-	-	500,000				
Resona Bank, Limited	400,000	-	-	400,000				
The Bank of Fukuoka, Ltd.	400,000	-	-	400,000				
Sumitomo Mitsui Trust Bank, Limited	2,720,000	-	-	2,720,000	1.08082%	February 29, 2028	(Note 6)	Unsecured/ unguaranteed
MUFG Bank, Ltd.	2,850,000	-	-	2,850,000	1.22285%	June 28, 2030	(Note 6)	Unsecured/ unguaranteed
Mizuho Bank, Ltd.	2,800,000	-	-	2,800,000				
Sumitomo Mitsui Banking Corporation	2,800,000	-	-	2,800,000				
Development Bank of Japan Inc.	2,440,000	-	-	2,440,000				
Mitsubishi UFJ Trust and Banking Corporation (Trust account)	1,500,000	-	-	1,500,000	1.14082%	June 30, 2031	(Note 6)	Unsecured/ unguaranteed
Sumitomo Mitsui Trust Bank, Limited	1,400,000	-	-	1,400,000	1.08082%	August 31, 2028	(Note 6)	Unsecured/ unguaranteed

Lender	Thousands of yen				Average interest rate (Note 1)	Repayment date	Use	Remarks
	As of August 31, 2025							
	Beginning balance	Increase	Decrease	Ending balance				
MUFG Bank, Ltd.	2,300,000	-	-	2,300,000	1.10563%	February 28, 2031	(Note 6)	Unsecured/ unguaranteed
Mizuho Bank, Ltd.	1,900,000	-	-	1,900,000				
Sumitomo Mitsui Banking Corporation	1,900,000	-	-	1,900,000				
MUFG Bank, Ltd.	2,870,000	-	-	2,870,000	1.19500%	August 29, 2031	(Note 3)	Unsecured/ unguaranteed
Mizuho Bank, Ltd.	2,530,000	-	-	2,530,000				
Sumitomo Mitsui Banking Corporation	2,530,000	-	-	2,530,000				
Sumitomo Mitsui Trust Bank, Limited	1,130,000	-	-	1,130,000				
Mitsubishi UFJ Trust and Banking Corporation	3,000,000	-	-	3,000,000	1.31795%	August 31, 2032	(Note 3)	Unsecured/ unguaranteed
MUFG Bank, Ltd.	3,800,000	-	3,800,000	-	0.81700%	June 30, 2025	(Note 7)	Unsecured/ unguaranteed
Mizuho Bank, Ltd.	3,600,000	-	3,600,000	-				
MUFG Bank, Ltd.	4,470,000	-	-	4,470,000	1.45570%	February 28, 2030	(Note 6)	Unsecured/ unguaranteed
Mizuho Bank, Ltd.	2,490,000	-	-	2,490,000				
Sumitomo Mitsui Banking Corporation	2,490,000	-	-	2,490,000				
Sumitomo Mitsui Trust Bank, Limited	1,120,000	-	-	1,120,000				
Development Bank of Japan Inc.	800,000	-	-	800,000				
Resona Bank, Limited	1,250,000	-	-	1,250,000				
The Bank of Fukuoka, Ltd.	1,150,000	-	-	1,150,000				
SBI Shinsei Bank, Limited	850,000	-	-	850,000				
The 77 Bank, Ltd.	300,000	-	-	300,000				
The Nomura Trust and Banking Co., Ltd.	500,000	-	-	500,000				
The Chugoku Bank, Limited	400,000	-	-	400,000				
Sumitomo Mitsui Trust Bank, Limited	-	5,000,000	-	5,000,000	1.42670%	June 28, 2030	(Note 6)	Unsecured/ unguaranteed
MUFG Bank, Ltd.	-	2,500,000	-	2,500,000	1.53200%	August 29, 2031	(Note 6)	Unsecured/ unguaranteed
Mizuho Bank, Ltd.	-	1,900,000	-	1,900,000				
Mitsubishi UFJ Trust and Banking Corporation (Trust account)	-	3,000,000	-	3,000,000	1.83200%	February 28, 2034	(Note 6)	Unsecured/ unguaranteed
Total long-term loans payable	¥157,520,000	¥12,400,000	¥12,400,000	¥157,520,000				

(Note 1) Average interest rate represents the weighted average interest rate during the period and is rounded to the 5th decimal place.

For loans payable where interest-rate swaps have been entered to hedge interest rate risk, the average interest rate represents the weighted average interest rate, taking into account the effects of interest rate swaps.

(Note 2) The funds were used for acquisition of trust beneficiary interest in properties and payment of related costs.

(Note 3) The funds were used for repayment of short-term and long-term loans payable.

(Note 4) The funds were used for redemption of investment corporation bonds payable.

(Note 5) The funds were used for repayment of long-term loans payable and redemption of investment corporation bonds payable.

(Note 6) The funds were used for repayment of long-term loans payable.

(Note 7) The funds were used for repayment of short-term loans payable.

(Note 8) Current portion of long-term loans payable is included in the balance of long-term loans payable in this table.

(Note 9) On June 30, 2025, LLR repaid the outstanding loan balance before its contractual repayment date.

(Note 10) The repayment schedule for long-term loans payable within five years after August 31, 2025 is as follows:

	Thousands of yen				
	As of August 31, 2025				
	Due within one year	Due after one to two years	Due after two to three years	Due after three to four years	Due after four to five years
Long-term loans payable	¥17,580,000	¥18,700,000	¥18,520,000	¥40,100,000	¥35,560,000



Independent Auditor's Report

To the Board of Directors of LaSalle LOGIPORT REIT

THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of LaSalle LOGIPORT REIT (the Company), which comprise the balance sheet as at August 31, 2025, and the statement of income, statement of changes in net assets, statement of cash distributions and statement of cash flows for the six months period then ended, and notes to the financial statements and supplementary schedules.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at August 31, 2025, and its financial performance and its cash flows for the six months period then ended in accordance with accounting principles generally accepted in Japan.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to audits of financial statements of public interest entities in Japan, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of matter

We draw attention to 18.Subsequent Events to the financial statements, which states the Conclusion of acquisition of assets (preferred securities and specified corporate bonds). Our opinion is not modified in respect of this matter.

Other Information

The other information comprises the information included in the semi-annual report, but does not include the financial statements and our auditor's report thereon. Management is responsible for the other information. In addition, those charged with governance are responsible for overseeing the Company's reporting process of the other information.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

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If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in Japan, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern and disclosing, as applicable, matters related to going concern.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with auditing standards generally accepted in Japan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with auditing standards generally accepted in Japan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, while the purpose of the financial statement audit is not to express an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate whether the presentation and disclosures of the financial statements are in accordance with accounting principles generally accepted in Japan, the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide management with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

FEE-RELATED INFORMATION

In connection with our audit of the financial statements for the six months period ended August 31, 2025, the amounts of fees for the audit and the other services charged to the Company by PricewaterhouseCoopers Japan LLC and other PwC Network firms are ¥14.00 million and ¥4.05 million, respectively.

Interest required to be disclosed by the Certified Public Accountants Act of Japan

Our firm and its designated engagement partners do not have any interest in the Company which is required to be disclosed pursuant to the provisions of the Certified Public Accountants Act of Japan.

鶴田 光夫

Mitsuo Tsuruta

Designated Engagement Partner
Certified Public Accountant

佐藤 孝

Takashi Sato

Designated Engagement Partner
Certified Public Accountant

November 27, 2025

ANNEX IV

Template periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Product name: LaSalle LOGIPORT REIT.

Legal entity identifier: 353800II3DI1RPKBB314.

Environmental and/or social characteristics

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Did this financial product have a sustainable investment objective?	
☐ Yes	☒ No
☐ It made sustainable investments with an environmental objective: ____% ☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy ☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	☐ It promoted Environmental/Social (E/S) characteristics and while it did not have as its objective a sustainable investment, it had a proportion of ____% of sustainable investments ☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy ☐ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy ☐ with a social objective
☐ It made sustainable investments with a social objective: ____%	☒ It promoted E/S characteristics, but did not make any sustainable investments



To what extent were the environmental and/or social characteristics promoted by this financial product met?

LaSalle LOGIPORT REIT (hereafter referred to as “LLR” or the “Fund”) is an investment corporation that was incorporated on October 9, 2015 under the Act on Investment Trusts and Investment Corporations of Japan (Act No. 198 of 1951 as amended, the “Investment Trust Act”). LLR was listed on the Real Estate Investment Trust (“REIT”) Section of the Tokyo Stock Exchange on February 17, 2016 (securities code: 3466). Asset management is conducted by LaSalle REIT Advisors K.K. (hereafter referred to as “LRA”), in accordance with the Investment Trust Act, and the investment targets and policies set forth in LLR’s Articles of Incorporation.

LLR has no employees in accordance with the prohibition on having employees under the Act on Investment Trusts and Investment Corporations of Japan, and relies on LRA, to manage and operate the properties in its portfolio. LLR and LRA are hereinafter referred to collectively as “we,” “us” or “our.” References to “fiscal period” or “FP” are to the six-month periods ending February and August of each year, unless noted otherwise.

The current fiscal period is for the ending August 2025 (from 1 March 2025 to 31 August 2025), but because the “Additional climate and other environment-related indicators” for “Assessment of Principal Adverse Impacts” are calculated on an annual basis, we report on the latest data from 1 January to 31 December 2024. We also report data for the previous period from 1 January 2023 to 31 December 2023. The data for 2025 (from 1 January 2025 to 31 December 2025) will be included in Annex IV for the fiscal period ending August 2026, after completion of third-party assurance review.

LLR specifically promotes environmental characteristics as follows:

- **Energy & Carbon:** reduction of greenhouse gas (“GHG”) emissions and the efficient use of energy.
- **Climate Adaptation:** contribution to the process of adjustment towards a low carbon economy and to the reduction of the adverse physical effects of climate change (such as floods) through adaptation measures.

For the purpose of this Annex IV, the Fund does not promote any social characteristics. LRA undertakes reasonable commercial endeavours to procure that not less than 60% of the portfolio of the Fund (calculated as a proportion of total gross asset value (“GAV”) of the Fund excluding liquid assets from such calculation) aligns with the environmental characteristics promoted by the Fund, as assessed by the sustainability due diligence.

As of 31 August 2025, the Fund’s GAV, excluding liquid assets, was 370,080 million yen, so 97.0% is aligned with the environmental characteristics promoted by the Fund.

As of 28 February 2025, the Fund’s GAV, excluding liquid assets, was 374,976 million yen, so 97.9% of the Fund’s GAV was aligned with the environmental characteristics promoted by the Fund. As of 31 August 2024, the Fund’s GAV, excluding liquid assets, was 378,141 million yen, so 98.2% was aligned with the environmental characteristics promoted by the Fund. As of 29 February 2024, the Fund’s GAV, excluding liquid assets, was 379,916 million yen, so 98.7% of the Fund’s GAV was aligned with the environmental characteristics promoted by the Fund.

● ***How did the sustainability indicators perform?***

Indicators used to measure the attainment of these environmental characteristics include:

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

- **Energy & carbon:**
 - GHG emissions (Scope 1, Scope 2, Scope 3 and Total) (PAI 18 Table 2);
 - Energy consumption intensity (PAI 19 Table 2);
 - Comprehensive Assessment System for Built Environment Efficiency (“CASBEE”) for real estate certification and Building-Housing Energy-Efficiency Labeling System (“BELS”) certification.
- **Climate Adaptation:**
 - When acquiring new assets, the Investment Committee conducts a review of sustainability risks such as ‘flood risk’, ‘climate change risk’ and ‘compliance with energy conservation laws and regulations’, etc., as part of the due diligence process and evaluates the identified risks before making an investment decision.
 - In our ongoing management, we manage and monitor sustainability-related risks (flood risks and climate change risks, etc.). As a result, climate change risk and resilience improvement measures are developed as necessary each year in the ‘Sustainability Management Plan’, with progress regularly reported to the ESG Committee, and additional measures considered as appropriate.

To assess these indicators, management systems are established and third-party assurance is performed annually for environmental data, including GHG emissions and energy consumption.

The specifics of each of our targets and the corresponding metrics are as follows:

- With regard to electricity consumption in the portfolio, we aim to obtain electricity consumption data for all properties by 2030 (target set in 2022), and monitor monthly electricity consumption per unit of production on a gross floor area basis as a KPI. In addition to the KPI mentioned above, we also monitor GHG emissions per unit on a gross floor area basis. We will aim to reduce emissions per unit by 50% by 2030 compared to 2019 emission levels.

In order to enhance transparency and reliability of the environmental performance of the properties we manage, we have been promoting the acquisition of environmental certifications by setting a target to achieve a 100% acquisition rate of environmental certifications by the end of 2025.

The performance of the sustainability indicators is detailed below:

- **Energy & Carbon:**
 - GHG emissions: As of the end of 2024, GHG emissions decreased by 35.2% compared to the base year of 2019 in terms of total intensity, and were approaching the target of a 50% reduction.
 - Energy consumption decreased by 16.4% for electricity and 39.9% for gas compared to the base year of 2019.
 - As of 31 August 2025, 100% of our properties (based on total floor area) have obtained environmental certification (CASBEE for real estate certification or BELS.)
- **Climate Adaptation:**
 - As of 31 August 2025, 100% of our properties are assessed as low risk, and no changes in sustainability-related risks have been identified.-

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

● ...and compared to previous periods?

- **Energy & Carbon:**
 - GHG emissions: Total GHG emissions in 2024 are 24,880 t-CO2, an increase from 24,509 t-CO2 in 2023; however, this is due to the full-year contribution of properties acquired in July 2023 and property acquisitions in February 2024. On an intensity basis, emissions decrease to 11.725 kg-CO2/m² from 11.816 kg-CO2/m² in 2023. Additionally, the GHG emissions intensity change rate in 2024 is 35.2% compared to the 2019 baseline year, showing progress from 34.7% in 2023.
 - The percentage of properties with environmental certifications is 100%, there is no change from the end of the previous period.
- **Climate Adaptation:**
 - There is no progress as the properties held have not changed since the end of the previous period, and no new climate change risks have been identified.

			2023	2024
Energy & Carbon	GHG emissions	Total (t-CO2)	24,509	24,880
		Intensity (kg-CO2/m2)	11.816	11.725
		Change rate (vs Base Year 2019)	-34.70%	-35.20%

		February 28, 2025	August 31, 2025
Energy & Carbon	Environmental certifications	100%	100%

		2024	2025
Climate Adaptation	Climate change risks	Low	Low

● **What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?**

Not applicable. The Fund promotes environmental characteristics, but does not have a sustainable investment objective and does not make sustainable investments.

● **How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?**

Not applicable.

— — — *How were the indicators for adverse impacts on sustainability factors taken into account?*

Not applicable.

— — — *Were sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:*

Not applicable.



How did this financial product consider principal adverse impacts on sustainability factors?

The Fund considers both mandatory and some non-mandatory adverse impacts applicable to investment in real estate assets as a part of each Sustainability Due Diligence and annual review.

LRA endeavors to collect the information and data required to support disclosure of the principal adverse impacts listed below. If the relevant data is not available in respect of a particular real estate investment (or targeted real estate investment), LRA uses appropriate proxy data to provide estimated energy consumption and GHG data, and will disclose the portion of actual and estimated data used in reporting.

LRA discloses information with respect to the principal adverse impacts in accordance with the requirements set out in the Regulatory Technical Standards (RTS) to the Disclosure Regulation. For the purpose of such disclosures, it is noted that in those cases where data relating to a sustainability indicator used is not readily available, details of the best efforts used to obtain the information are also provided (these may include carrying out additional research, utilizing third party data providers or external experts or making reasonable assumptions).

Data Period and Target

GHG emission data and Energy consumption data (non-mandatory PAIs) have been provided for 2024, as this data is the latest to have received a third-party assurance review and the previous year 2023. This applies to the properties or areas for which the Investment Corporation has the authority to manage. In addition, this report covers properties owned during each calculation period and does not take into account ownership interests in the joint co-ownership properties. The figures are the amounts consumed and discharged by the entire building. Leasehold land is not included.

Limitations to methodologies and data

The primary limitation to the methodology or data source is the necessity of our reliance on the tenants and property management companies for raw data at the property level. Data at the portfolio level are compiled internally by the Asset Manager. To ensure the accuracy of compiled data at the portfolio level, we have engaged an independent third-party accounting firm which has provided an assurance report regarding the accuracy and quality of compiled data at the portfolio level, but the assurance report does not provide independent verification of accuracy of raw data at the property level and the challenges associated with our reliance on the tenant and property management companies for raw data at the property level remain.

Limitations to the methodology and data are not expected to affect the attainment of the environmental characteristics promoted by LLR in any material way.

Assessment of Principal Adverse Impacts

Adverse Sustainability Indicator	Metric	Impact 2023	Impact 2024	Explanation	Actions taken, and actions planned and targets set for the next reference period
Mandatory Climate and other environment-related indicators: Indicators applicable to investments in real estate assets					
17. Exposure to fossil fuels through real estate assets	Share of investments in real estate assets involved in the extraction, storage, transport or manufacture of fossil fuels	0%	0%	The portfolio did not include real estate assets involved in the extraction, storage, transport or manufacture of fossil fuels.	No action planned.
18. Exposure to energy-inefficient real estate assets	Share of investments in energy-inefficient real estate assets	N/a	N/a	The European EPC standard is not used as a means of measuring the energy efficiency of the portfolio.	No action planned.
Non-Mandatory Additional climate and other environment-related indicators: Indicators applicable to investments in real estate assets					
18. GHG emissions	Scope 1 GHG emissions generated by real estate assets	126 t-CO2 (0.3652 kg-CO2/m ²)	125 t-CO2 (0.3627 kg-CO2/m ²)	Although total GHG emissions increased due to the acquisition of 3 properties in July 2023 and 1 property in February 2024, the intensity decreased as a result of net zero carbon initiatives."	Operational changes: We will continue to optimize our operations as recommended by energy audits. Energy efficiency: Lighting is a significant source of energy consumption at our properties. We are focused on switching to LED lighting, which can significantly reduce energy consumption compared to conventional lighting. On-site renewables: Solar energy will play an important role in reducing our carbon footprint. Under a feed-in tariff ("FIT") scheme, we have been focusing on the selling of solar energy to energy companies through our rooftop lease agreements. Going forward, we intend to shift on-site generated solar energy to reduce baseline carbon emissions to capture carbon offset value.
	Scope 2 GHG emissions generated by real estate assets	4,618 t-CO2 (25.365 kg-CO2/m ²)	4,633 t-CO2 (25.453 kg-CO2/m ²)		
	Scope 3 GHG emissions generated by real estate assets (for the purpose of this Annex IV, Scope 3 emissions shall comprise tenant purchased energy where such information is available)	19,766 t-CO2 (10.446 kg-CO2/m ²)	20,122 t-CO2 (10.373 kg-CO2/m ²)		
	Total GHG emissions generated by real estate assets	24,509 t-CO2 (11.816 kg-CO2/m ²)	24,880 t-CO2 (11.725 kg-CO2/m ²)		
19. Energy consumption	Electricity consumption	64,157,909 kWh (30.93 kWh /m ²)	65,139,878 kWh (30.70 kWh /m ²)	Although total electricity consumption increased due to the above reasons, electricity consumption intensity and both total gas consumption and gas consumption intensity decreased as a result of net zero carbon initiatives.	Off-site renewables: We have introduced and partially commenced off-site Power Purchase Agreements (Off-Site PPAs) to supply solar energy generated on the rooftops of owned properties to other owned properties.
	Gas consumption	696,189 kWh (2.03 kWh /m ²)	684,524 kWh (1.99 kWh /m ²)		



What were the top investments of this financial product?

The fair value of the top properties (50% of the total) as of 31 August 2025 is as follows:

Largest investments	Sector	% Assets (% of Total Property Appraisal value)	Country
LOGIPORT Amagasaki	Logistics	14.4	Japan
LOGIPORT Osaka Bay	Logistics	10.3	Japan
LOGIPORT Kawasaki Bay	Logistics	8.2	Japan
LOGIPORT Kitakashiwa	Logistics	8.0	Japan
LOGIPORT Sagamihara	Logistics	6.8	Japan
LOGIPORT Higashi Ogishima C	Logistics	6.3	Japan

The list includes the investments constituting the **greatest proportion of investments** of the financial product during the reference period which is: 1 March 2025 to 31 August 2025.

What was the proportion of sustainability-related investments

The Fund did not make any sustainable investments within the meaning of the EU SFDR.

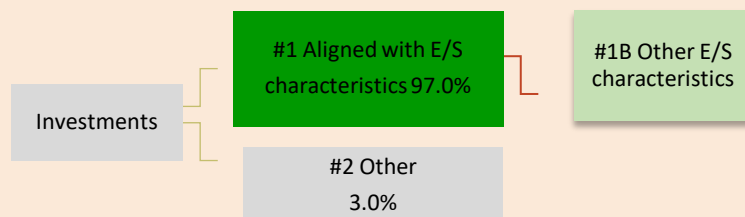


● What was the asset allocation?

The investments of the Fund aligned with the environmental characteristics promoted by the Fund in category #1 for the period 1 March 2025 to 31 August 2025 was 97.0% of the GAV of the Fund.

During this period, the remaining 3.0% of the Fund's GAV was categorized as #2 Other, comprising investments that do not align with the environmental characteristics promoted by the Fund as assessed by the Sustainability Due Diligence.

Asset allocation describes the share of investments in specific assets.



#1 Aligned with E/S characteristics includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

#2 Other includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

The category **#1 Aligned with E/S characteristics** covers:

The sub-category **#1B Other E/S characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

● ***In which economic sectors were the investments made?***

The Fund invests in real estate assets that target logistics facilities.



● **To what extent were the sustainable investments with an environmental objective aligned with the EU Taxonomy?**

Not applicable.

● **Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy¹²?**

☐

Yes:

☐

In fossil gas

☐

In nuclear energy

☒

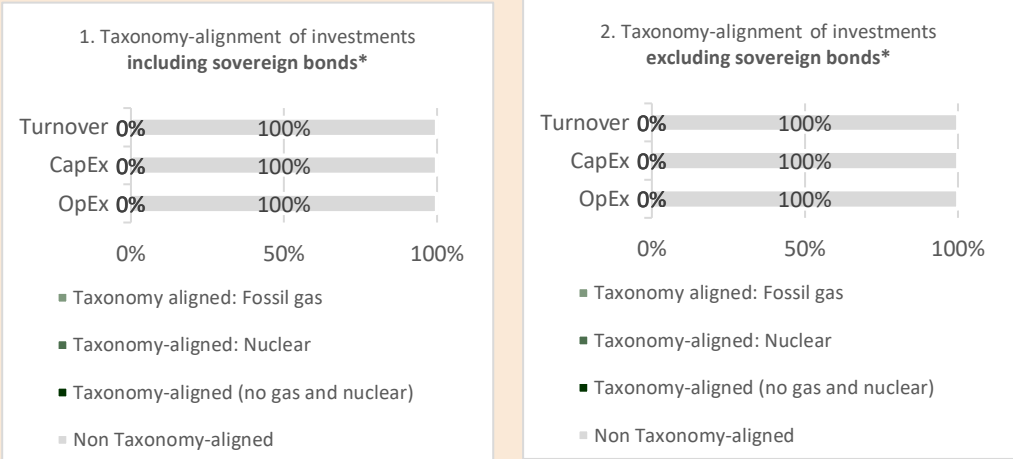
No

¹² Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflecting the share of revenue from green activities of investee companies.
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.

The graphs below show in green the percentage of investments that were aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.



* For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures.

● What was the share of investments made in transitional and enabling activities?

Not applicable.

● How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?

Not applicable.

 are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under Regulation (EU) 2020/852.



What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy?

Not applicable.



What was the share of socially sustainable investments?

Not applicable.



What investments were included under “other”, what was their purpose and were there any minimum environmental or social safeguards?

The 3.0% of GAV, excluding liquid assets included in the other category, are mainly investments and other assets and deferred assets, which do not match the environmental characteristics

promoted by the fund. The main components of investments and other assets are investment securities and long-term prepaid expenses, while the main components of deferred assets are investment unit issuance expenses and investment corporation bond issuance costs.

There are no plans to remediate these categorization.



What actions have been taken to meet the environmental and/or social characteristics during the reference period?

The Fund has commenced installing solar PV systems on the rooftops of owned properties to supply solar energy for consumption either on-site or at other off-site properties, with some generated power supplied to the grid. As of August 2025, 17 properties have installed solar PV systems, representing 71.3% of the total gross floor area.

The Fund conducts a third-party energy audit annually. Based on the energy reduction measures identified in the audit report, the Fund is making progress in converting to LED lighting, implementing a centralized lighting management system and motion sensors to optimize electricity use, and upgrading to energy-saving air conditioning systems.



How did this financial product perform compared to the reference benchmark?

LRA does not designate a reference benchmark.

● ***How does the reference benchmark differ from a broad market index?***

Not applicable.

● ***How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?***

Not applicable.

● ***How did this financial product perform compared with the reference benchmark?***

Not applicable.

● ***How did this financial product perform compared with the broad market index?***

Not applicable.

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.