

Summary of Financial Results for the Fiscal Period Ended February 28, 2021 (REIT)

April 15, 2021

Name of Issuer: Mitsubishi Estate Logistics REIT
Investment Corporation (“MEL”)
Stock Exchange Listing: Tokyo Stock Exchange
Securities Code: 3481
Website: <https://mel-reit.co.jp/en/>
Representative: Masaki Sakagawa, Executive Director

Asset Management Company: Mitsubishi Jisho Investment Advisors, Inc.
Representative: Haruhiko Araki, President & CEO
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Scheduled Date of Filing of Securities Report: May 28, 2021
Scheduled Date of Commencement of Distributions Payments: May 20, 2021

Supplementary Materials for Financial Results: Yes
Investors and Analysts Meeting: Yes

(Values are rounded down to the nearest million yen)

1. Financial Results for the Fiscal Period Ended February 28, 2021 (9th Fiscal Period) (from Sep. 1, 2020 to Feb. 28, 2021)

(1) Operating Results

(Percentages indicate change from the previous period)

Fiscal period ended	Operating revenues		Operating income		Ordinary income		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Feb. 28, 2021	4,203	25.7	2,204	27.4	2,074	25.3	2,073	25.3
Aug. 31, 2020	3,342	4.4	1,729	(1.1)	1,655	1.3	1,654	1.4

Fiscal period ended	Net income per unit	Return on unitholders' Equity	Ratio of ordinary income to total assets	Ratio of ordinary income to operating revenues
	Yen	%	%	%
Feb. 28, 2021	5,958	2.3	1.5	49.3
Aug. 31, 2020	5,410	2.0	1.4	49.5

Note: MEL issued new investment units of 40,500 units and 1,922 units on Sep. 1, 2020 and Sep. 30, 2020, respectively. For the fiscal period ended Feb. 28, 2021, net income per unit is calculated by dividing net income by the day-weighted average number of investment units outstanding during the period 347,929 units.

(2) Distributions

Fiscal period ended	Distributions per unit (excluding surplus cash distributions)	Total amount of distributions (excluding surplus cash distributions)	Surplus cash distributions per unit	Total amount of surplus cash distributions	Distributions per unit (including surplus cash distributions)	Total amount of distributions (including surplus cash distributions)	Payout ratio	Ratio of distributions to net assets
	Yen	Millions of yen	Yen	Millions of yen	Yen	Millions of yen	%	%
Feb. 28, 2021	5,953	2,073	666	231	6,619	2,304	100.0	2.2
Aug. 31, 2020	5,411	1,654	592	181	6,603	1,835	100.0	2.0

Notes:

- Total amount of surplus cash distributions are the refund of investment, which falls under the distributions through reduction in unitholders' capital under taxation law.
- The ratio of net asset value attributable to a reduction in unitholders' paid-in capital for the fiscal periods ended Aug. 31, 2020 and Feb. 28, 2021, is 0.002 and 0.003, respectively. The payment of surplus cash distributions is deemed a return of capital. This calculation methodology is pursuant to Article 23, Paragraph 1, Item 4 of the Act on Special Measures Concerning Taxation.
- With the issuance of new investment units conducted in the fiscal period ended Feb. 28, 2021, the payout ratio is calculated using the following formula.

$$\text{Payout ratio} = \text{Total amount of distributions (excluding surplus cash distributions)} / \text{Net income} \times 100$$

(3) Financial Position

	Total assets	Net assets	Unitholders' equity to total assets	Net assets per unit
Fiscal period ended	Millions of yen	Millions of yen	%	Yen
Feb. 28, 2021	151,467	99,586	65.7	285,972
Aug. 31, 2020	120,476	81,648	67.8	266,987

(4) Cash Flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents
Fiscal period ended	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Feb. 28, 2021	1,827	(28,280)	28,030	9,472
Aug. 31, 2020	3,496	17	(2,906)	7,894

2. Forecasts for the Fiscal Periods Ending Aug. 31, 2021 (from Mar. 1, 2021 to Aug. 31, 2021) and Feb. 28, 2022 (from Sep. 1, 2021 to Feb. 28, 2022)

(Percentages indicate change from the previous period)

Fiscal period ending	Operating revenues		Operating income		Ordinary income		Net income		Distributions per unit (including SCD)	Distributions per unit (excluding SCD)	SCD
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen	Yen	Yen
Aug. 31, 2021	4,941	17.6	2,521	14.4	2,336	12.6	2,335	12.6	6,685	5,969	716
Feb. 28, 2022	5,035	1.9	2,613	3.6	2,493	6.7	2,492	6.7	7,099	6,372	727

(Reference) Forecasted net income per unit for the fiscal period ending Aug. 31, 2021: 5,969 yen

Forecasted net income per unit for the fiscal period ending Feb. 28, 2022: 6,372 yen

*Other

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

- (a) Changes in accounting policies due to revisions to accounting standards and other regulations: None
- (b) Changes in accounting policies due to other reasons: None
- (c) Changes in accounting estimates: None
- (d) Restatements: None

(2) Total number of investment units issued and outstanding

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

As of Feb. 28, 2021 348,273 units As of Aug. 31, 2020 305,815 units

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

As of Feb. 28, 2021 0 units As of Aug. 31, 2020 0 units

Note: Please refer to "Notes Concerning Per Unit Information" on page 25 for the based calculation for the forecasted net income per unit.

*Implementation Status of Statutory Audit

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

*Explanation on the Appropriate Use of the Forecast of Financial Results and Other Matters of Special Consideration

The forward-looking statements in this material are based on information currently available to us and on certain assumptions that we believe are reasonable. Actual operating performance may differ substantially due to various factors. Furthermore, those statements shall not be deemed a guarantee or any commitment of the amount of future distributions and surplus cash distributions. Please refer to "Forecast Assumptions for the Fiscal Periods Ending Aug. 31, 2021 and Feb. 28, 2022" on page 7 for assumptions regarding forward-looking statements.

Note: This document has been translated from a part of the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

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1. Results of Operations

(1) Results of Operations

(A) Overview of the Ninth Fiscal Period ended February 28, 2021

(i) Major Operational Results of MEL

Mitsubishi Estate Logistics REIT Investment Corporation (“MEL”) was established on July 14, 2016 under the “Act on Investment Trust and Investment Corporation” (“Investment Trust Law”), and was listed on the REIT Securities Market of the Tokyo Stock Exchange on September 14, 2017 (securities code: 3481).

Mitsubishi Estate Co., Ltd. (“MEC”), one of the largest comprehensive developers in Japan, acting as a sponsor. MEL focuses on investing in logistics facilities. MEL’s asset management company, Mitsubishi Jisho Investment Advisors, Inc. (“Asset Management Company” or “MJIA”) has boasting an extensive track record in real estate fund management since its establishment in 2001. Through “HYBRID” (Note 1) utilization of the strengths of both companies, MEL aims for maximization of unitholder value by striving for the building of a high-quality portfolio and steady and stable asset management as a listed real estate investment corporation investing mainly in logistics facilities. Focusing on “location”, “building features” and “stability,” we aim to build a long-term and stable portfolio through selective investments in highly competitive logistics facilities that meet tenant needs.

Furthermore, MEL announced its management policy based on the “Three Pillars” on April 17, 2019, as a management plan designed to maximize unitholder value in the medium- to long-term. The management policy is intended to gather the entire MEC Group to work together and improve unitholder value of MEL, focusing on the following three pillars: Alignment (align interest with unitholders), Discipline (disciplined growth) and Hybrid (enhance MEL’s unique strategy, the hybrid model).

As of the end of the reporting fiscal period (Feb. 28, 2021), MEL acquired five additional properties, Logicross Osaka (60% initial co-beneficiary interest) (Note 2), Logicross Nagoya Kasadera (60% initial co-beneficiary interest) (Note 3), LOGIPORT Osaka Taisho (17.5% additional co-beneficiary interest) (Note 4), MJ Logipark Kazo 1 and MJ Logipark Sendai 1, worth aggregate acquisition price of 28,407 million yen during the reporting fiscal period. As a result, MEL owned 19 properties (aggregate acquisition price: 142,192 million yen), at the end of the reporting fiscal period (Feb. 28, 2021).

Note 1: “HYBRID,” as in the English term “hybrid” meaning a combination of two things, is used in the context of utilization of the strengths of MEC and MJIA to refer to the strengths of both companies being utilized creatively and at times combined depending on the situation and thereby making the most of these in the management of MEL.

Note 2: Logicross Osaka (60% initial co-beneficiary interest) refers to the 60% initial co-beneficiary interest of Logicross Osaka, which was acquired by MEL on Sept. 1, 2020, and Logicross Osaka (40% additional co-beneficiary interest) refers to the 40% additional co-beneficiary interest of Logicross Osaka, which was acquired by MEL on Mar. 9, 2021.

Note 3: Logicross Nagoya Kasadera (60% initial co-beneficiary interest) refers to the 60% initial co-beneficiary interest of Logicross Nagoya Kasadera, which was acquired by MEL on Sept. 1, 2020, and Logicross Nagoya Kasadera (40% additional co-beneficiary interest) refers to the 40% additional co-beneficiary interest of Logicross Nagoya Kasadera, which was acquired by MEL on Mar. 9, 2021.

Note 4: LOGIPORT Osaka Taisho (20% initial co-beneficiary interest) refers to the 20% initial co-beneficiary interest of LOGIPORT Osaka Taisho, which was acquired by MEL on Oct. 9, 2019, and LOGIPORT Osaka Taisho (17.5% additional co-beneficiary interest) refers to the 17.5% additional co-beneficiary interest of LOGIPORT Osaka Taisho, which was acquired by MEL on Sept. 1, 2021.

(ii) Investment Environment and Operational Results of the Ninth Fiscal Period ended February 28, 2021

During the reporting fiscal period (ended on Feb. 28, 2021), Despite some signs of improvement in consumer spending and corporate earnings from summer to autumn, the situation remains severe against the backdrop of the spread of infections both domestically and overseas since the end of 2020. Although the economy is expected to slowly recover as economic activities are resuming with safety precautions taken against the disease, economic uncertainties will most likely to continue, and it is essential to closely monitor the impacts on the financial and capital markets going forward. The actual GDP (gross domestic product) for the fourth quarter of 2020 (from Oct. to Dec.) recorded a positive growth for the second consecutive quarter with 11.6% increase on an annualized basis as a result of recovery in consumer spending and export activities.

Investors in the real estate transaction market have become more selective of property types and are highly motivated to invest in sectors with resilience such as logistics facilities and residential which can be expected stable returns even under the global pandemic of COVID-19. Long-term interest rates in the U.S. are on an upward trend, and it is necessary to continue to closely monitor the interest rate trends. However, investors continue to look for potential investment opportunities and cap rates of logistics facilities remain low due to stable cash flow.

In the J-REIT market, which continued to recover moderately, the Tokyo Stock Exchange REIT Index temporarily exceeded 2,000 points on Feb. 17, 2021, but subsequently declined slightly against the backdrop of concerns over rising interest rates in the U.S., but has trended from 1,900 points to 2,000 points. As the

economy heads toward normalization, we believe it is necessary to closely monitor the increase in volatility associated with changes in the interest rate environment and other factors.

In the logistics facilities market, a rapid increase of e-commerce use has drawn attention and further increase in demand for logistics facilities is expected, driven by the increased online-based consumption and inventories. Under these circumstances, the demand for logistics facilities continues to be strong and vacancy rates remain low, despite a large volume of new supply. Although the trend of new supply is expected to continue, tenant leasing activities for properties under development are proceeding well, and no significant impact is expected on MEL's portfolio.

As of the end of the reporting fiscal period (Feb. 28, 2021), MEL owned 19 properties (aggregate acquisition price: 142,194 million yen) and the occupancy rate remained high, at 99.7% as of the end of the reporting fiscal period.

(iii) Overview of Financing

MEL aims for financial management with emphasis on soundness and LTV control and also efficient cash management.

a. Issuance of New Investment Units

MEL issued new investment units through its public follow-on offering (40,500 units) and raised 16,898 million yen equity capital, with a payment date of Sept. 1, 2020, to procure funds to acquire assets acquired in the 9th fiscal period. MEL additionally issued units through a third-party allotment (1,922 units) and raised 801 million yen equity capital, with a payment date of Sept. 30, 2020. As a result of these offerings, the balance of MEL's unitholders' capital was 97,512 million yen and the total number of units issued and outstanding was 348,237 as of the end of the reporting fiscal period (Feb. 28, 2021).

b. Debt Financing

MEL's financial strategy is to take consideration of proportion of short and long-term borrowings, the balance between floating and fixed-interest rate borrowings and maintain a well-diversified maturity profile.

As of the end of the reporting fiscal period (Feb. 28, 2021), MEL borrowed short-term loans of 2,600 million yen and long-term loans of 10,400 million yen on Sept. 1, 2020 including ESG loan for J-REIT from MUFG Bank, Ltd., for the purpose of acquiring five new properties associated with ancillary costs and expenses. Moreover, MEL prepaid aforementioned portion of short-term loan of 800 million yen with the proceed from third-party allotment on Oct. 1, 2020. In addition, on Oct. 9, 2020, MEL successfully refinanced short-term loan of 950 million yen (short-term loan of 200 million yen and long-term loan of 750 million yen).

As of the end of the reporting fiscal period (Feb. 28, 2021), the balance of MEL's interest-bearing debt was 47,574 million yen and MEL's loan-to-value ratio (the ratio of aggregate balance of interest-bearing debt to MEL's total assets, hereinafter "LTV") was 31.4% as of the end of the reporting fiscal period.

c. Shelf Registration of Investment Corporation Bonds

MEL has filed an amendment of shelf registration statement (the original shelf registration statement was submitted on Apr. 17, 2020) for issuance of (undecided) series of unsecured bonds ("Green bonds") to the Director General of the Kanto Local Finance Bureau. MEL has obtained a Green 1 (F) (highest for JCR Green Finance Evaluation) rating in preliminary evaluation for the competence of its Green Finance Framework from Japan Credit Rating Agency, Ltd. (JCR).

d. Credit Rating

MEL's credit rating as of the end of the reporting fiscal period (Feb. 28, 2021) was as follows:

Rating Agency	Rating Object	Rating	Outlook
Japan Credit Rating Agency, Ltd.	Long-term issuer rating	AA-	Stable

(iv) Overview of Financial Results and Distributions

As a result of these investment activities and financings, MEL generated operating revenues of 4,203 million yen, operating income of 2,204 million yen, ordinary income of 2,074 million yen, net income of 2,073 million yen and distributions per unit of 6,619 yen per unit for the reporting fiscal period.

MEL's distributions for the same period were 5,953 yen per unit, which included MEL's profit distributions in deductible expenses in accordance with the Section 1 of Article 67-15 of the Act on Special Taxation Measures Law (a customary practice of J-REITs). The distribution amount was determined to distribute all unappropriated retained earnings for the reporting period, excluding fractions less than one yen. MEL declared the distribution

amount of 2,073,054,861 yen which was the amount equivalent to the maximum integral multiples of number of investment units issued and outstanding (348,237 investment units) as of the reporting fiscal period.

In addition to the above distributions arising from earnings, MEL intends to regularly distribute cash in excess of the amount of retained earnings ("Regular Surplus Cash Distributions") in each fiscal period in accordance with MEL's distribution policy set forth in its articles of incorporation (Note 1). In addition, to maintain the stability of MEL's distributions per unit in the event that it is expected that an amount of distributions per unit temporarily decreases by a certain degree due to financing actions or incurrence of large repair and maintenance, MEL may decide to make distributions as one-time surplus cash distributions ("One-time Surplus Cash Distributions," collectively with the Regular Surplus Cash Distributions, "SCD").

Accordingly, MEL made Regular Surplus Cash Distributions of 231,925,842 yen, equivalent to 30% of MEL's depreciation expense for the reporting fiscal period and the total amount of SCD per unit for the reporting fiscal period was 666 yen.

Notes:

1. However, MEL may decide not to make any surplus cash distributions for a fiscal period based on a consideration of factors such as economic or real estate market conditions and MEL's, financial condition or the amount of anticipated profitability, which includes capital gains arising from property dispositions. In addition, MEL does not plan to pay surplus cash distributions from the perspective of continuing stable financial management, in case such payment would cause the Appraisal LTV (Note 2), as defined below, to exceed 60%.

2. Appraisal LTV (%) = A / B (%)

A = Total interest bearing liabilities on the balance sheet for the fiscal period related to the operating period in question (excluding tax loan) + Reversal from security deposit reserves (excluding cases where security deposits are refunded according to leasing agreements with tenants)

B = Total assets on the balance sheet for the fiscal period related to the operating period in question – Book value after depreciation of real estate held in the fiscal period in question + Total appraisal value of real estate held in the fiscal period in question – Total cash distributions to be paid in the next operating period – Total surplus cash distributions to be paid in the next operating period

(B) Outlook for the Next Fiscal Period

(i) Future Management Policies

MEL aims to build a high-quality portfolio and manage assets in a stable and steady manner, and eventually to maximize unitholder value, through selective investments in highly competitive logistics facilities that meet tenant needs with a focus on "location," "building features" and "stability," based on the accumulated expertise of Mitsubishi Estate Group.

a. External Growth Strategy

MEL takes advantage of the following two unique features in a hybrid manner: pipeline support from MEC based on the sponsor support agreement and MJIA's property sourcing capacity based on its capability to assess investment projects. MEL aims to achieve stable external growth by leveraging strengths of both MEC and MJIA according to market circumstances (hybrid external growth).

b. Internal Growth Strategy

MEL aims to achieve internal growth that maximizes the value of properties and contributes to MEL's steady growth by making the most of MEC's leasing capability based on relationships with a wide variety of corporate customers fostered as a comprehensive real estate developer and MJIA's capability to stably manage logistics facilities backed by its track record of fund management (hybrid internal growth).

c. Financial Strategy

MEL lays the foundation on long-lasting stable financial management leveraging MEC Group's expertise in financial strategy and credibility cultivated over the long term, and controls LTV in consideration of growth potential. In addition, MEL is committed to efficient cash management in order to achieve improvements in unitholder value.

(ii) Significant Subsequent Events

a. Issuance of New Investment Units

MEL issued new investment units based on the resolution made by the board of directors on Feb. 18, 2021 and Mar. 1, 2021 and the payment was completed on Mar. 5, 2021 and Apr. 6, 2021 for the issuance of new investment units through public offering and third-party allotment, respectively.

<Issuance of New Investment Units through Public Offering>

Number of units issued and outstanding	: 41,000 units
Issue price	: 403,650 yen per unit
Total amount issued	: 16,549,650,000 yen
Issue amount	: 390,402 yen per unit
Net proceeds	: 16,006,482,000 yen
Payment date	: Mar. 5, 2021

<Issuance of New Investments Units through the Third-Party Allotment>

Number of units issued and outstanding	: 1,898 units
Issue amount	: 390,402 yen per unit
Net proceeds	: 740,982,996 yen
Payment date	: Apr. 6, 2021
Allottee	: SMBC Nikko Securities Inc.

b. Issuance of Investment Corporation Bonds

MEL decided to issue Green Bonds on Apr. 8, 2021 (payment date: Apr. 14, 2021) based on an amendment of shelf registration statement announced in the press release "MEL Files Amendment to Shelf Registration Statement for Issuance of Green Bonds" dated Jan. 18, 2021 and per the blanket resolution approved at the board of directors' meeting held on Apr. 7, 2021.

Name	Mitsubishi Estate Logistics REIT Investment Corporation 1st Series Unsecured Bonds (Ranking pari passu among Specified investment corporation bonds) (Green Bonds)
Total Issue Amount	2,000 million yen
Interest Rate	0.700% per annum
Redemption Date	Apr. 14, 2036
Credit Rating	AA- (JCR)
Collateral and guarantee	Neither collateral nor guarantee is provided for Green Bonds, and no asset has been particularly secured for the Green Bonds.
Use of Proceeds	The proceeds were allocated to the prepayment of a portion of the short-term loans (total amount 2,000 million yen)

(Reference Information)

(A) Property Acquisition

MEL acquired the following properties from the settlement date (Feb. 28, 2021) on and after.

Category	Property Name	Location	Acquisition Price (Millions of yen)	Acquisition Date	Seller
Logistics Facilities	Logicross Narashino	Narashino, Chiba	11,851	Mar. 9, 2021	Shin-Narashino Property Godo Kaisha
	Logicross Osaka (40% additional co-beneficiary interest)	Osaka, Osaka	3,868		Domestic business company (Note)
	Logicross Nagoya Kasadera (40% additional co-beneficiary interest)	Nagoya, Aichi	5,719		Domestic business company (Note)
Others	MJ Industrial Park Kobe (Land)	Kobe, Hyogo	4,970	Mar. 19, 2021	Domestic business company (Note)
	MJ Industrial Park Chiba-Kita (Land)	Chiba, Chiba	1,800		Kinugawa Rubber Industrial Co., Ltd.
Total			28,209	-	-

Note: Not disclosed as the seller's consent has not been obtained.

(iii) Earnings Forecast

Forecasts for the fiscal period ending Aug. 31, 2021 (from Mar. 1, 2021 to Aug. 31, 2021) are follows.

	Operating revenues	Operating income	Ordinary income	Net income	Distributions per unit (including SCD)	Distributions per unit (excluding SCD)	SCD
Fiscal period ending Aug. 31, 2021	Millions of yen 4,941	Millions of yen 2,521	Millions of yen 2,336	Millions of yen 2,335	Yen 6,685	Yen 5,969	Yen 716

(Reference)

Fiscal period ending Aug. 31, 2021: Expected number of investment units outstanding at the end of the period: 391,135 units;
Expected Net income per unit: 5,969 yen

Forecasts for the fiscal period ending Feb. 28, 2022 (from Sep. 1, 2021 to Feb. 28, 2022) are follows.

	Operating revenues	Operating income	Ordinary income	Net income	Distributions per unit (including SCD)	Distributions per unit (excluding SCD)	SCD
Fiscal period ending Feb 28, 2022	Millions of yen 5,035	Millions of yen 2,613	Millions of yen 2,493	Millions of yen 2,492	Yen 7,099	Yen 6,372	Yen 727

(Reference)

Fiscal period ending Feb. 28, 2022: Expected number of investment units outstanding at the end of the period: 391,135 units;
Expected Net income per unit: 6,372 yen

The forecast information is calculated based on the assumptions described in "Forecast Assumptions for the Fiscal Periods Ending Aug. 31, 2021 and Feb. 28, 2022".

Note: Forecast calculations are based on the assumptions as of the date hereof. Actual operating revenues, operating income, ordinary income, net income, distributions per unit (excluding surplus cash distributions), and surplus cash distributions per unit may vary due to changes in MEL's operational environment and circumstances. Therefore, these forecasts should not be deemed a commitment or guarantee of the amount of future cash distributions.

Forecast Assumptions for the Fiscal Periods Ending Aug. 31, 2021 and Feb. 28, 2022

Items	Assumption																																	
Accounting Period	<ul style="list-style-type: none"> ➤ Fiscal period ending Aug. 31, 2021 (10th fiscal period): From Mar. 1, 2021 to Aug. 31, 2021 (184 days) ➤ Fiscal period ending Feb. 28, 2022 (11th fiscal period): From Sept. 1, 2021 to Feb. 28, 2022 (181 days) 																																	
Assets Under Management	<ul style="list-style-type: none"> ➤ In addition to its 19 properties MEL owned as of Feb. 28, 2021 (“Properties Owned as of the End of 9th Fiscal Period”), MEL acquired Logicross Narashino, Logicross Osaka (40% additional co-beneficiary interest), Logicross Nagoya Kasadera (40% additional co-beneficiary interest), MJ Industrial Park Kobe (Land) on Mar. 9, 2021, and MJ Industrial Park Chiba-Kita (Land) on Mar. 19, 2021 (“Properties Acquired during the 10th Fiscal Period”), and currently MEL owns 22 properties. ➤ It is assumed there will be no material change (including acquisition of new properties and dispositions of existing properties) in the operational status of the 22 properties MEL owned as of Apr. 15, 2021, up until Feb. 28, 2022. ➤ The actual results may change due to the acquisition of new properties or the disposition of existing properties, etc. 																																	
Operating Revenues	<ul style="list-style-type: none"> ➤ Operating rental revenues take into account factors such as market trends and the competitiveness, etc. of each property based on information provided by the seller of the Properties Acquired during the 10th Fiscal Period and operating results held by the Asset Management Company for the Properties Owned as of the End of 9th Fiscal Period. ➤ It is assumed tenants will pay rents without delinquency or withholding. ➤ The forecasts of operating revenues are made on the assumption that there will be no profit or loss from sale of real estate. 																																	
Operating Expenses	<ul style="list-style-type: none"> ➤ Main items regarding operating expenses are as follows: <table border="1" style="margin-left: 40px; width: 100%;"> <thead> <tr> <th></th> <th align="center" colspan="2">(Millions of yen)</th> </tr> <tr> <th></th> <th align="center">Fiscal Period Ending Aug. 31, 2021</th> <th align="center">Fiscal Period Ending Feb. 28, 2022</th> </tr> </thead> <tbody> <tr> <td>Total Operating Rental Expenses</td> <td align="right">1,820</td> <td align="right">1,802</td> </tr> <tr> <td>Facility Management Fee</td> <td align="right">232</td> <td align="right">222</td> </tr> <tr> <td>Utilities Cost</td> <td align="right">138</td> <td align="right">137</td> </tr> <tr> <td>Repair and Maintenance Expenses</td> <td align="right">125</td> <td align="right">105</td> </tr> <tr> <td>Property Taxes</td> <td align="right">409</td> <td align="right">409</td> </tr> <tr> <td>Depreciation</td> <td align="right">880</td> <td align="right">892</td> </tr> <tr> <td>Total General and Administrative Expenses</td> <td align="right">599</td> <td align="right">619</td> </tr> <tr> <td>Asset Management Fee</td> <td align="right">392</td> <td align="right">458</td> </tr> <tr> <td>Sponsor Support Fee</td> <td align="right">85</td> <td align="right">84</td> </tr> </tbody> </table> <ul style="list-style-type: none"> ➤ Of operating rental expenses, which is the main operating expense, expenses except depreciation are calculated by taking into account various factors based on historical data. ➤ Property taxes and city planning taxes are generally included in the purchase price of properties on a pro-rata basis of the calendar year and will begin to be expensed from the following calendar year. Accordingly, property taxes and city planning taxes for the Properties Acquired during the 10th Fiscal Period will be expensed starting from the fiscal period ending Aug. 31, 2022. ➤ For building repair expenses, the amount assumed to be necessary for each property is based on the repair and maintenance plans of the Asset Management Company. However, repair expenses may differ substantially from the anticipated amount due to unexpected factors. For building repair expenses, the amount assumed to be necessary for each property is based on the repair and maintenance plans of the Asset Management Company. However, repair expenses may differ substantially from the anticipated amount due to unexpected factors. 		(Millions of yen)			Fiscal Period Ending Aug. 31, 2021	Fiscal Period Ending Feb. 28, 2022	Total Operating Rental Expenses	1,820	1,802	Facility Management Fee	232	222	Utilities Cost	138	137	Repair and Maintenance Expenses	125	105	Property Taxes	409	409	Depreciation	880	892	Total General and Administrative Expenses	599	619	Asset Management Fee	392	458	Sponsor Support Fee	85	84
	(Millions of yen)																																	
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Non-operating Expenses	<ul style="list-style-type: none"> ➤ For the fiscal period ending Aug. 31, 2021, it is assumed that 187 million yen will be incurred as non-operating expenses, which includes 122 million yen for interest expenses and other debt-related costs, 4 million yen as amortization of organization expenses and 60 million yen in relation to the offerings of the new investment units. ➤ For the fiscal period ending Feb. 28, 2022, it is assumed that 122 million yen will be incurred as non-operating expenses, which includes 121 million yen for interest expenses and other debt-related costs. 																																	

Interest-bearing Debt	<ul style="list-style-type: none"> ➤ The balance of MEL's interest-bearing debt on an accounting basis as of today is 60,574 million yen. ➤ It is assumed that, MEL will repay the short-term debt of 1,300 million yen obtained on Sept. 1, 2020 using cash on hand including the proceeds of tax refund during the fiscal period ending Aug. 31, 2021. ➤ It is assumed that, MEL will repay the short-term debt of 900 million yen obtained on Mar. 9, 2021 using cash on hand including the proceeds of tax refund during the fiscal period ending Feb. 28, 2022. ➤ The total expected amount of interest-bearing debt at the end of the fiscal periods ending Aug. 31, 2021 and Feb. 28, 2022 is estimated to be 59,274 million yen and 58,374 million yen, respectively. ➤ LTV at the end of the fiscal periods ending Aug. 31, 2021 and Feb. 28, 2022 is estimated to be 32.7% and 32.4%, respectively. For LTV calculation, please refer to the following formula. The ratios are rounded to the nearest tenth: LTV (%) = interest-bearing debt / total assets × 100 (%)
Investment Units	<ul style="list-style-type: none"> ➤ It is assumed that the number of investment units currently issued and outstanding will not change up until Feb. 28, 2022. Currently, there are 391,135 units issued and outstanding. ➤ Distributions per unit (excluding surplus cash distributions) and surplus cash distributions per unit for the fiscal periods ending Aug. 31, 2021 and Feb. 28, 2022 are calculated based on 391,135 investment units, which is the total number of investment units expected to be issued and outstanding at the end of the fiscal periods ending Aug. 31, 2021 and Feb. 28, 2022.
Distributions Per Unit (excluding surplus cash distributions)	<ul style="list-style-type: none"> ➤ Distributions per unit (excluding surplus cash distributions) are calculated based on the premise of the distribution policy in the Articles of Incorporation of MEL. ➤ Distributions per unit (excluding surplus cash distributions) may change due to various factors including any additional acquisitions or dispositions of properties, changes in rent revenues attributable to tenant moves, changes in the property management environment including unexpected repair etc.
Surplus Cash Distributions Per Unit	<ul style="list-style-type: none"> ➤ Surplus cash distributions per unit are calculated based on the assumption that the cash distributions will be distributed in accordance with the fund distribution policy of the Articles of Incorporation of MEL. It is assumed that the surplus cash distributions (on an ongoing basis and one-time basis) in the fiscal period ending Aug. 31, 2021 will be 280 million yen. For the fiscal period ending Aug. 31, 2021, the amount of distributions per unit (excluding surplus cash distributions) is expected to temporarily decrease due to a temporary decline in operating rental revenues. It is therefore assumed that 264 million yen as ongoing surplus cash distributions (an amount equivalent to 30.0% of depreciation of the period) and 15 million yen as surplus cash distributions on a one-time basis (an amount equivalent to 1.9% of depreciation of the period) will be distributed for the purpose of equalizing the amount of distributions per unit (including surplus cash distributions). It is assumed that the surplus cash distributions (on an ongoing basis and one-time basis) in the fiscal period ending Feb. 28, 2022 will be 284 million yen. For the fiscal period ending Feb. 28, 2022, the amount of distributions per unit (excluding surplus cash distributions) is expected to temporarily decrease due to a temporary decline in operating rental revenues. It is therefore assumed that 267million yen as ongoing surplus cash distributions (an amount equivalent to 30.0% of depreciation of the period) and 16 million yen as surplus cash distributions on a one-time basis (an amount equivalent to 1.9% of depreciation of the period) will be distributed for the purpose of equalizing the amount of distributions per unit (including surplus cash distributions). There is no distribution from temporally differences adjustment allowance ➤ The amount of depreciation expenses may change depending on the amount of total assets under management, ancillary costs, capital expenditure, the allocation method of purchase prices for each asset and depreciable life, etc. Surplus cash distributions, which will be based on the amount of depreciation expenses, may change accordingly. ➤ There may be cases where MEL implements distribution of cash in surplus of the distributable amount to investors on the basis of financial statements related to cash distribution approved under the Act on Investment Trusts and Investment Corporations (Act No. 198 of June 4, 1951, as amended) if the board of directors of MEL deems such distribution to be appropriate (1) in light of the economic environment, real estate market, lease market or other trends; (2) when the amount of income fails to meet the amount equivalent to 90% of distributable income; (3) when the distribution amount fails to meet the requirements for the Special Provisions for Taxation on Investment Corporations; or (4) in other ways to maximize the interest of investors. When MEL implements distribution of cash in surplus of the distributable amount, it limits the amount to the total of the amount of income for the operating period in question and the amount stipulated under laws and ordinances (inclusive of the rules of the Investment Trusts Association, Japan). ➤ For the time being, MEL intends to target a level of surplus cash distributions on an ongoing basis at an amount equivalent to approximately 30% of the depreciation expense for the relevant fiscal period. Furthermore, to maintain the stability of MEL's distributions per unit in the event that an

	<p>amount of distributions per unit temporarily decreases due to a series of financing actions such as the issuance of new investment units (including investment unit third-party allotment) or large scale repair and maintenance, which may result in a temporary dilution of investment units or incurrence of large expenses, MEL may make distributions as one-time surplus cash distributions. However, MEL may decide not to make any surplus cash distributions for a fiscal period based on a consideration of factors such as economic or real estate market conditions and MEL's, financial condition or the amount of anticipated profitability, which includes capital gains arising from property dispositions.</p> <p>➤ In addition, in the event that MEL needs to allocate its cash to emergency capital expenditures for unexpected damages on MEL's assets, etc., surplus cash distributions per unit may be reduced. MEL does not plan to pay surplus cash distributions from the perspective of continuing stable financial management, in case such payment would cause the Appraisal LTV (Note), as defined below, to exceed 60%.</p> <p>(Note) Appraisal LTV (%) = A / B (%)</p> <p>A = Total interest bearing liabilities on the balance sheet for the fiscal period related to the operating period in question (excluding tax loan) + Reversal from security deposit reserves (excluding cases where security deposits are refunded according to leasing agreements with tenants)</p> <p>B = Total assets on the balance sheet for the fiscal period related to the operating period in question – Book value after depreciation of real estate held in the fiscal period in question + Total appraisal value of real estate held in the fiscal period in question – Total cash distributions to be paid in the next operating period – Total surplus cash distributions to be paid in the next operating period</p>
Others	<p>➤ It is assumed that no any revision that will have an impact on the forecast information above will be made with regard to the laws and regulations, tax system, accounting standards, listing rules of the Tokyo Stock Exchange and rules of the Investment Trusts Association, Japan, etc.</p> <p>➤ It is assumed that no unexpected material change will arise in overall economic trends and real estate market conditions, etc.</p>

(2) Risk Factors

No significant changes have occurred to the risk factors since the most recent Securities Report (filed on Nov. 27, 2020) and the Securities Registration Statement (filed on Feb. 18, 2021); therefore, their descriptions are not stated here.

2. Financial Statements

(1) Balance Sheet

	Thousands of yen			
	As of			
	August 31, 2020		February 28, 2021	
ASSETS				
Current assets:				
Cash and deposits		3,504,701		3,787,095
Cash and deposits in trust		4,389,936		5,685,115
Operating accounts receivable		27,459		28,579
Prepaid expenses		14,807		21,350
Consumption taxes receivable		-		1,209,689
Other current assets		15,845		-
Total current assets		7,952,750		10,731,829
Fixed assets:				
Property and equipment				
Buildings in trust	*1	48,174,980	*1	60,814,082
Less: accumulated depreciation		(2,987,424)		(3,727,731)
Buildings in trust, net		45,187,555		57,086,350
Structures in trust	*1	1,760,155	*1	2,132,358
Less: accumulated depreciation		(81,973)		(103,076)
Structures in trust, net		1,678,181		2,029,281
Machinery and equipment in trust		41,356		197,114
Less: accumulated depreciation		(1,989)		(12,939)
Machinery and equipment in trust, net		39,367		184,175
Tools, furniture and fixtures in trust		11,091		16,694
Less: accumulated depreciation		(1,515)		(2,652)
Tools, furniture and fixtures in trust, net		9,576		14,042
Land in trust		65,551,550		81,361,574
Total property and equipment		112,466,230		140,675,424
Intangible assets				
Software		3,935		2,985
Other intangible assets		691		641
Total intangible assets		4,626		3,626
Investments and other assets				
Deferred tax assets		11		15
Long-term prepaid expenses		33,078		42,714
Security deposit		10,000		10,000
Total investments and other assets		43,090		52,730
Total fixed assets		112,513,946		140,731,780
Deferred assets:				
Organization expenses		10,079		4,032
Total deferred assets		10,079		4,032
Total assets		120,476,777		151,467,642

	Thousands of yen	
	As	
	August 31, 2020	February 28, 2021
LIABILITIES		
Operating accounts payable	90,602	257,699
Short-term loans payable	950,000	2,000,000
Long-term loans payable due within one year	-	2,211,000
Accounts payable	8,322	21,350
Distributions payable	6,017	6,862
Accrued expenses	419,864	488,817
Income taxes payable	837	916
Consumption taxes payable	204,777	-
Advances received	528,045	715,556
Deposits received	-	96
Total current liabilities	2,208,467	5,702,299
Non-current liabilities		
Long-term loans payable	34,424,000	43,363,000
Tenant leasehold and security deposits in trust	2,195,412	2,816,129
Total non-current liabilities	36,619,412	46,179,129
Total liabilities	38,827,879	51,881,429
NET ASSETS		
Unitholders' equity		
Unitholders' capital		
Unitholders' capital, gross	80,744,051	98,444,036
Deduction from unitholders' capital	(750,029)	(931,072)
Unitholders' capital, net	79,994,021	97,512,964
Surplus		
Retained earnings	1,654,877	2,073,248
Total surplus	1,654,877	2,073,248
Total unitholders' equity	81,648,898	99,586,213
Total net assets	*2 81,648,898	*2 99,586,213
Total liabilities and net assets	120,476,777	151,467,642

(2) Statement of Income and Retained Earnings

	Thousands of yen			
	For the fiscal period ended			
	For the fiscal period from Mar. 1, 2020 to Aug. 31, 2020		For the fiscal period from Sept. 1, 2020 to Feb. 28, 2021	
Operating revenues:				
Operating rental revenues	*1	3,179,904	*1	4,002,266
Other rental revenues	*1	162,864	*1	201,145
Total operating revenues		3,342,769		4,203,412
Operating expenses:				
Expenses related to property rental business	*1	1,187,243	*1	1,497,479
Asset management fee		307,446		352,247
Asset custody fee		1,150		1,390
Administrative service fee		16,784		19,156
Directors' compensation		2,400		2,400
Commission paid		66,880		94,815
Other operating expenses		30,886		31,182
Total operating expenses		1,612,790		1,998,671
Operating income		1,729,978		2,204,740
Non-operating income:				
Interest income		36		44
Interest on refund		2,174		-
Refund of Property taxes		-		726
Total non-operating income		2,211		770
Non-operating expenses:				
Interest expenses		68,880		87,433
Borrowing related expenses		1,723		3,290
Amortization of organization expenses		6,047		6,047
Amortization of investment unit issuance expenses		-		34,682
Total non-operating expenses		76,651		131,455
Ordinary income		1,655,538		2,074,055
Income before income taxes		1,655,538		2,074,055
Income taxes-current		842		923
Income taxes-deferred		5		(3)
Total income taxes		848		919
Net income		1,654,690		2,073,136
Retained earnings brought forward		187		112
Unappropriated retained earnings		1,654,877		2,073,248

(3) Statement of Changes in Net Assets

The Previous Period (from Mar. 1, 2020 to Aug. 31, 2020)

	Thousands of yen						
	Unitholders' equity						Total net assets
	Unitholders' capital			Surplus		Total unitholders' equity	
Unitholders' capital, gross	Deduction of unitholders' capital	Unitholders' capital, net	Unappropriated retained earnings	Total surplus			
Balance as of Mar. 1, 2020	80,744,051	(576,021)	80,168,030	1,632,627	1,632,627	81,800,657	81,800,657
Change during the period							
Distributions in excess of retained earnings	-	(174,008)	(174,008)	-	-	(174,008)	(174,008)
Surplus cash distributions	-	-	-	(1,632,440)	(1,632,440)	(1,632,440)	(1,632,440)
Net income	-	-	-	1,654,690	1,654,690	1,654,690	1,654,690
Total change during the period	-	(174,008)	(174,008)	22,249	22,249	(151,759)	(151,759)
Balance as of Aug. 31, 2020	*1 80,744,051	(750,029)	79,994,021	1,654,877	1,654,877	81,648,898	81,648,898

The Reporting Period (from Sept. 1, 2020 to Feb. 28, 2021)

	Thousands of yen						
	Unitholders' equity						Total net assets
	Unitholders' capital			Surplus		Total unitholders' equity	
Unitholders' capital, gross	Deduction of unitholders' capital	Unitholders' capital, net	Unappropriated retained earnings	Total surplus			
Balance as of Sept. 1, 2020	80,744,051	(750,029)	79,994,021	1,654,877	1,654,877	81,648,898	81,648,898
Change during the period							
Issuance of new investments	17,699,985	-	17,699,985	-	-	17,699,985	17,699,985
Distributions in excess of retained earnings	-	(181,042)	(181,042)	-	-	(181,042)	(181,042)
Surplus cash distributions	-	-	-	(1,654,764)	(1,654,764)	(1,654,764)	(1,654,764)
Net income	-	-	-	2,073,136	2,073,136	2,073,136	2,073,136
Total change during the period	17,699,985	(181,042)	17,518,943	418,371	418,371	17,937,314	17,937,314
Balance as of Feb. 28, 2021	*1 98,444,036	(931,072)	97,512,964	2,073,248	2,073,248	99,586,213	99,586,213

(4) Statement of Cash Distributions

	Yen	
	For the fiscal period from Mar. 1, 2020 to Aug. 31, 2020	For the fiscal period from Sept. 1, 2020 to Feb. 28, 2021
I. Unappropriated retained earnings	1,654,877,226	2,073,248,856
II. Distributions in excess of retained earnings		
Deduction from unitholders' capital	181,042,480	231,925,842
III. Distributions	1,835,807,445	2,304,980,703
(Distributions per unit)	(6,003)	(6,619)
Of which, distributions of retained earnings	1,654,764,965	2,073,054,861
(Of which, distributions in retained earnings per unit)	(5,411)	(5,953)
Of which, distributions in excess of retained earnings	181,042,480	231,925,842
(Of which, distributions in excess of retained earnings per unit)	(592)	(666)
IV. Retained earnings carried forward	112,261	193,995

Calculation method of distribution amount	<p>Pursuant to the "Policy on the Distribution of Funds" as defined in Article 35, Paragraph 1 of the Articles of Incorporation, the amount of distributions shall be the amount which does not exceed the amount of profits but exceeds 90% of the distributable profit as defined in Article 67-15 of the Special Taxation Measures Act. Based on the policy, MEL declared distribution amount of 1,654,764,965 yen. This amount was equivalent to the maximum integral multiples of number of investment units issued and outstanding (305,815 units) as of the end of fiscal period. Based on the distribution policy as defined in Article 35, Paragraph 2 of the Articles of Incorporation, MEL shall make Surplus Cash Distributions (SCD), defined as distributions in excess of retained earnings, as a return of unitholders' capital, each fiscal period on a continuous basis. Accordingly, MEL declared SCD of 181,042,480 yen as a return of unitholders' capital, which was the amount equivalent to approximately 30% of depreciation expense.</p>	<p>Pursuant to the "Policy on the Distribution of Funds" as defined in Article 35, Paragraph 1 of the Articles of Incorporation, the amount of distributions shall be the amount which does not exceed the amount of profits but exceeds 90% of the distributable profit as defined in Article 67-15 of the Special Taxation Measures Act. Based on the policy, MEL declared distribution amount of 2,073,054,861 yen. This amount was equivalent to the maximum integral multiples of number of investment units issued and outstanding (348,237 units) as of the end of fiscal period. Based on the distribution policy as defined in Article 35, Paragraph 2 of the Articles of Incorporation, MEL shall make Surplus Cash Distributions (SCD), defined as distributions in excess of retained earnings, as a return of unitholders' capital, each fiscal period on a continuous basis. Accordingly, MEL declared SCD of 231,925,842 yen as a return of unitholders' capital, which was the amount equivalent to approximately 30% of depreciation expense.</p>
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Note: MEL is permitted to distribute cash in excess of the amount of retained earnings if the amount of the accounting income is smaller than 90% of its distributable retained earnings on a tax basis to the extent that such distribution amount does not exceed the amount of MEL's depreciation for the same fiscal period, and if MEL determines that such excess distribution amount is appropriate.

(5) Statement of Cash Flows

	Thousands of yen	
	For the period ended	
	For the fiscal period from Mar. 1, 2020 to Aug. 31, 2020	For the fiscal period from Sept. 1, 2020 to Feb. 28, 2021
Cash flows from operating activities:		
Income before income taxes	1,655,538	2,074,055
Depreciation	605,448	774,496
Amortization of investment unit issuance	-	34,682
Interest income	(36)	(44)
Interest expenses	68,880	87,433
Decrease (Increase) in operating accounts receivable	(6,010)	(1,120)
Decrease (Increase) in consumption taxes receivable	1,005,408	(1,209,689)
Decrease (Increase) in prepaid expenses	1,159	(6,542)
Decrease (Increase) in long-term prepaid expenses	5,617	(9,636)
Increase (Decrease) in operating accounts payable	11,159	85,211
Increase (Decrease) in accounts payable	(1,432)	13,028
Increase (Decrease) in accrued expenses	64,162	65,951
Increase (Decrease) in consumption taxes payable	204,777	(204,777)
Increase (Decrease) in advances received	(30,446)	187,511
Others	(8,803)	21,990
Subtotal	3,575,421	1,912,552
Interest received	36	44
Interest paid	(68,232)	(84,432)
Payments due to disaster	(9,635)	-
Income taxes paid	(949)	(843)
Net cash provided by (used in) operating activities	3,496,640	1,827,319
Cash flows from investing activities:		
Purchases of property and equipment in trust	(47,866)	(28,900,804)
Proceeds from tenant leasehold and security deposits in Trust	78,145	676,278
Repayments from tenant leasehold and security deposits in trust	(12,650)	(55,560)
Net cash provided by investing activities	17,628	(28,280,087)
Cash flows from financing activities:		
Proceeds from short-term loans payable	-	2,800,000
Repayments of short-term loans payable	(1,100,000)	(1,750,000)
Proceeds from long-term loans payable	-	11,150,000
Proceeds from issuance of new investment units	-	17,665,302
Payment of distributions of retained earnings	(1,632,883)	(1,654,114)
Payment of distributions in excess of retained earnings	(173,942)	(180,847)
Net cash provided by (used in) financing activities	(2,906,826)	28,030,340
Net increase (decrease) in cash and cash equivalents	607,443	1,577,572
Cash and cash equivalents at the beginning of period	7,287,195	7,894,638
Cash and cash equivalents at the end of period	*1 7,894,638	*1 9,472,211

(6) Notes Concerning Going Concerns Assumption

Not applicable

(7) Notes Concerning Significant Accounting Policies

<p>1. Method of depreciation of non-current assets</p>	<p>(1) Property and equipment Property and equipment are stated at cost. 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:</p> <table data-bbox="655 360 1091 499"> <tr> <td>Buildings</td> <td>2-63 years</td> </tr> <tr> <td>Structures</td> <td>10-58 years</td> </tr> <tr> <td>Machinery and equipment</td> <td>8-12 years</td> </tr> <tr> <td>Tools, furniture and fixtures</td> <td>4-15 years</td> </tr> </table> <p>(2) Intangible assets Intangible assets are stated at cost. Amortization of intangible assets, including intangible assets in trust, is calculated by the straight-line method over the estimated useful lives.</p> <p>(3) Long-term prepaid expenses Long-term prepaid expenses are amortized by the straight-line method.</p>	Buildings	2-63 years	Structures	10-58 years	Machinery and equipment	8-12 years	Tools, furniture and fixtures	4-15 years
Buildings	2-63 years								
Structures	10-58 years								
Machinery and equipment	8-12 years								
Tools, furniture and fixtures	4-15 years								
<p>2. Accounting method of deferred charges</p>	<p>Organization Expenses All organization expenses are amortized over five years using straight-line method.</p>								
<p>3. Revenue and expense recognition</p>	<p>Accounting treatment of property taxes and other taxes With respect to 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 rental expenses. Of the amounts paid for the acquisitions of real estate properties or beneficiary right in trust of real estate, the amount equivalent to property taxes is capitalized as part of the acquisition cost of the relevant property instead of being charged as an expense.</p>								
<p>4. Cash and cash equivalents as stated in the Statement of Cash Flows</p>	<p>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.</p>								
<p>5. Other significant matters which constitute the basis for preparation of financial statements</p>	<p>(1) Accounting treatment of trust beneficiary interests of real estate As to trust beneficiary interests of real estate, all accounts of assets and liabilities within assets in trust, as well as all income generated and expenses incurred from assets in trust, are recorded in the relevant balance sheets and income statement accounts. Of which, the following significant trust assets are shown separately on the balance sheet.</p> <ul style="list-style-type: none"> (a) Cash and deposits in trust (b) Buildings in trust, structures in trust, machinery and equipment in trust, tools in trust, furniture and fixtures and land in trust (c) Tenant leasehold and security deposits in trust <p>(2) Accounting treatment of consumption taxes Transactions subject to consumption taxes are recorded at amounts exclusive of consumption taxes.</p>								

(Accounting standards issued but not yet effective)

- “Accounting Standard for Revenue Recognition” (Accounting Standards Board of Japan (ASBJ) Statement No. 29 issued on Mar. 31, 2020)
- “Implementation Guidance on Accounting Standard for Revenue Recognition” (ASBJ Guidance No. 30 issued on Mar. 31, 2020)
- “Implementation Guidance on Disclosures about Fair Value of Financial Instruments” (ASBJ Guidance No. 19 issued on Mar. 31, 2020)

(1) Overview

The International Accounting Standards Board (IASB) and the Financial Accounting Standards Board (FASB) in the United States have jointly developed comprehensive accounting standards for revenue recognition and issued “Revenue from Contracts with Customers” (IFRS 15 (IASB) and Topic 606 (FASB)) in May 2014. Given the situation where IFRS 15 will be applied from fiscal years beginning on or after January 1, 2018 and that Topic 606 will be applied from fiscal years beginning after December 15, 2017, the ASBJ has developed comprehensive accounting standards for revenue recognition and issued them together with the implementation guidance. The basic policy of the ASBJ when it developed the accounting standards for revenue recognition was to specify the accounting standards, incorporating the basic principles of IFRS 15 as a starting point, from the perspective of comparability between financial statements, which is one of the benefits of maintaining compatibility with IFRS 15. The basic policy also stipulates that if there is an item to which consideration should be given, such as practices that have been conducted thus far in Japan, alternative treatments will be added to the extent to which comparability is not impaired.

(2) Scheduled date of application

The accounting standards will be applied from the beginning of the fiscal period ending February 28, 2022.

(3) Impact of applying the accounting standards

The impact of applying “Accounting Standard for Revenue Recognition” and its guidance on The financial statements is currently under evaluation.

- “Accounting Standard for Fair Value Measurement” (ASBJ Statement No. 30 issued on July 4, 2019)
- “Accounting Standard for Financial Instruments” (ASBJ Statement No.10 issued on July 4, 2019)
- “Implementation Guidance on Accounting Standard for Fair Value Measurement” (ASBJ Guidance No. 31 issued on July 4, 2019)
- “Implementation Guidance on Disclosures about Fair Value of Financial Instruments” (ASBJ Guidance No. 19 issued on Mar. 31, 2020)

(1) Overview

The IASB and the FASB have established detailed guidance regarding fair value measurement (IFRS 13 “Fair Value Measurement” (IASB) and Topic 820 “Fair Value Measurement” (FASB)). The ASBJ repeatedly considered the guidance regarding fair value of financial instruments and disclosure in order to improve the comparability with such international accounting standards, and issued “Accounting Standard for Fair Value Measurement” and “Implementation Guidance on Accounting Standard for Fair Value Measurement.”

(2) Scheduled date of application

The accounting standards will be applied from the beginning of the fiscal period ending February 28, 2022.

(3) Impact of applying the accounting standards

The impact of applying the “Accounting Standard for Fair Value Measurement” and its guidance on The financial statements is currently under evaluation.

- “Accounting Standard for Disclosure of Accounting Estimates” (ASBJ Statement No. 31 issued on Mar. 31, 2020)

(1) Overview

Paragraph 125 of International Accounting Standard 1 (IAS 1), "Presentation of Financial Statements," (issued by the IASB in 2003) requires disclosure of information about the "assumptions the entity makes about the future, and other major sources of estimation uncertainty." In this regard, there has been a request that the major sources of estimation uncertainty should be disclosed in the notes to financial statements under Japanese GAAP to provide useful information to users of financial statements. In response to this request, the ASBJ developed and issued "Accounting Standard for Disclosure of Accounting Estimates."

The Accounting Standards Committee's basic policy for the development of this standard is not to expand individual notes, but to indicate the principles (disclosure purposes). Specific disclosures are to be determined by corporates based on the purpose of disclosure, and are to be developed based on the rules set forth in IAS No. 1, Item 125.

(2) Scheduled date of application

The accounting standard will be applied from the end of the fiscal period ending August 31, 2021.

- "Accounting Standard for Accounting Policy Disclosures, Accounting Changes and Error Corrections" (ASBJ Statement No. 24 issued on Mar. 31, 2020)

(1) Overview

The ASBJ's Standards Advisory Council recommended that the ASBJ consider enhancing disclosures for notes relating to "accounting policies and methods adopted in the cases where the relevant accounting standards were not clear." In response to such recommendations, the ASBJ issued the revised "Accounting Standard for Accounting Policy Disclosures, Accounting Changes and Error Corrections."

(2) Scheduled date of application

The accounting standard will be applied from the end of the fiscal period ending August 31, 2021.

(8) Notes Concerning Financial Statements

(Notes Concerning Balance Sheet)

*1 Reduction entry of tangible fixed assets

	Thousands of yen	
	As of	
	Aug. 31, 2020	Feb. 28, 2021
Buildings in trust	31,220	31,220
Structures in trust	7,008	7,008

*2 Minimum net assets as required by Article 67, Paragraph 4 of the Act on Investment Trusts and Investment Corporations

	Thousands of yen	
	As of	
	Aug. 31, 2020	Feb. 28, 2021
	50,000	50,000

(Notes Concerning Statement of Income and Retained Earnings)

*1 Operating income from property leasing is as follows:

	Thousands of yen	
	For the fiscal period from Mar. 1, 2020 to Aug. 31, 2020	For the fiscal period from Sept. 1, 2020 to Feb. 28, 2021
A. Property-related revenues		
Operating rental revenues		
Rental revenues	3,035,383	3,825,893
Common area charges	144,521	176,373
Total	3,179,904	4,002,266
Other rental revenues		
Received utilities cost	111,023	124,108
Others	51,841	77,037
Total	162,864	201,145
Total property-related revenues	3,342,769	4,203,412
B. Property-related expenses		
Rental expenses		
Facility management fee	104,652	185,972
Property and other taxes	313,996	313,276
Insurance	4,957	6,412
Repair and maintenance	41,406	75,570
Utilities cost	99,083	115,299
Depreciation	604,448	773,496
Custodian fee	2,427	3,140
Others	16,272	24,312
Total rental expenses	1,187,243	1,497,479
C. Operating income from property leasing (A-B)	2,155,525	2,705,932

(Notes Concerning Statement of Unitholders' Equity)

	For the fiscal period from Mar. 1, 2020 to Aug. 31, 2020	For the fiscal period from Sept. 1, 2020 to Feb. 28, 2021
Number of investment units authorized	10,000,000 units	10,000,000 units
Number of investment units issued and outstanding	305,815 units	348,237 units

(Notes Concerning Statement of Cash Flow)

*1. Relationship between cash and cash equivalents in statement of cash flows and accounts and amounts in the accompanying balance sheet

	Thousands of yen	
	For the fiscal period from Mar. 1, 2020 to Aug. 31, 2020	For the fiscal period from Sept. 1, 2020 to Feb. 28, 2021
Cash and deposits	3,504,701	3,787,095
Cash and deposits in trust	4,389,936	5,685,115
Cash and cash equivalents	7,894,638	9,472,211

(Notes Concerning to Lease Contracts)
 Operating lease transactions (as lessor)
 Unearned rental revenue

	Thousands of yen	
	For the fiscal period from Mar. 1, 2020 to Aug. 31, 2020	For the fiscal period from Sept. 1, 2020 to Feb. 28, 2021
Due within one year	5,853,529	8,139,356
Due after one year	34,518,339	39,466,864
Total	40,371,869	47,606,221

(Notes Concerning Financial Instruments)

1. Overview

(1) Policy for Financial Instruments

MEL procures funds for the acquisition of assets and repayment of debt mainly through bank loans or the issuance of new investment units.

In borrowing funds, MEL takes consideration in interest rate trend, debt cost, floating or fixed interest rate, borrowing period and repayment date.

In the case of borrowing, the lender shall be limited to qualified institutional investors as stipulated in Article 2, Paragraph 3, Item of the Financial Instruments and Exchange Act of Japan (limited to institutional investors prescribed in Article 67-15 of the Taxation Special Measures Law), with in principle no collateral / no guarantee. However, MEL may provide assets as collateral in consideration of financing environment and economic conditions. In addition, in order to flexibly procure the necessary funds related to MEL's operation such as property acquisition and repayment debt financing, MEL may enter into the overdraft agreements, commitment line agreements or conclude the reserved agreements.

MEL generally invests surplus funds in bank deposits, considering the safety and liquidity of the investment and also reflecting the market environment and cash positions of MEL itself. MEL enters into derivative transactions solely for the purposes of reducing risks of rising interest rates related to financings and other types of risks. MEL does not use derivative transactions for speculative purposes. Not applicable for the reporting period.

(2) Type of Financial Instruments, related Risks and Risk Management System

Bank loans are mainly made to procure funds for acquisition of properties, repayment of bank loans. Although MEL is exposed to liquidity risks upon repayment, by diversifying the maturities and lending institutions, securing liquidity of cash in hand and managing such liquidity risks by preparing and monitoring cash flows projection, such risks are maintained under control. In addition, some loans bear floating interest rates and are exposed to potential risks of rising interest rates. MEL attempts to mitigate such risks on its operations by maintaining a conservative loan to value ratio and increasing the ratio of long-term fixed interest rate loans.

The security deposits which MEL has received from the tenants are exposed to liquidity risk due to cancelation of lease agreement before the maturity date. In the case of trust beneficiary interest in real estate, MEL secures safety by accumulating a portion in the trust account, and in the case of real estate, leasehold rights of real estate, and superficies, MEL secures safety by accumulating a portion in bank savings account or bank time deposit account. Moreover, MEL ensures safety by accurately tracking the timing of the tenant move-ins and outs and anticipating the fund demand utilizing historical data.

(3) Supplemental Explanation Regarding the Estimated Fair Values of Financial Instruments

The fair value of financial instruments is based on their quoted market price, if available. When there is no quoted market price available, fair value is based on a price that is reasonably estimated. Since various assumptions and factors are reflected in estimating the fair value, different assumptions and factors could result in a different value.

2. Estimated Fair Value of Financial Instruments

The book value, fair value and differences between the values as of Aug. 31, 2020 are as follows: Financial instruments for which the fair value is extremely difficult to estimate are excluded from the following table (see Note 2 below).

	Thousands of yen		
	Book value	Fair value (Note 1)	Difference
(1) Cash and deposits	3,504,701	3,504,701	-
(2) Cash and deposits in trust	4,389,936	4,389,936	-
Total assets	7,894,638	7,894,638	-
(3) Short-term loans payable	950,000	950,000	-
(4) Long-term loans payable due within one year	-	-	-
(5) Long-term loans payable	34,424,000	34,648,574	224,574
Total liabilities	35,374,000	35,598,574	224,574

The book value, fair value and differences between the values as of Feb. 28, 2021 are as follows: Financial instruments for which the fair value is extremely difficult to estimate are excluded from the following table (see Note 2 below).

	Thousands of yen		
	Book value	Fair value (Note 1)	Difference
(1) Cash and deposits	3,787,095	3,787,095	-
(2) Cash and deposits in trust	5,685,115	5,685,115	-
Total assets	9,472,211	9,472,211	-
(3) Short-term loans payable	2,000,000	2,000,000	-
(4) Long-term loans payable due within one year	2,211,000	2,212,967	1,967
(5) Long-term loans payable	43,363,000	43,473,011	110,011
Total liabilities	47,574,000	47,685,978	111,978

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

(1) Cash and deposits and (2) Cash and deposits in trust (3) Short-term loans payable

Due to the short maturities, the book value of these instruments is deemed a reasonable approximation of the fair value, and therefore, the book value is used as the fair value.

(4) Long-term loans payable due within one year (5) 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 terms. In terms of floating interest rate loans payable, since it reflects the market interest rate in a short period of time, the fair value is approximately equal to the book value. Thus, the book value is used.

(Note 2) Financial instruments for which the fair value is extremely difficult to estimate

	Thousands of yen	
	As of	
	Aug. 31, 2020	Feb. 28, 2021
Tenant leasehold and security deposits in trust *	2,195,412	2,816,129

* Because tenant leasehold and security deposits and tenant leasehold and security deposits in trust have no observable and available market price and it is impracticable to reasonably estimate their future cash flows, their fair value is not assessed herein.

(Note 3) Redemption schedule for monetary claims after Aug. 31, 2020

	Thousands of yen					
	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
Cash and deposits	3,504,701	-	-	-	-	-
Cash and deposits in trust	4,389,936	-	-	-	-	-
Total	7,894,638	-	-	-	-	-

Redemption schedule for monetary claims after Feb. 28, 2021

	Thousands of yen					
	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
Cash and deposits	3,787,095	-	-	-	-	-
Cash and deposits in trust	5,685,115	-	-	-	-	-
Total	9,472,211	-	-	-	-	-

(Note 4) Repayment schedule for debt after Aug. 31, 2020

	Thousands of yen					
	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
Short-term loans payable	950,000	-	-	-	-	-
Long-term loans payable	-	2,211,000	3,310,000	6,540,000	3,400,000	18,963,000
Total	950,000	2,211,000	3,310,000	6,540,000	3,400,000	18,963,000

Repayment schedule for debt after Feb. 28, 2021

	Thousands of yen					
	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
Short-term loans payable	2,000,000	-	-	-	-	-
Long-term loans payable due within one year	2,211,000	-	-	-	-	-
Long-term loans payable	-	3,310,000	6,540,000	4,550,000	4,970,000	23,993,000
Total	4,211,000	3,310,000	6,540,000	4,550,000	4,970,000	23,993,000

(Notes Concerning Investment Securities)

For the periods ended Aug. 31, 2020 and Feb. 28, 2021

Not applicable

(Notes Concerning Derivative Transactions)

For the periods ended Aug. 31, 2020 and Feb. 28, 2021

Not applicable

(Notes Concerning Retirement Payment)

For the periods ended Aug. 31, 2020 and Feb. 28, 2021

Not applicable

(Notes Concerning Deferred Tax Accounting)

1. Primary components of deferred tax assets and deferred tax liabilities

	Thousands of yen	
	As of	
	Aug. 31, 2020	Feb. 28, 2021
Enterprise tax payable	11	15
Subtotal deferred tax assets	11	15
Total deferred tax assets	11	15
Net deferred tax assets	11	15

2. Reconciliations of major items that caused differences between statutory tax rate and effective tax rate after applying Deferred tax accounting

	For the fiscal period ended	
	Aug. 31, 2020	Feb. 28, 2021
Statutory tax rate	31.46%	31.46%
Adjustments:		
Deductible cash distributions	(31.45%)	(31.44%)
Other	0.04%	0.03%
Actual effective income tax rate	0.05%	0.04%

(Notes Concerning Equity Earnings of Affiliate Companies)

For the periods from Mar. 1, 2020, to Aug. 31, 2020, and from Sept. 1, 2020, to Feb. 28, 2021

Not applicable

(Notes Concerning Related Party Transaction)

1. Transactions with Account Balances with the Parent company and Major Unit Holders

For the periods from Mar. 1, 2020, to Aug. 31, 2020, and from Sept. 1, 2020, to Feb. 28, 2021

Not applicable

2. Transactions and Account Balances with Affiliates

For the periods from Mar. 1, 2020, to Aug. 31, 2020, and from Sept. 1, 2020, to Feb. 28, 2021

Not applicable

3. Transactions and Account Balances with Companies under Common Control

For the periods from Mar. 1, 2020, to Aug. 31, 2020, and from Sept. 1, 2020, to Feb. 28, 2021

Not applicable

4. Transaction and Account Balances with Board of Directors and Individual Unitholders

For the periods from Mar. 1, 2020, to Aug. 31, 2020, and from Sept. 1, 2020, to Feb. 28, 2021

Not applicable

(Notes Concerning Asset Retirement Obligations)

For the periods ended Aug. 31, 2020 and Feb. 28, 2021

Not applicable

(Notes Concerning Rental Properties)

MEL owns logistics facilities for leasing for the purpose of earning rental income. The book value, changes during the reporting fiscal period and fair value of the properties are as follows:

	Thousands of yen	
	For the fiscal period from Mar. 1, 2020 to Aug. 31, 2020	For the fiscal period from Sept. 1, 2020 to Feb. 28, 2021
Book value (Note 1)		
Balance at the beginning of the period	113,023,624	112,466,230
Changes during the period (Note 2)	(557,394)	28,209,193
Balance at the end of the period	112,466,230	140,675,424
Fair value at the end of the period (Note 3)	123,615,000	155,900,000

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

(Note 2) The increase for the fiscal period ended Aug. 31, 2020 was primarily a result of the recognition of CAPEX which amounted 47,053 thousand yen. The decrease was primarily a result of the recognition of depreciation, which amounted to 604,448 thousand yen. The increase for the fiscal period ended Feb. 28, 2021 was primarily a result of acquiring new properties for a total of 28,865,490 thousand yen. The decrease was primarily a result of the recognition of depreciation, which amounted to 773,496 thousand yen.

(Note 3) The fair value at the end of the period is determined based on appraised value provided by independent real estate appraisers.

Income and loss in connection with investment and rental properties are disclosed in “Notes Concerning Statements of Income and Retained Earnings.”

(Notes Concerning Segment and Related Information)

1. Segment Information

Disclosure is omitted because the real estate leasing business is MEL’s sole business and it has no reportable segment subject to disclosure.

2. Related Information

For the period from Mar. 1, 2020, to Aug. 31, 2020

(1) Information by Products and Services

Description of this information is not stated herein as operating revenues generated from external customers for a single product and service have exceeded 90% of total operating revenues on the statement of income and retained earnings.

(2) Information by Geographic Region

(a) Operating Revenues

Disclosure is omitted because net sales to external customers in Japan account for over 90% of the operating revenues on the statement of income and retained earnings.

(b) Property and Equipment

Disclosure is omitted because the amount of property and equipment located in Japan accounts for over 90% of the amount of property and equipment on the balance sheet.

(3) Information by Each Major Customer

Disclosure is omitted because net sales to a single external customer account for less than 10% of the operating revenues on the statement of income and retained earnings.

For the period from Sept. 1, 2020, to Feb. 28, 2021

(1) Information by Products and Services

Description of this information is not stated herein as operating revenues generated from external customers for a single product and service have exceeded 90 % of total operating revenues on the statement of income and retained earnings.

(2) Information by Geographic Region

(a) Operating Revenues

Disclosure is omitted because net sales to external customers in Japan account for over 90% of the operating revenues on the statement of income and retained earnings.

(b) Property and Equipment

Disclosure is omitted because the amount of property and equipment located in Japan accounts for over 90% of the amount of property and equipment on the balance sheet.

(3) Information by Each Major Customer

Disclosure is omitted because net sales to a single external customer account for less than 10% of the operating revenues on the statement of income and retained earnings.

(Notes Concerning Per Unit Information)

	Yen	
	For the fiscal period from Mar. 1, 2020 to Aug. 31, 2020	For the fiscal period from Sept. 1, 2020 to Feb. 28, 2021
Net assets per unit	266,987	285,972
Net income per unit	5,410	5,958

(Note 1) Net income per unit is calculated by dividing net income for the period by the weighted average number of investment units issued and outstanding based on the number of days during the applicable reporting periods. Diluted net income per unit is not stated as there is no dilutive equity issued and outstanding.

(Note 2) The basis for calculation of the profit per unit is as follows:

	For the fiscal period from Mar. 1, 2020 to Aug. 31, 2020	For the fiscal period from Sept. 1, 2020 to Feb. 28, 2021
	Net income (Thousands of yen)	1,654,690
Amount not attributable to common unitholders (Thousands of yen)	-	-
Net income attributable to common unitholders (Thousands of yen)	1,654,690	2,073,136
Average number of investment units during the period (Unit)	305,815	347,929

(Notes Concerning Significant Subsequent Events)

1. Issuance of New Investment Units

MEL issued new investment units based on the resolution made by the board of directors on Feb. 18, 2021 and Mar. 1, 2021 and the payment was completed on Mar. 5, 2021 and Apr. 6, 2021 for the issuance of new investment units through public offering and third-party allotment, respectively.

<Issuance of New Investment Units through Public Offering>

Number of units issued and outstanding	: 41,000 units
Issue price	: 403,650 yen per unit
Total amount issued	: 16,549,650,000 yen
Issue amount	: 390,402 yen per unit
Net proceeds	: 16,006,482,000 yen
Payment date	: Mar. 5, 2021

<Issuance of New Investments Units through the Third-Party Allotment>

Number of units issued and outstanding	: 1,898 units
Issue amount	: 390,402 yen per unit
Net proceeds	: 740,982,996 yen
Payment date	: Apr. 6, 2021
Allotee	: SMBC Nikko Securities Inc.

2. Issuance of Investment Corporation Bonds

MEL decided to issue Green Bonds on Apr. 8, 2021 (payment date: Apr. 14, 2021) based on an amendment of shelf registration statement announced in the press release "MEL Files Amendment to Shelf Registration Statement for Issuance of Green Bonds" dated Jan. 18, 2021 and per the blanket resolution approved at the board of directors' meeting held on Apr. 7, 2021. .

Name	Mitsubishi Estate Logistics REIT Investment Corporation 1st Series Unsecured Bonds (Ranking pari passu among Specified investment corporation bonds) (Green Bonds)
Total Issue Amount	2,000 million yen
Interest Rate	0.700% per annum
Redemption Date	Apr. 14, 2036
Credit Rating	AA- (JCR)
Collateral and guarantee	Neither collateral nor guarantee is provided for Green Bonds, and no asset has been particularly secured for the Green Bonds.
Use of Proceeds	The proceeds were allocated to the prepayment of a portion of the short-term loans (total amount 2,000 million yen)

(9) Change in Number of Investment Units Issued and Outstanding

Changes in the number of investment units issued and outstanding and unitholders' capital from the date of establishment to the end of Feb. 28, 2021 are as follows:

Date	Type of Issue	Unitholders' Capital (Thousands of yen)(Note 1)		Number of Investment Units Issued and Outstanding (Units)		Note
		Increase / Decrease	Total	Increase / Decrease	Total	
July 14, 2016	Private placement for incorporation	200,000	200,000	2,000	2,000	(Note 2)
Sept. 28, 2016	Private offering	1,800,000	2,000,000	18,000	20,000	(Note 3)
June 15, 2017	Reverse split of investment units	-	2,000,000	(12,000)	8,000	(Note 4)
Sept. 13, 2017	Public offering	49,678,200	51,678,200	198,000	206,000	(Note 5)
Oct. 10, 2017	Capital increase through third-party allotment	2,007,200	53,685,400	8,000	214,000	(Note 6)
May 21, 2018	Surplus cash distribution (return on capital)	(120,910)	53,564,490	-	214,000	(Note 7)
Sept. 10, 2018	Public offering	7,216,429	60,780,919	30,300	244,300	(Note 8)
Oct. 11, 2018	Capital increase through third-party allotment	360,821	61,141,741	1,515	245,815	(Note 9)
Nov. 19, 2018	Surplus cash distribution (return on capital)	(129,898)	61,011,843	-	245,815	(Note 10)
May 21, 2019	Surplus cash distribution (return on capital)	(179,199)	60,832,644	-	245,815	(Note 11)
Oct. 7, 2019	Public offering	18,556,033	79,388,677	57,150	302,965	(Note 12)
Nov. 7, 2019	Capital increase through third-party allotment	925,366	80,314,044	2,850	305,815	(Note 13)
Nov. 18, 2019	Surplus cash distribution (return on capital)	(146,014)	80,168,030	-	305,815	(Note 14)
May 20, 2020	Surplus cash distribution (return on capital)	(174,008)	79,994,021	-	305,815	(Note 15)
Sep. 1, 2020	Public offering	16,898,058	96,892,079	40,500	346,315	(Note 16)
Sep. 30, 2020	Capital increase through third-party allotment	801,927	97,694,006	1,922	348,237	(Note 17)
Nov. 20, 2020	Surplus Cash Distributions (return on capital)	(181,042)	97,512,964	-	348,237	(Note 18)

Notes:

1. "Unitholders' capital" is the amount after deducting the "Deduction from unitholders' capital."
2. Investment units were issued at an issue price of 100,000 yen per unit upon the incorporation of MEL.
3. Investment units were issued at an issue price of 100,000 yen per unit.
4. A 0.4-for-1 reverse split of investment units was conducted, with June 15, 2017 as the effective date.
5. New investment units were issued through public offering at an issue price of 260,000 yen (paid-in amount of 250,900 yen) per unit.
6. New investment units were issued through third-party allotment at a paid-in amount of 250,900 yen per unit.
7. Cash distributions for the fiscal period ended Feb. 2018 in the amount of 565 yen per unit as return of capital. It was decided on Apr. 13, 2018 and started payment on May 21, 2018.
8. New investment units were issued through public offering at an issue price of 246,772 yen (paid-in amount of 238,166 yen) per unit.

9. New investment units were issued through third-party allotment at a paid-in amount of 238,166 yen per unit.
10. Cash distributions for the fiscal period ended Aug. 2018 in the amount of 607 yen per unit as return of capital. It was decided on Oct. 15, 2018 and started payment on Nov. 19, 2018.
11. Cash distributions for the fiscal period ended Feb. 2019 in the amount of 729 yen per unit as return of capital. It was decided on Apr. 15, 2019 and started payment on May 21, 2019.
12. New investment units were issued through public offering at an issue price of 335,887 yen (paid-in amount of 324,690 yen) per unit.
13. New investment units were issued through third-party allotment at a paid-in amount of 324,690 yen per unit.
14. Cash distributions for the fiscal period ended Aug. 2019 in the amount of 594 yen per unit as return of capital. It was decided on Oct. 17, 2019 and started payment on Nov. 18, 2019.
15. Cash distributions for the fiscal period ended Feb. 2020 in the amount of 569 yen per unit as return of capital. It was decided on Apr. 17, 2020 and started payment on May 20, 2020.
16. New investment units were issued through public offering at an issue price of 431,701 yen (paid-in amount of 417,236 yen) per unit.
17. New investment units were issued through third-party allotment at a paid-in amount of 417,236 yen per unit.
18. Cash distributions for the fiscal period ended Aug. 2020 in the amount of 592 yen per unit as return of capital. It was decided on Oct. 15, 2020 and started payment on Nov. 20, 2020.

3. Reference Information

(1) Composition of MEL's Assets

Type of assets	Category	Region	Ninth fiscal period (As of Feb. 28, 2021)	
			Retained amount (Millions of yen) (Note 1)	Ratio of total assets (%)
Beneficiary right in trust	Logistics facilities	Tokyo metropolitan area (Note 2)	64,899	42.8
		Osaka metropolitan area (Note 3)	28,839	19.0
		Nagoya metropolitan area (Note 4)	22,449	14.8
		Others	18,820	12.4
	Others		5,666	3.7
	Total		140,675	92.9
Deposit and other assets			10,792	7.1
Total assets (Note 5)			151,467	100.0

	Ninth fiscal period (As of Feb. 28, 2021)	
	Amount (Millions of yen)	Ratio of total asset (%)
Total liabilities (Note 5)(Note 6)	51,881	34.3
Total net assets (Note 5)	99,586	65.7
Total assets (Note 5)	151,467	100.0

Notes:

1. The retained amount is the amount allocated in the balance sheet (the book value after depreciation) at the end of the reporting fiscal period (as of Feb. 28, 2021.)
2. Tokyo metropolitan area refers to Tokyo, Kanagawa, Chiba, Saitama and Ibaraki prefectures.
3. Osaka metropolitan area refers to Osaka, Hyogo, Kyoto, Nara and Shiga prefectures.
4. Nagoya metropolitan area refers to Aichi, Mie and Gifu prefectures.
5. Total liabilities, total net assets and total assets is the amount allocated in the balance sheet at the end of the reporting fiscal period (as of Feb. 28, 2021).
6. Total liabilities include the tenant leasehold and security deposits.

(2) Investment Assets

(A) Major Components of Investment Securities

Not applicable

(B) Investment Properties

Not applicable

(C) Other Major Investment Assets

The real estate trust beneficiary interests held by MEL as of the end of Feb. 28, 2021 are as follows.

(i) Overview of Portfolio

The following summarizes (location, acquisition price, investment ratio, book value, appraisal value, acquisition date) the real estate or the real estate properties in trust owned by MEL at the end of the reporting fiscal period:

Category	Property name	Location	Acquisition price (Millions of yen) (Note 1)	Investment ratio (%) (Note 2)	Book value (Millions of yen)	Appraisal value (Millions of yen) (Note 3)	Acquisition date (Note 4)
Logistics Facilities	Logicross Fukuoka Hisayama	Hisayama, Kasuya, Fukuoka	5,770	4.1	5,552	6,870	Sept. 14, 2017
	Logicross Atsugi	Atsugi, Kanagawa	8,440	5.9	8,382	9,190	Sept. 3, 2018
	Logicross Kobe Sanda	Kobe, Hyogo	3,900	2.7	3,875	4,220	Sept. 3, 2018
	Logicross Osaka (Note 5)	Osaka, Osaka	5,874	4.1	5,930	6,000	Sept. 1, 2020
	Logicross Nagoya Kasadera (Note 5)	Nagoya, Aichi	8,705	6.1	8,803	9,780	Sept. 1, 2020
	LOGIPOINT Sagamihara (Note 6)	Sagamihara, Kanagawa	21,364	15.0	20,855	24,000	Sept. 14, 2017
	LOGIPOINT Hashimoto (Note 7)	Sagamihara, Kanagawa	18,200	12.8	17,813	20,430	Sept. 14, 2017
	LOGIPOINT Osaka Taisho (Note 8)	Osaka, Osaka	①5,682 ②4,802 Total:10,484	7.4	10,520	①6,160 ②5,390 Total: 11,550	①Oct. 9, 2019 ②Sept. 1, 2020
	MJ Logipark Funabashi 1	Funabashi, Chiba	5,400	3.8	5,259	6,580	Sept. 29, 2016
	MJ Logipark Atsugi 1	Atsugi, Kanagawa	6,653	4.7	6,507	7,010	Sept. 14, 2017
	MJ Logipark Kazo 1	Kazo, Saitama	1,272	0.9	1,242	1,460	Sept. 14, 2017
	MJ Logipark Osaka 1	Osaka, Osaka	6,090	4.3	5,953	6,960	Sept. 14, 2017
	MJ Logipark Fukuoka 1	Umi, Kasuya, Fukuoka	6,130	4.3	5,846	6,460	Sept. 14, 2017
	MJ Logipark Tsuchiura 1	Tsuchiura, Ibaraki	3,133	2.2	3,134	3,420	Sept. 2, 2019
	MJ Logipark Nishinomiya 1	Nishinomiya, Hyogo	2,483	1.7	2,559	2,660	Oct. 9, 2019
	MJ Logipark Kasugai 1	Kasugai, Aichi	13,670	9.6	13,645	14,300	Oct. 9, 2019
MJ Logipark Kazo 2	Kazo, Saitama	1,637	1.2	1,706	1,720	Sept. 1 2020	
MJ Logipark Sendai 1	Tagajo, Miyagi	7,388	5.2	7,421	7,510	Sept. 1 2020	
Others	MJ Industrial Park Sakai (Land)	Sakai, Osaka	5,600	3.9	5,666	5,780	Oct. 9, 2019
Total			142,194	100.0	140,675	155,900	-

Notes:

1. "Acquisition price" represents the purchase price of each property or beneficiary right in trust as set forth on the relevant purchase agreement and does not include expenses such as consumption taxes, and is rounded down to nearest million yen.
2. "Investment ratio" is calculated by dividing the acquisition price for each property by the total acquisition price and is rounded to second decimal place. Thus, the sum of the figures in total may not add up to the figure in the total column.
3. "Appraisal value" represents the appraisal value as set forth on the relevant study reports by real estate appraisers as of Feb. 28, 2021. Please refer to the below mentioned (iv) Overview of Appraisal Reports".
4. "Acquisition date" represents the acquisition date in the relevant sale and purchase agreement.
5. "Acquisition price" and "Appraisal value" of Logicross Osaka and Logicross Nagoya Kasadera are shown with the values corresponding to the co-beneficiary interest ratios (60%).
6. "Acquisition price" and "Appraisal value" of LOGIPOINT Sagamihara is shown with the values corresponding to the co-beneficiary interest ratios (49%).
7. "Acquisition price" and "Appraisal value" of LOGIPOINT Hashimoto is shown with the values corresponding to the co-beneficiary interest ratios (45%).
8. "Total Acquisition price" and "Appraisal value" of "LOGIPOINT Osaka Taisho" is shown with the values corresponding to the co-beneficiary interest ratios (37.5%). "Acquisition price", "Appraisal value" and "Acquisition date" are shown with the number on the top refers to the 20 % co-beneficiary interest acquired on Oct. 9, 2019, and the bottom refers to the 17.5% co-beneficiary interest acquired on Sept. 1, 2020.

(ii) Overview of Properties

The following summarizes (land area, total floor area, total leasable area, total leased area, year built) the real estate or the real estate properties in trust owned by MEL at the end of the reporting fiscal period:

Category	Property name	Land area (㎡)(Note 1)	Total floor area (㎡) (Note 1)	Total leasable area (㎡) (Note 2)	Total leased area (㎡) (Note 3)	Year built (Note 4)
Logistics Facilities	Logicross Fukuoka Hisayama	18,136.89	36,082.08	34,878.55	34,878.55	Oct. 2014
	Logicross Atsugi	14,782.03	29,895.80	29,895.80	29,895.80	Mar. 2017
	Logicross Kobe Sanda	20,000.93	12,879.33	12,844.35	12,844.35	Jun. 2017
	Logicross Osaka (Note 5)	18,176.07	36,619.48 (21,971.68)	21,369.94	21,369.94	Sept. 2018
	Logicross Nagoya Kasadera (Note 5)	33,224.00	72,376.03 (43,425.61)	37,373.44	37,373.44	Jan. 2019
	LOGIPOINT Sagamihara (Note 6)	94,197.27	200,252.53 (98,123.73)	88,609.64	88,316.94	Aug. 2013
	LOGIPOINT Hashimoto (Note 7)	67,746.26	145,809.59 (65,614.31)	58,487.96	58,436.88	Jan. 2015
	LOGIPOINT Osaka Taisho (Note 8)	55,929.57	117,045.04 (43,891.89)	40,081.57	38,492.07	Feb. 2018
	MJ Logipark Funabashi 1	7,481.00	18,262.08	18,232.07	18,232.07	Nov. 1989
	MJ Logipark Atsugi 1	19,780.93	27,836.15	28,002.44	28,002.44	Jul. 2013
	MJ Logipark Kazo 1	7,621.09	7,602.06	7,678.10	7,678.10	Mar. 2006
	MJ Logipark Osaka 1	13,028.81	39,157.61	39,082.95	39,082.95	Sept. 2007
	MJ Logipark Fukuoka 1	20,297.84	39,797.96	38,143.21	38,143.21	Sept. 2007
	MJ Logipark Tsuchiura 1	22,914.37	15,485.00	15,485.00	15,485.00	Oct. 2014
	MJ Logipark Nishinomiya 1	23,008.83	13,903.42	13,777.07	13,777.07	Mar. 1991
	MJ Logipark Kasugai 1	38,972.99	58,236.48	57,866.98	57,866.98	Jan. 2017
	MJ Logipark Kazo 2	11,454.21	7,349.18	7,349.18	7,349.18	Dec. 1998
MJ Logipark Sendai 1	19,877.94	36,854.27	39,098.87	39,098.87	Mar. 2009	
Others	MJ Industrial Park Sakai (Land)	87,476.71	-	87,476.71	87,476.71	-
Total		594,107.74	915,444.09 (616,368.64)	675,733.83	673,800.55	-

Notes:

1. "Land area" and "Total floor area" are the lot area recorded in the register. "Total floor area" is the total floor area of the main building and annex. If there is more than one main building, the total floor area is the sum of the total floor area for each main building. Figures in parentheses for "Logicross Osaka" "Logicross Nagoya Kasadera" "LOGIPOINT Sagamihara" "LOGIPOINT Hashimoto" and "LOGIPOINT Osaka Taisho" are stated corresponding to each co-beneficiary interest (60%, 60%, 49%, 45% and 37.5%). "Total" are the sum of total floor area of each property owned taking into account the co-beneficiary interest of each property. Each figure is rounded to the first decimal place
2. "Total leasable area" equals to the gross leasable space in each property or property in trust as of Feb. 28, 2021, based on lease agreements and floor plans included in lease agreements, plus available space based on floor plans, rounded down to the nearest square meter. It does not include the leased area indicated in the lease agreements concerning shops, vending machines, photovoltaic power generation facilities and parking lots.

3. "Total leased area" equals to the gross floor area of leased space in each property or property in trust as of Feb. 28, 2021, based on the lease agreements and floor plans included in the lease agreements. It does not include the leased area indicated in the lease agreements concerning shops, vending machines, photovoltaic power generation facilities and parking lots.
4. "Year built" is the date of construction of the building in the register. If there is more than one main building, the oldest date shown in the register.
5. "Total leasable area" and "Total leased area" of "Logicross Osaka " and "Logicross Nagoya Kasadera" are shown with the values corresponding to the co-beneficiary interest ratios (60%).
6. "Total leasable area" and "Total leased area" of LOGIPORT Sagamihara is shown with the values corresponding to the co-beneficiary interest ratios (49%).
7. "Total leasable area" and "Total leased area" of LOGIPORT Hashimoto is shown with the values corresponding to the co-beneficiary interest ratios (45%).
8. "Total leasable area" and "Total leased area" of LOGIPORT Osaka Taisho is shown with the values corresponding to the co-beneficiary interest ratios (37.5%).

(iii) Overview of Tenant Agreements

The following summarizes (total leasable area, total leased area, occupancy, number of tenants, name of major tenant, annual rent, security deposit, average lease term and average remaining lease term) the real estate or the real estate properties in trust owned by MEL at the end of the reporting fiscal period:

Category	Property name	Total leasable area (㎡) (Note 1)	Total leased area (㎡) (Note 2)	Occupancy (%) (Note 3)	Number of tenants (Note 4)	Name of major tenant (Note 5)	Annual rent (Millions of yen) (Note 6)	Security deposit (Millions of yen) (Note 7)	Average lease term / Average remaining lease term (Years) (Note 8, 9)
Logistics Facilities	Logicross Fukuoka Hisayama	34,878.55	34,878.55	100.0	2	Mitsubishi Estate Co., Ltd.	Not disclosed (Note 10)	Not disclosed (Note 10)	4.0 (1.2)
	Logicross Atsugi	29,895.80	29,895.80	100.0	1	MITAKA SOKO Co., Ltd.	Not disclosed (Note 10)	Not disclosed (Note 10)	10.0 (6.1)
	Logicross Kobe Sanda	12,844.35	12,844.35	100.0	1	Fresh Creator Co., Ltd.	Not disclosed (Note 10)	Not disclosed (Note 10)	30.0 (26.3)
	Logicross Osaka (Note 11)	21,369.94	21,369.94	100.0	2	e-LogiT co Ltd	Not disclosed (Note 10)	Not disclosed (Note 10)	Not disclosed (Note 10)
	Logicross Nagoya Kasadera (Note 11)	37,373.44	37,373.44	100.0	10	YAGAMI Co., LTD	563	240	6.7 (4.8)
	LOGIPOINT Sagamihara (Note 12)	88,609.64	88,316.94	99.7	18	S・V・D Co., Ltd.	1,282	299	7.2 (2.9)
	LOGIPOINT Hashimoto (Note 13)	58,487.96	58,436.88	99.9	15	KDDI Corporation	966	238	6.1 (3.6)
	LOGIPOINT Osaka Taisho (Note 14)	40,081.57	38,492.07	96.0	10	SBS Toshiba Logistics Corporation	559	134	5.7 (3.4)
	MJ Logipark Funabashi 1	18,232.07	18,232.07	100.0	1	Fuji Echo Co., Ltd.	Not disclosed (Note 10)	Not disclosed (Note 10)	Not disclosed (Note 10)
	MJ Logipark Atsugi 1	28,002.44	28,002.44	100.0	1	Sun Toshi Tatemono K.K.	Not disclosed (Note 10)	Not disclosed (Note 10)	Not disclosed (Note 10)
	MJ Logipark Kazo 1	7,678.10	7,678.10	100.0	1	Kanda Holdings Co., Ltd.	Not disclosed (Note 10)	Not disclosed (Note 10)	Not disclosed (Note 10)
	MJ Logipark Osaka 1	39,082.95	39,082.95	100.0	1	Sankyu Inc.	Not disclosed (Note 10)	Not disclosed (Note 10)	Not disclosed (Note 10)
	MJ Logipark Fukuoka 1	38,143.21	38,143.21	100.0	5	Fukuoka Logistics Systems Corp.	396	179	3.0 (1.2)
	MJ Logipark Tsuchiura 1	15,485.00	15,485.00	100.0	1	EntreX Incorporated	Not disclosed (Note 10)	Not disclosed (Note 10)	20.0 (17.4)
	MJ Logipark Nishinomiya 1	13,777.07	13,777.07	100.0	1	F - LINE CO., Ltd	Not disclosed (Note 10)	Not disclosed (Note 10)	10.0 (8.1)
	MJ Logipark Kasugai 1	57,866.98	57,866.98	100.0	2	Kimura-Unity Co., Ltd.	Not disclosed (Note 10)	Not disclosed (Note 10)	5.1 (2.7)
MJ Logipark Kazo 2	7,349.18	7,349.18	100.0	1	MS JAPAN Co.,Ltd.	Not disclosed (Note 10)	Not disclosed (Note 10)	10.0 (8.8)	
MJ Logipark Sendai 1	39,098.87	39,098.87	100.0	3	Toho Transportation and Warehouse Co., Ltd.	424	188	3.5 (1.6)	
Others	MJ Industrial Park Sakai (Land)	87,476.71	87,476.71	100.0	1	IHI Infrastructure Systems Co., Ltd	Not disclosed (Note 10)	Not disclosed (Note 10)	Not disclosed (Note 10)
Total (Average)		675,733.83	673,800.55	99.7	77	—	8,102	2,778	8.9 (5.5)

Notes:

1. "Total leasable area" equals to the gross leasable space in each property or property in trust as of Feb. 28, 2021, based on lease agreements and floor plans included in lease agreements, plus available space based on floor plans, rounded down to the nearest square meter. It does not include the leased area indicated in the lease agreements concerning shops, vending machines, photovoltaic power generation facilities and parking lots.
2. "Total leased area" equals to the gross floor area of leased space in each property or property in trust as of Feb. 28, 2021, based on the lease agreements and floor plans included in the lease agreements. It does not include the leased area indicated in the lease agreements concerning shops, vending machines, photovoltaic power generation facilities and parking lots.
3. "Occupancy" is as of Feb. 28, 2021, calculated by dividing total leased area for each property by the total leasable area. The total occupancy rate is calculated by dividing the aggregate total leased area for the relevant properties by the aggregate total leasable area for the relevant properties. Figures are rounded to the first decimal place.
4. "Number of tenants" is based on the lease agreements with tenants for each property or property in trust as of Feb.28, 2021. However, if one lessee enters into a multiple number of lease agreements for the same property, the total number of tenants will be calculated on the assumption that such lessee is one party.
5. "Name of major tenant" is the name of the tenant with the largest leased floor area in the relevant lease agreement for each property or property in trust as of Feb. 28, 2021
6. "Annual rent" represents the annualized amount of rent (the sum of annualized amounts of rent if a multiple number of lease agreements have been executed), which is 12 times monthly rent (including common area expenses), rounded down to the nearest million yen, indicated in the relevant lease agreement for each property or property in trust as of Feb. 28, 2021. However, if there are different provisions for monthly rent (including common area expenses) depending on the time period in each lease agreement for each property or property in trust as of Feb. 28, 2021, the annualized amount of rent will be calculated based on the monthly rent (including common area expenses) for Feb. 2021 shown in said lease agreement. The rent-free periods and annual rent holiday periods (meaning that the payment of rents for specific months is exempted) as of Feb. 28, 2021 shall not be included.
7. "Security deposit" represent the sum of the outstanding amounts of leasehold/security deposits (the sum of the outstanding amounts of leasehold/security deposit if a multiple number of lease agreements have been executed), rounded down to the nearest million yen, indicated in the subject lease agreement as of Feb. 28, 2021. However, if there are different provisions for the sum of outstanding leasehold/security deposit depending on the time period in each lease agreement for each property or property in trust, the amount of tenant leasehold/security deposit for Feb. 2021 shown in said lease agreement is indicated.
8. "Average lease term" is calculated as the weighted average lease term indicated in the relevant lease agreements for each property or property in trust as of Feb. 28, 2021, by the rent and figures are rounded to the first decimal place.
9. "Average remaining lease term" is calculated as the weighted average remaining lease term indicated in the relevant lease agreements for each property or property in trust as of Feb. 28, 2021, by the rent and figures are rounded to the first decimal place.
10. Not disclosed as the tenant's consent has not been obtained.
11. "Total leasable area", "Total leased area", "Annual rent" and "Security deposits" of "Logicross Osaka" and "Logicross Nagoya Kasadera" are shown with the values corresponding to the co-beneficiary interest ratios (60%).
12. "Total leasable area", "Total leased area", "Annual rent" and "Security deposits" of LOGIPORT Sagamihara is shown with the values corresponding to the co-beneficiary interest ratios (49%).
13. "Total leasable area", "Total leased area", "Annual rent" and "Security deposits" of "Logicross Osaka" and "Logicross Nagoya Kasadera" are shown with the values corresponding to the co-beneficiary interest ratios (60%).
14. "Total leasable area", "Total leased area", "Annual rent" and "Security deposits" of LOGIPORT Hashimoto is shown with the values corresponding to the co-beneficiary interest ratios (45%).
15. "Total leasable area", "Total leased area", "Annual rent" and "Security deposits" of LOGIPORT Osaka Taisho is shown with the values corresponding to the co-beneficiary interest ratios (37.5%).

(iv) Overview of Appraisal Reports (as of Feb. 28, 2021)

Category	Property name	Appraiser	Appraisal value date	Appraisal value (Millions of yen)	Integrated value based on cost method (Millions of yen)	Return price					Appraisal NOI (Note 1)	Appraisal NOI Yield (%) (Note 2)
						Direct capitalization method		DCF method				
						Value based on direct capitalization method (Millions of yen)	Direct capitalization rate (%)	Value based on DCF method (Millions of yen)	Discount rate (%)	Terminal capitalization rate (%)		
Logistics Facilities	Logicross Fukuoka Hisayama	Tanizawa Sogo Appraisal Co., Ltd.	Feb. 28, 2021	6,870	6,550	6,810	4.7	6,890	4.6, 4.8 (Note 3)	4.9	325	5.6
	Logicross Atsugi	Tanizawa Sogo Appraisal Co., Ltd.	Feb. 28, 2021	9,190	9,220	9,290	4.1	9,140	4.1, 4.2 (Note 4)	4.3	381	4.5
	Logicross Kobe Sanda	Tanizawa Sogo Appraisal Co., Ltd.	Feb. 28, 2021	4,220	3,910	4,250	4.6	4,200	4.5, 4.6 (Note 5)	4.8	197	5.1
	Logicross Osaka (Note 6)	Japan Real Estate Institute	Feb. 28, 2021	6,000	5,892	6,120	4.1	5,904	3.9	4.3	252	4.3
	Logicross Nagoya Kasadera (Note 6)	Japan Real Estate Institute	Feb. 28, 2021	9,780	9,600	9,900	4.3	9,660	4.1	4.5	427	4.9
	LOGIPOINT Sagamihara (Note 7)	DAIWA REAL ESTATE APPRAISAL Corporation	Feb. 28, 2021	24,000	16,500	23,900	4.1	24,000	3.9	4.3	996	4.7
	LOGIPOINT Hashimoto (Note 8)	Japan Real Estate Institute	Feb. 28, 2021	20,430	19,710	20,745	4.0	20,115	3.8	4.2	831	4.6
	LOGIPOINT Osaka Taisho (Note 9)	Japan Real Estate Institute	Feb. 28, 2021	11,550	10,912	11,737	4.1	11,362	3.9	4.3	485	4.6
	MJ Logipark Funabashi 1	Japan Real Estate Institute	Feb. 28, 2021	6,580	3,170	6,590	4.9	6,560	4.1	5.3	352	6.5
	MJ Logipark Atsugi 1	Japan Real Estate Institute	Feb. 28, 2021	7,010	7,180	7,110	4.2	6,910	4.0	4.4	302	4.5
	MJ Logipark Kazo 1	Japan Real Estate Institute	Feb. 28, 2021	1,460	1,300	1,480	4.8	1,440	4.6	5.0	72	5.7
	MJ Logipark Osaka 1	Tanizawa Sogo Appraisal Co., Ltd.	Feb. 28, 2021	6,960	5,820	7,020	4.3	6,940	4.4	4.5	312	5.1
	MJ Logipark Fukuoka 1	Japan Real Estate Institute	Feb. 28, 2021	6,460	4,560	6,520	4.8	6,390	4.6	5.0	327	5.3
	MJ Logipark Tsuchiura 1	Japan Real Estate Institute	Feb. 28, 2021	3,420	2,890	3,460	4.8	3,380	4.6	5.0	165	5.3
	MJ Logipark Nishinomiya 1	Tanizawa Sogo Appraisal Co., Ltd.	Feb. 28, 2021	2,660	2,780	2,720	4.8	2,630	4.5, 4.7 (Note 10)	4.9	141	5.7
MJ Logipark Kasugai 1	Tanizawa Sogo Appraisal Co., Ltd.	Feb. 28, 2021	14,300	12,800	14,700	4.4	14,100	4.4, 4.5 (Note 11)	4.6	658	4.8	

Category	Property name	Appraiser	Appraisal value date	Appraisal value (Millions of yen)	Integrated value based on cost method (Millions of yen)	Return price					Appraisal NOI (Note 1)	Appraisal NOI Yield (%) (Note 2)
						Direct capitalization method		DCF method				
						Value based on direct capitalization method (Millions of yen)	Direct capitalization rate (%)	Value based on DCF method (Millions of yen)	Discount rate (%)	Terminal capitalization rate (%)		
	MJ Logipark Kazo 2	Tanizawa Sogo Appraisal Co., Ltd.	Feb. 28, 2021	1,720	1,630	1,810	4.3	1,680	4.4	4.5	82	5.0
	MJ Logipark Sendai 1	Japan Real Estate Institute	Feb. 28, 2021	7,510	5,190	7,610	4.8	7,400	4.4	4.8	382	5.2
Others	MJ Industrial Park Sakai (Land)	Japan Real Estate Institute	Feb. 28, 2021	5,780	-	5,840	3.7	5,710	3.5	3.8	214	3.8
Total				155,900	29,614	157,612	-	154,411	-	-	6,910	4.9

Notes:

1. "Appraisal NOI" is the net operating income by the direct capitalization method stated in the appraisal report, rounded to the nearest million yen.
2. "Appraisal NOI Yield" is the ratio of appraisal NOI using the direct capitalization method to the acquisition price of each property in each real estate appraisal report, rounded to the first decimal place.
3. The discount rate for Logicross Fukuoka Hisayama is assessed from first year to fifth year as 4.6% and sixth year and thereafter as 4.8%.
4. The discount rate for Logicross Atsugi is assessed first to sixth year as 4.1% and seventh and thereafter as 4.2%.
5. The discount rate for Logicross Kobe Sanda is assessed first to sixth year as 4.5% and seventh to eleventh as 4.6%.
6. "Appraisal value", "Integrated value based on cost method", "Value based on direct capitalization method" and "Value based on DCF method" of Logicross Osaka and Logicross Nagoya Kasadera is shown with the values corresponding to the co-beneficiary interest ratios (60%), respectively.
7. "Appraisal value", "Integrated value based on cost method", "Value based on direct capitalization method" and "Value based on DCF method" of LOGIPORT Sagamihara is shown with the values corresponding to the co-beneficiary interest ratios (49%).
8. "Appraisal value", "Integrated value based on cost method", "Value based on direct capitalization method" and "Value based on DCF method" of LOGIPORT Hashimoto is shown with the values corresponding to the co-beneficiary interest ratios (45%).
9. "Appraisal value", "Integrated value based on cost method", "Value based on direct capitalization method" and "Value based on DCF method" of LOGIPORT Osaka Taisho is shown with the values corresponding to the co-beneficiary interest ratios (37.5%).
10. The discount rate for MJ Logipark Nishinomiya 1 is assessed first to eighth year as 4.5% and ninth and thereafter as 4.7%.
11. The discount rate for MJ Logipark Kasugai 1 is assessed first to third year as 4.4% and fourth and thereafter as 4.5%.

(v) Information Regarding Major Real Estate Properties

The following summarizes the properties where “annual rent” represents 10% or more of the total portfolio annual rent as of Feb. 28, 2021.

Property name	Annual rent (Millions of yen) (Note 1)	Percentage of rent (%) (Note 2)
LOGIPORT Sagamihara (Note 3)	1,282	15.8%
LOGIPORT Hashimoto (Note 4)	966	11.9%

Notes:

1. “Annual rent” represents the annualized amount of rent (the sum of annualized amounts of rent if a multiple number of lease agreements have been executed), which is 12 times monthly rent (including common area expenses), rounded down to the nearest million yen, indicated in the relevant lease agreement for each property or property in trust as of Feb. 28, 2021. However, if there are different provisions for monthly rent (including common area expenses) depending on the time period in each lease agreement for each property or property in trust as of Feb. 28, 2021, the annualized amount of rent will be calculated based on the monthly rent (including common area expenses) for Feb. 2021 shown in said lease agreement. The rent-free periods and annual rent holiday periods (meaning that the payment of rents for specific months is exempted) as of Feb. 28, 2021 shall not be included.
2. “Percentage of rent” is the ratio of that property’s total annual rent to the total portfolio annual rent, rounded to the first decimal place.
3. “Annual rent” of LOGIPORT Sagamihara is shown with the values corresponding to the co-beneficiary interest ratios (49%).
4. “Annual rent” of LOGIPORT Hashimoto is shown with the values corresponding to the co-beneficiary interest ratios (45%).

(vi) Information Regarding Major Tenants

The following summarizes the major tenant where “leased area” represents 10% or more of the total portfolio leased area as of Feb. 28, 2021.

Tenant Name	Type of industry (Note 1)	Property name	Annual rent (Millions of yen)	Percentage of rent (%)	Leased area (m ²) (Note 2)	Percentage of area (%) (Note 3)	Lease expiration date
IHI Infrastructure Systems Co., Ltd	Manufacturing of metal products for construction (excluding steel frame)	MJ Industrial Park Sakai (Land)	Not disclosed (Note 4)	Not disclosed (Note 4)	87,476.71	13.0	Not disclosed (Note 4)

Notes:

1. “Type of industry” refers to the report from the TOKYO SHOKO RESEARCH, LTD.
2. “Total leased area” equals to the gross floor area of leased space in each property or property in trust as of Feb. 28, 2021, based on the lease agreements and floor plans included in the lease agreements. It does not include the leased area indicated in the lease agreements concerning shops, vending machines, photovoltaic power generation facilities and parking lots.
3. “Percentage of area” refers to the floor area leased to end tenant as a proportion of total leased area. Figures are rounded to the first decimal place.
4. Not disclosed as the tenant’s consent has not been obtained.

(vii) Property Distribution

a. Distribution by category

Category	Number of properties	Acquisition price (Millions of yen) (Note 1)	Investment Ratio (%) (Note 2)
Logistics facilities	18	136,594	96.1
Others	1	5,600	3.9
Total	19	142,194	100.0

Notes:

1. "Acquisition price" represents the purchase price of each property or beneficiary right in trust as set forth on the relevant purchase agreement and does not include expenses such as consumption taxes, and is rounded down to nearest million yen. Same applies below (vii) Property Distribution.
2. "Investment ratio" is calculated by dividing the acquisition price for each property by the total acquisition price and is rounded to second decimal place. Thus, the sum of the figures in total may not add up to the figure in the total column. Same applies below (vii) Property Distribution.

b. Distribution by region

<Based on total floor area (Note 1)>

Region	Number of properties	Total floor area (m ²) (Note 2)	Ratio (%)
Tokyo metropolitan area (Note 3)	8	452,492.39	49.4
Osaka metropolitan area (Note 4)	5	219,604.88	24.0
Nagoya metropolitan area (Note 5)	2	130,612.51	14.3
Others	3	112,734.31	12.3
Total	18	915,444.09	100.0

<Based on acquisition price>

Region	Number of properties	Acquisition price (Millions of yen)	Investment ratio (%)
Tokyo metropolitan area (Note 3)	8	66,099	46.5
Osaka metropolitan area (Note 4)	6	34,431	24.2
Nagoya metropolitan area (Note 5)	2	22,375	15.7
Others	3	19,288	13.6
Total	19	142,194	100.0

Notes:

1. MJ Industrial Park Sakai (Land) is not included in the calculation.
2. "Total floor area" are the lot area recorded in the register. "Total floor area" is the total floor area of the main building and annex. If there is more than one main building, the total floor area is the sum of the total floor area for each main building. Same applies below (vii) Property Distribution.
3. Tokyo metropolitan area refers to Tokyo, Kanagawa, Chiba, Saitama and Ibaraki prefectures.
4. Osaka metropolitan area refers to Osaka, Hyogo, Kyoto, Nara and Shiga prefectures.
5. Nagoya metropolitan area refers to Aichi, Mie and Gifu prefectures.

c. Distribution by property age (Note 1)

Property age (Note 2)	Number of properties	Total floor area (m ²)	Ratio (%)	Acquisition price (Millions of yen)	Investment ratio (%)
Less than 5 years	6	327,052.16	35.7	51,074	37.4
5 years or more and 10 years	5	425,465.35	46.5	55,120	40.4
10 years or more	7	162,926.58	17.8	30,400	22.3
Total	18	915,444.09	100.0	136,594	100.0

Notes:

1. MJ Industrial Park Sakai (Land) is not included in the calculation.
2. "Property age" is calculated based on the date recorded in the register up to Feb. 28, 2021.

d. Distribution by total floor area (Note)

Total floor area	Number of properties	Total floor area (m ²)	Ratio (%)	Acquisition price (Millions of yen)	Investment ratio (%)
Less than 10,000m ²	2	14,951.24	1.6	2,909	2.1
10,000m ² or more and less than 30,000m ²	6	118,261.78	12.9	30,009	22.0
30,000m ² or more	10	782,231.07	85.4	103,676	75.9
Total	18	915,444.09	100.0	136,594	100.0

Note: MJ Industrial Park Sakai (Land) is not included in the calculation.

e. Distribution by lease term

Lease term (Note 1)	Annual rent (Millions of yen) (Note 2)(Note 3)	Ratio (%)
10 years or more	3,304	40.8
7 years or more and less than 10 years	242	3.0
5 years or more and less than 7 years	2,553	31.5
Less than 5 years	2,001	24.7
Total	8,102	100.0

Notes:

- “Lease term” is calculated as the weighted average lease term indicated in the relevant lease agreements for each property or property in trust as of Feb. 28, 2021, by the rent and figures are rounded to the first decimal place. It does not include the leased area indicated in the lease agreements concerning shops, vending machines, photovoltaic power generation facilities and parking lots.
- “Annual rent” represents the annualized amount of rent (the sum of annualized amounts of rent if a multiple number of lease agreements have been executed), which is 12 times monthly rent (including common area expenses), rounded down to the nearest million yen, indicated in the relevant lease agreement for each property or property in trust as of Feb. 28, 2021. However, if there are different provisions for monthly rent (including common area expenses) depending on the time period in each lease agreement for each property or property in trust as of Feb. 28, 2021, the annualized amount of rent will be calculated based on the monthly rent (including common area expenses) for Feb. 2021 shown in said lease agreement. The rent-free periods and annual rent holiday periods (meaning that the payment of rents for specific months is exempted) as of Feb. 28, 2021 shall not be included. Same applies below (vii) Property Distribution.
- Logicross Osaka, Logicross Nagoya Kasadera, LOGIPORT Sagamihara, LOGIPORT Hashimoto and LOGIPORT Osaka Taisho is shown with the values corresponding to the co-beneficiary interest ratios (60%, 60%, 49%, 45% and 37.5%). Same applies below (vii) Property Distribution.

f. Distribution by remaining lease term

Remaining lease term (Note)	Annual rent (Millions of yen)	Ratio (%)
7 years or more	1,151	14.2
5 years or more and less than 7 years	692	8.5
3 years or more and less than 5 years	2,081	25.7
1 year or more and less than 3 years	3,172	39.2
Less than 1 year	1,004	12.4
Total	8,102	100.0

Note: “Remaining lease term” is calculated as the weighted average remaining lease term indicated in the relevant lease agreements for each property or property in trust as of Feb. 28, 2021, by the rent and figures are rounded to the first decimal place. It does not include the leased area indicated in the lease agreements concerning shops, vending machines, photovoltaic power generation facilities and parking lots.

(viii) Details of Collateral
Not applicable

(ix) Capital Expenditure for Owned Properties

a. Future plans for capital expenditure

The following summarizes the major capital expenditure plans in connection with scheduled renovations and other work for properties owned by MEL. Estimated construction cost includes the amounts to be expensed for accounting purposes.

Property name (Location)	Purpose	Planned period	Estimated construction cost (Note)		
			Total amount	Paid during the reporting period	Total amount already paid
MJ Logipark Funabashi 1 (Funabashi, Chiba)	Repair work of office building	From Mar. 2021 to Aug. 2021	62	-	-
MJ Logipark Kazo 1 (Kazo, Saitama)	Repair work of elevator	From Nov. 2021 to Feb. 2022	13	-	-
MJ Logipark Nishinomiya 1 (Nishinomiya, Hyogo)	Repair work of LED lighting	From Aug. 2021 to Aug. 2021	27	-	-

Note: Figures are rounded down to the nearest million yen.

b. Capital expenditure incurred for the reporting fiscal period

MEL conducted construction work worth 192 million yen in the reporting fiscal period which is a sum of capital expenditures of 117 million yen and repair and maintenance expenses of 75 million yen.

c. Reserved Amount for Long-Term Repairs, Maintenance and Renovation Plans

(Thousands of yen)

	Fifth fiscal period	Sixth fiscal period	Seventh fiscal period	Eighth fiscal period	Ninth fiscal period
	Sept. 1, 2018 to Feb. 28, 2019	Mar. 1, 2019 to Aug. 31, 2019	Sept. 1, 2019 to Feb. 29, 2020	Mar. 1, 2020 to Aug. 31, 2020	Sept. 1, 2020 to Feb. 28, 2021
Reserved balance at the beginning of the period	177,543	238,887	297,841	376,229	448,139
Reserved amount during the period	61,344	58,954	78,388	71,910	106,629
Reversal of reserved amount during the period	-	-	-	-	-
Reserved balance at the end of the period	238,887	297,841	376,229	448,139	554,768

(x) Overview of Property Leasing and Status of Operating Income
Ninth fiscal period from Sept. 1, 2020, to Feb. 28, 2021

(Units: Thousands of yen)

Property name	Logicross Fukuoka Hisayama	Logicross Atsugi	Logicross Kobe Sanda	Logicross Osaka	Logicross Nagoya Kasadera
Operating days	181 days	181 days	181 days	181 days	181 days
(A) Property related revenues					300,245
Property revenues					281,768
Other property related revenues					18,476
(B) Property related expenses					90,747
Facility management fee					23,958
Property taxes	Not disclosed (Note)	Not disclosed (Note)	Not disclosed (Note)	Not disclosed (Note)	15
Non-life insurance premium					437
Repair and maintenance expenses					3,556
Utilities cost					14,622
Custodian fee					135
Other expenses					2,082
(C) Depreciation	43,801	34,728	16,198	31,813	45,938
(D) Property related income (=A-B)	88,038	158,934	83,702	112,095	209,498
(E) NOI (=C+D)	131,839	193,662	99,901	143,909	255,436

Property name	LOGIPORT Sagamihara	LOGIPORT Hashimoto	LOGIPORT Osaka Taisho	MJ Logipark Funabashi 1	MJ Logipark Atsugi 1
Operating days	181 days	181 days	181 days	181 days	181 days
(A) Property related revenues	689,103	507,063	286,196		
Property revenues	640,761	474,740	272,766		
Other property related revenues	48,341	32,322	13,429		
(A) Property related expenses	251,714	184,690	91,720		
Facility management fee	30,666	21,169	11,500		
Property taxes	57,051	43,459	17,811	Not disclosed (Note)	Not disclosed (Note)
Non-life insurance premium	981	715	548		
Repair and maintenance expenses	6,359	8,008	2,480		
Utilities cost	28,382	19,497	9,441		
Custodian fee	61	56	37		
Other expenses	11,214	901	909		
(B) Depreciation	116,995	90,882	48,989	39,913	33,168
(C) Property related income (=A-B)	437,388	322,373	194,476	109,463	118,471
(D) NOI (=C+D)	554,384	413,255	243,465	149,377	151,639

Note: Not disclosed as the tenant's consent has not been obtained.

(Units: Thousands of yen)

Property name	MJ Logipark Kazo 1	MJ Logipark Osaka 1	MJ Logipark Fukuoka 1	MJ Logipark Tsuchiura 1	MJ Logipark Nishinomiya 1
Operating days	181 days	181 days	181 days	181 days	181 days
(A) Property related revenues			212,012		
Property revenues			198,128		
Other property related revenues			13,884		
(A) Property related expenses			112,905		
Facility management fee			10,457		
Property taxes	Not disclosed (Note)	Not disclosed (Note)	14,119	Not disclosed (Note)	Not disclosed (Note)
Non-life insurance premium			395		
Repair and maintenance expenses			17,380		
Utilities cost			8,788		
Custodian fee			240		
Other expenses			1,139		
(B) Depreciation	10,423	38,395	60,383	12,894	12,086
(C) Property related income (=A-B)	26,334	100,537	99,107	70,119	47,507
(D) NOI (=C+D)	36,757	138,932	159,490	83,013	59,593

Property name	MJ Logipark Kasugai 1	MJ Logipark Kazo 2	MJ Logipark Sendai1	MJ Industrial Park Sakai (Land)	Total
Operating days	181 days	181 days	181 days	181 days	
(A) Property related revenues			232,765		4,203,412
Property revenues			211,518		4,002,266
Other property related revenues			21,246		201,145
(A) Property related expenses			91,033		1,497,479
Facility management fee			14,200		185,972
Property taxes	Not disclosed (Note)	Not disclosed (Note)	-	Not disclosed (Note)	313,276
Non-life insurance premium			405		6,412
Repair and maintenance expenses			2,599		75,570
Utilities cost			11,626		115,299
Custodian fee			290		3,140
Other expenses			2,249		24,312
(B) Depreciation	69,168	7,603	59,611	-	773,496
(C) Property related income (=A-B)	247,404	31,419	141,731	107,329	2,705,932
(D) NOI (=C+D)	317,022	39,022	201,393	107,329	3,479,429

Note: Not disclosed as the tenant's consent has not been obtained.