

February 4, 2010

For Immediate Release

Real Estate Investment Fund Issuer

Japan Logistics Fund, Inc.
4-3 Hitotsubashi 2-chome, Chiyoda-ku, Tokyo
Representative: Executive Director Reiji Fujita
(Securities Code: 8967)

Asset Management Company

Mitsui & Co., Logistics Partners Ltd.
Representative: President Reiji Fujita
Contact: Director, CFO Kenichiro Matsuoka
TEL +81-3-3238-7171

Notice Concerning the Additional Issue of New Investment Units and a Secondary Offering

Japan Logistics Fund, Inc. (hereinafter referred to as the “Fund”) today announced its decision to issue new investment units and to conduct a secondary offering. This decision was resolved at the Board of Directors meeting held on February 4, 2010. The detail of the resolving are outlined below.

1. Issue of new investment units through public offering (Primary Offering)

- (1) Total number of units to be issued: 8,500 units
- (2) Issue value: To be determined (The issue price for new investment units shall be determined by a resolution of the Board of Directors meeting scheduled to be held on a date between February 16, 2010 (Tuesday) and February 19, 2010 (Friday) (“the Issue Price Determination Date”)).
- (3) Total amount of issue value: To be determined.
- (4) Offering method: Public offering. All units shall be underwritten by a group of underwriters that will be led by Nikko Cordial Securities Inc. and Nomura Securities Co., Ltd. as co-lead managers, and will also include the following underwriters: Daiwa Securities Capital Markets Co.,Ltd., UBS Securities Japan Ltd., Mizuho Securities Co., Ltd., and Mitsubishi UFJ Securities Co., Ltd. (collectively the “underwriters”).
The issue price in the primary offering (offer price) shall provisionally be calculated by multiplying the Tokyo Stock Exchange closing price on the Issue Price Determination Date (the closing price on the day immediately preceding the Issue Price Determination Date in the event there is no closing price) by a factor of 0.90 to 1.00 (amount less than 1 yen to be omitted) and subject to demand.
- (5) Underwriting agreement: The Underwriters shall pay the total amount of underwriting value (issue value) to the Fund on the payment date that is set forth in item (8) below, and the difference between the issue price in the primary public offering and the underwriting value

Note: This document is a public announcement regarding the issue of new investment units and a secondary offering thereof, and has not been prepared as an inducement or invitation to investment. We caution readers to refer to the Fund’s offering circular for the Issue of new investment units and secondary offering and the notices of amendments thereto, and to undertake any investment decision at their own judgment and responsibility.

- (issue value) shall be distributed to the Underwriters as underwriting fee. The Fund shall not pay any underwriting commission.
- (6) Application units: One unit or more in multiples of one unit
 - (7) Application period: February 22, 2010 (Monday) to February 23, 2010 (Tuesday)
Subject to demand, the application period may be moved up. The earliest application period shall be February 17, 2010 (Wednesday) through February 18, 2010 (Thursday).
 - (8) Payment date: February 26, 2010 (Friday)
Subject to demand, the payment date may be moved up. The earliest payment date applicable shall be February 23, 2010 (Tuesday).
 - (9) Settlement date: The first business day after the payment date
 - (10) The issue price and other items required for the issue of new investment units shall be determined at a future Board of Directors meeting.
 - (11) The aforementioned items shall be subject to the effectiveness of the securities registration statement in accordance with the Financial Instruments and Exchange Law.

2. Secondary offering of investment units (over-allotment)

- (1) Seller: Nikko Cordial Securities Inc.
- (2) The number of units offered: 500 units
The above number represents the maximum number of investment units to be offered. The number may decrease, or the secondary offering by over-allotment itself may be cancelled, depending on the degree of demand and other conditions. The number of investment units to be offered shall be determined at the Board of Directors meeting, to be held on the price determination date, in consideration of the degree of demand and other conditions.
- (3) Offer price: To be determined
(to be decided on the price determination date. The offer price is to be the same as the public offering issue price (offer price).)
- (4) Total amount of issue value: To be determined.
- (5) Offering method: Nikko Cordial Securities Inc. will make an offering of the maximum of 500 units of the Fund that it borrows from Mitsui & Co., Ltd., which is an investor of the Fund, in consideration of the degree of demand and other conditions in the public offering.
- (6) Application unit: One unit or more in multiples of one unit
- (7) Application period: The same application period as the primary offering
- (8) Settlement date: The first business day immediately following the payment date for the primary offering
- (9) The offer price and other items required for the secondary offering of the investment units shall be determined at a future Board of Directors meeting.
- (10) The aforementioned items shall be subject to the effectiveness of the securities registration statement in accordance with the Financial Instruments and Exchange Law.

Note: This document is a public announcement regarding the issue of new investment units and a secondary offering thereof, and has not been prepared as an inducement or invitation to investment. We caution readers to refer to the Fund's offering circular for the Issue of new investment units and secondary offering and the notices of amendments thereto, and to undertake any investment decision at their own judgment and responsibility.

3. Issue of new investment units by a third-party allotment(third-party allotment)

- (1) Total number of units to be issued: 500 units
- (2) Allottee and number of units to be issued: Nikko Cordial Securities Inc. 500 units
- (3) Issue value: To be determined (To be decided at the Board of Directors meeting, to be held on the price determination date. The issue price is to be the same as the public offering issue price.)
- (4) Total amount of issue value: To be determined.
- (5) Application units: One unit or more in multiples of one unit
- (6) Application date: March 24, 2010 (Wednesday)
- (7) Payment date: March 25, 2010 (Thursday)
- (8) The issue price and other items required for the issue of new investment units shall be determined at a future Board of Directors meeting.
- (9) If no payment shall be made for all or a part of the investment units issued, by the payment date set forth above, then the issue of such units shall be canceled.
- (10) If the primary offering is canceled, then the issue of new investment units through a Third-Party Allotment shall also be canceled.
- (11) The aforementioned items shall be subject to the effectiveness of the securities registration statement in accordance with the Financial Instruments and Exchange Law.

Note: This document is a public announcement regarding the issue of new investment units and a secondary offering thereof, and has not been prepared as an inducement or invitation to investment. We caution readers to refer to the Fund's offering circular for the Issue of new investment units and secondary offering and the notices of amendments thereto, and to undertake any investment decision at their own judgment and responsibility.

Note:

- (1) A secondary offering by over-allotment may be effected by Nikko Cordial Securities Inc., the lead manager of the public offering, after considering demand and other conditions, of up to a limit of 500 units borrowed (hereafter “borrowed units”) from Mitsui & Co., Ltd., an investor of the Fund (hereafter, “secondary offering by over-allotment”). The number of units to be offered through the secondary offering by over-allotment is the upper limit and may be reduced, or the offering through over-allotment itself may be suspended, depending on demand and other conditions.

In order to cause Nikko Cordial Securities Inc. to acquire the units of the Fund necessary to repay the borrowed units by Nikko Cordial Securities Inc. in connection with the secondary offering by over-allotment, the Fund resolved, at the Board of Directors’ meeting held on February 4, 2010 (Thursday), that 500 new units of the Fund be issued and allocated to Nikko Cordial Securities Inc. (hereafter “third-party allotment”) with a payment date of March 25, 2010 (Thursday).

In addition, Nikko Cordial Securities, Inc. may, within the period commencing on the day immediately following the end of the application period for the public offering and the secondary offering by over-allotment and ending on March 19, 2010 (Friday) (hereafter, “syndicate cover transaction period”), purchase up to the maximum number of units of the Fund sold in the secondary offering by over-allotment on the Tokyo Stock Exchange (hereafter, “syndicate cover transaction”) with the aim of repaying the borrowed units. All the units of the Fund procured by Nikko Cordial Securities Inc. through syndicate cover transaction will be allocated to repay the borrowed units. In the syndicate cover transaction period, Nikko Cordial Securities may, at its discretion, choose not to enter into any syndicate cover transaction, or to terminate such transaction prior to reaching the maximum number of units to be issued in the secondary offering by over-allotment.

Moreover, Nikko Cordial Securities Inc. may effect stabilization transactions in relation to the public offering and secondary offering by over-allotment, and allocate all or part of the units of the Fund purchased through stabilization transactions, to repayment of the borrowed units.

Nikko Cordial Securities Inc. plans to underwrite the allotment under this issuance of new units by a third-party allotment of an number of units of the Fund obtained by deducting the number of units purchased through stabilizing transaction and syndicate cover transaction that are to be used to return the borrowed units, from the number of units to be offered in the over-allotment. For this reason, the units to be issued by third-party allotment may not be subscribed in whole or in part, and as a result, the subscription right will be forfeited and the final number of units with respect to the third-party allotment may be reduced to the same extent, or the issue itself may be suspended.

Whether the secondary offering by over-allotment is exercised and the number of units to be subscribed when the secondary offering by over-allotment is exercised will be determined on the issue price determination date. In case the secondary offering by over-allotment is not exercised, Nikko Cordial Securities Inc. will not borrow units of the Fund from the aforementioned investor of the Fund. Consequently, in case the secondary offering by over-allotment is not exercised, Nikko Cordial Securities Inc. will not respond or apply for the third-party allotment and the subscription right will be forfeited and then issuance of new units by third-party allotment will not take place at all. Similarly, the syndicate cover transaction on the Tokyo Stock Exchange will not be exercised.

- (2) The transaction stated in (1) above shall be made by Nikko Cordial Securities Inc. in consultation with Nomura Securities Co., Ltd.

<p>Note: This document is a public announcement regarding the issue of new investment units and a secondary offering thereof, and has not been prepared as an inducement or invitation to investment. We caution readers to refer to the Fund’s offering circular for the Issue of new investment units and secondary offering and the notices of amendments thereto, and to undertake any investment decision at their own judgment and responsibility.</p>
--

4. Number of investment units issued and outstanding after the issue of the new investment units

Current number of investment units issued and outstanding:	122,300 units
Increase in the number of investment units by the primary offering:	8,500 units
Total number of investment units issued and outstanding after the primary offering:	130,800 units
Increase in the number of investment units by way of third-party allotment(plan):	500 units
Total number of investment units issued and outstanding after the third-party allotment::	131,300 units

(Note) These figures are based on the assumption that the new units to be issued by third-party allotment are all applied by Nikko Cordial Securities Inc.

5. Reason for the issuance of units

The issuance of new units was decided on in order to expand the asset size through acquiring a new specified asset after considering the situations of the real estate market, current level of Interest-bearing debt ratio and level of dividend payout.

6. Total amount to be procured, use of proceeds and scheduled outlay period

(1) Total amount to be procured (approximate net balance)

¥5,575,000,000 (maximum)

(Note) The above figures represents the sum of ¥5,266,000,000 in net proceeds from the public offering and the ¥309,000,000 maximum net proceeds from the issuance of new units by third-party allotment. The above-mentioned amounts are estimated amounts as of February 4, 2010.

(2) Specific use of proceeds and scheduled outlay period

The procured funds shall be allocated for the acquisition of specified asset to be acquired (mentioned in “Notice concerning Acquisition of the Interest of Trust Beneficial Right” released on February 4, 2010), and also allocated for partial repayment of the borrowings if there are any residuals.

7. Designation of distributees

Not applicable

8. Outlook

Please refer to “Notice Concerning Forecasts of Financial Results for the Fiscal Periods Ending July 31, 2010 and January 31, 2011” on February 4, 2010.

9. Management conditions and states of equity finance during the three most recent fiscal periods

(1) Management conditions during the three most recent fiscal periods

	Fiscal Period Ending July 31, 2008	Fiscal Period Ending January 31, 2009	Fiscal Period Ending July 31, 2009
Net Income per Unit (Yen)	15,000	16,558	15,950
Distributions per Unit (Yen)	15,000	16,559	15,951
Payout Ratio	99.9%	100.0%	100.0%
Net assets per unit (Yen)	685,658	687,217	686,609

(Note) The net income per unit is calculated based on the average number of units during the period.

Note: This document is a public announcement regarding the issue of new investment units and a secondary offering thereof, and has not been prepared as an inducement or invitation to investment. We caution readers to refer to the Fund’s offering circular for the Issue of new investment units and secondary offering and the notices of amendments thereto, and to undertake any investment decision at their own judgment and responsibility.

(2) Recent unit price conditions

① Changes in unit prices in the three most recent fiscal periods

	Fiscal Period Ending July 31, 2008	Fiscal Period Ending January 31, 2009	Fiscal Period Ending July 31, 2009
Opening	669,000	640,000	495,000
High	786,000	675,000	664,000
Low	551,000	478,000	452,000
Closing	630,000	500,000	640,000

② Changes in unit prices during the last six months

	August 2009	September	October	November	December	January 2010
Opening	660,000	639,000	715,000	700,000	657,000	682,000
High	698,000	749,000	728,000	703,000	720,000	722,000
Low	632,000	636,000	669,000	638,000	625,000	630,000
Closing	635,000	730,000	687,000	658,000	682,000	633,000

③ Unit prices on the business day immediately prior to the resolution date of the issuance

	February 3, 2010
Opening	654,000
High	654,000
Low	648,000
Closing	651,000

(3) Equity finance activities during the three most recent fiscal periods

Not applicable

10. Limitations on sales and additional issues of investment units

- (1) Mitsui & Co., Ltd. is a unitholder of the Fund holding 1,400 units of the investment units as of February 4, 2010. The company has agreed with the co-lead managers not to, without the prior written approval of the co-lead managers, sell any of the investment units owned for a 1-year period after the settlement date (However, excluding where investment units are lent for the purpose of secondary offering by over-allotment).
- (2) The Fund has agreed with the co-lead managers not to, without the prior written approval of the co-lead managers, issue additional investment units (except for the third-party allotment) for a 90 days period after the settlement date.
- (3) The co-lead managers have the authority to cancel all or part of this restriction or to shorten such restriction period at its direction.

This notice is the English translation of the announcement in Japanese dated February 4, 2010 on our website. However, no assurance or warranties are given for the completeness or accuracy of this English translation.

(End)

*The Fund's website: <http://8967.jp/eng/>

<p>Note: This document is a public announcement regarding the issue of new investment units and a secondary offering thereof, and has not been prepared as an inducement or invitation to investment. We caution readers to refer to the Fund's offering circular for the Issue of new investment units and secondary offering and the notices of amendments thereto, and to undertake any investment decision at their own judgment and responsibility.</p>
--