

January 4, 2021

To All Concerned Parties

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Notice Concerning Revision of Forecasts of Operating Results for the Period ending June 30, 2021 and
Forecasts of Operating Results for the Period ending December 31, 2021

CRE Logistics REIT, Inc. (hereinafter “CRE REIT”) announces revision of its operating results forecast for the fiscal period ending June 30, 2021, which CRE REIT announced on August 17, 2020, in the “Summary of Financial Results for the 8th Fiscal Period Ended June 30, 2020,” and a new operating results forecast for the fiscal period ending December 31, 2021. The operating results forecast for the fiscal period ended December 31, 2020 remains unchanged.

1. Revision of operating results forecast for the fiscal period ending June 30, 2021 (From January 1, 2021 to June 30, 2021)

	Operating revenue (million yen)	Operating income (million yen)	Ordinary income (million yen)	Net income (million yen)	Distributions per unit (including surplus distributions) (Yen)	Distributions per unit (excluding surplus distributions) (Yen)	Surplus distributions per unit (Yen)
Previous forecast (A)	2,591	1,385	1,182	1,181	3,205	2,790	415
Revised forecast (B)	3,115	1,718	1,440	1,439	3,303	2,877	426
Amount of increase/decrease (B - A)	524	333	257	257	98	87	11
Rate of increase/decrease	+20.2%	+24.1%	+21.8%	+21.8%	+3.1%	+3.1%	+2.7%

(Reference) Fiscal period ending June 30, 2021: Expected total number of investment units issued and outstanding at the end of the period: 500,150 units; Expected net income per unit: 2,877 yen

2. Operating results forecast for the fiscal period ending December 31, 2021 (From July 1, 2021 to December 31, 2021)

	Operating revenue (million yen)	Operating income (million yen)	Ordinary income (million yen)	Net income (million yen)	Distributions per unit (including surplus distributions) (Yen)	Distributions per unit (excluding surplus distributions) (Yen)	Surplus distributions per unit (Yen)
Fiscal period ending December 31, 2021	3,206	1,817	1,573	1,572	3,483	3,145	338

(Reference) Fiscal period ending December 31, 2021: Expected total number of investment units issued and outstanding at the end of the period: 500,150 units; Expected net income per unit: 3,144 yen

(Note 1) The results forecasts above are calculated based on the assumptions outlined in the attached “Assumptions Underlying the Operating Results Forecasts for the Fiscal Period Ending June 30, 2021 and the Fiscal Period Ending December 31, 2021.” Actual operating revenue, operating income, ordinary income, net income, distribution per unit (including surplus distributions), distribution per unit (excluding surplus distributions) and surplus distributions per unit may vary due to differences from assumptions as a result of future acquisitions or disposal of real estate, etc., fluctuations in rent income due to changes in lessees, etc., changes in the operating environment such as the occurrence of unexpected repairs, fluctuations in interest rates, the actual number of issuances and issue value of new investment units to be decided, or the issuance of new investment units. Moreover, these forecasts do not guarantee the amounts of distributions and surplus distributions.

(Note 2) Forecasts may be modified if there is expected to be a noticeable discrepancy with the above forecasts.

(Note 3) All amounts are rounded down and percentages are calculated to the second decimal place with fractions less than .05 being rounded down and .05 and more being rounded up. The same applies hereafter.

3. Reason for the revision

As a result of the issuance of new investment units announced in the “Notice Concerning Issuance of New Investment Units and Secondary Offering of Investment Units” and the acquisition of assets announced in “Notice Concerning Acquisition of Trust Beneficiary Rights to Real Estate in Japan and Leasing,” both of which were released on January 4, 2021, the assumptions underlying the operating results forecast for the fiscal period ending June 30, 2021 announced on August 17, 2020, in the “Summary of Financial Results for the 8th Fiscal Period Ended June 30, 2020,” have been changed, and it has become likely that a difference in the expected operating revenue of 10% or more will arise. Accordingly, the forecasts for the operating results and distributions for the fiscal period ending June 30, 2021 have been revised and new forecasts have been disclosed for the fiscal period ending December 31, 2021.

* CRE Logistic REIT, Inc. website: <https://cre-reit.co.jp/en/>

[Attachment 1]

Assumptions Underlying the Operating Results Forecasts for the Fiscal Period Ending June 30, 2021 and the Fiscal Period Ending December 31, 2021

Items	Assumptions
Calculation period	<ul style="list-style-type: none"> • 10th Fiscal Period (Ending June 30, 2021): January 1, 2021-June 30, 2021 (181 days) • 11th Fiscal Period (Ending December 31, 2021): July 1, 2021-December 31, 2021 (184 days)
Assets under management	<ul style="list-style-type: none"> • It is assumed that (i) CRE REIT will continue to own real estate trust beneficiary rights in the total of three properties to be acquired on January 19, 2021 using proceeds from the issuance of new investment units through public offering (the "Fourth PO") pursuant to the resolution of a meeting of the Board of Directors held on January 4, 2021 ("Assets to Be Acquired") until December 31, 2021, which will be added to the real estate trust beneficiary rights in the total of 16 properties held by CRE REIT as of January 4, 2021 ("Assets Currently Held"), and (ii) there will be no changes (acquisition of new properties, disposition of properties held, etc.) until December 31, 2021, except for the acquisition of the Assets to Be Acquired. • In fact, however, there may be changes mainly due to the acquisition of new properties other than the Assets to Be Acquired and the disposal of properties held.
Operating revenue	<ul style="list-style-type: none"> • Real estate leasing business revenues related to the Assets Currently Held are calculated based on lease contracts that are in effect as of January 4, 2021 and historical results. It is expected that one month vacancy period will arise because the lease contract will expire in one property during the fiscal period ending June 30, 2021, and that for subsequent rents, a lease contract will be concluded with a successor tenant at almost the same level. If a pass-through type master lease agreement is concluded or is to be concluded, a lease contract concluded with the end tenant will become the basis. However, if there is a period for which an agreement is made on fixing the monthly rent to be received by the trustee from the master lessee under the master lease contract, real estate leasing business revenues related to the Assets Currently Held are calculated based on the amount agreed on for this period (the same applies hereinafter). For the Assets Currently Held, no lease contract will expire during the fiscal period ending December 31, 2021, and all lease contracts will be concluded at a fixed rent (it is expected that the lease contract with the successor tenant above that is expected to be concluded during the fiscal period ending June 30, 2021, will also be concluded at a fixed rent). • Real estate leasing business revenues related to the Assets to Be Acquired are calculated based on information on leasing contracts provided by their current owners or beneficiaries. As for the Assets to Be Acquired, no lease contract will expire during the fiscal period ending June 30, 2021 and the fiscal period ending December 31, 2021, and all lease contracts will be concluded at a fixed rent. • The calculations assume that there will be no delinquencies or defaults on rent payments on the part of tenants.
Operating expenses	<ul style="list-style-type: none"> • Regarding real estate leasing expenses, which are the main operating expenses, expenses other than depreciation are calculated by taking into consideration change factors such as expenses assumed to be incurred (taxes and public dues, entrusted property management, property insurance, repairs, etc.) based on the historical results for the Assets Currently Held, and for the Assets to Be Acquired, based on information provided by their current owners or current beneficiaries and lease contracts in effect on January 4, 2021. • Property taxes, city planning taxes and other charges levied on the Assets Currently Held are expected to be 266 million yen in the fiscal period ending June 30, 2021 and the fiscal period ending December 31, 2021.

	<ul style="list-style-type: none"> • In general, property taxes, city planning taxes and other charges levied on transacted real estate are settled at the time of acquisition by prorating for the period with the current owners or the current beneficiaries, but CRE REIT capitalizes the amounts equivalent to such settled amounts in the acquisition costs for properties. Therefore, property taxes, city planning taxes and other charges levied on the Assets to Be Acquired will not be recorded as expenses for the fiscal period ending June 30, 2021 and the fiscal period ending December 31, 2021, and property taxes, city planning taxes and other charges levied on properties for fiscal year 2022 will be booked as expenses from the fiscal period ending June 30, 2022. Property taxes, city planning taxes and other charges levied on the Assets to Be Acquired are expected to be 59 million yen for the fiscal period ending June 30, 2022 and following periods. Property taxes, city planning taxes and other charges levied on the Assets to Be Acquired, which will be capitalized in acquisition costs, are expected to total 107 million yen. • Depreciation is calculated using the straight line method for both the Assets Currently Held and the Assets to Be Acquired, and it is expected to be 563 million yen in the fiscal period ending June 30, 2021, and 564 million yen in the fiscal period ending December 31, 2021. • Entrusted property management fees are expected to be 158 million yen for the fiscal period ending June 30, 2021, and 161 million yen for the fiscal period ending December 31, 2021. • Because one lease contract will expire in the Asset Currently Held during the fiscal period ending June 30, 2021, 30 million yen as a leasing expense is expected for the relevant property in the fiscal period ending June 30, 2021.
<p>Non-operating expenses</p>	<ul style="list-style-type: none"> • Non-operating expenses for the fiscal period ending June 30, 2021 are expected to be 278 million yen. This amount will include the payment of 245 million yen for interest and other financing-related expenses, 10 million yen for expenses related to the issuance of investment units, 13 million yen for the depreciation of investment unit issuance costs, and 5 million yen for the depreciation of founding costs. • Non-operating expenses for the fiscal period ending December 31, 2021 are expected to be 244 million yen. This amount will include the payment of 229 million yen for interest and other financing-related expenses and 12 million yen for the depreciation of investment unit issuance costs. • All current borrowings of CRE REIT are based on a fixed interest rate (substantive fixed interest rate due to the conclusion of an interest rate swap agreement) and it is assumed for new borrowings to be made to acquire the Assets to Be Acquired (refer to “Interest-bearing debt” below) that long-term borrowings (excluding borrowings with the period of 1.0 year) will also be based on a fixed interest rate by using an interest rate swap agreement. The amount of interest expenses is calculated based on fixed interest rates for the current borrowings as well as an interest rate estimated from the current interest rate level for new borrowings.
<p>Interest-bearing debt</p>	<ul style="list-style-type: none"> • It is assumed that total interest-bearing debt will be 53,869 million yen at the end of the fiscal period ending June 30, 2021, and 52,669 million yen at the end of the fiscal period ending December 31, 2021. • It is assumed that a total of 10,200 million yen will be newly borrowed on January 19, 2021. However, the actual amount of borrowing may be changed by the time of the implementation of the borrowing, taking into account factors such as the net proceeds obtained from the Fourth PO and the issuance of new investment units through private placement that were resolved at a meeting of CRE REIT’s Board of Directors held on January 4, 2021. Other details about the new borrowing will be announced after they are determined.

	<ul style="list-style-type: none"> • In the fiscal period ending December 31, 2021, while long-term borrowings of 3,574 million yen will become due on July 30, 2021, it is assumed that the same amount will be refinanced. • It is assumed that of the long-term borrowings to be made on January 19, 2021, 1,200 million yen with a borrowing period of 1.0 year will be prepaid in the fiscal period ending December 31, 2021, using the consumption tax refund, etc. as the source of funding for the prepayment. • The loan-to-value (LTV) ratio is expected to be 45.5% at the end of the fiscal period ending June 30, 2021, and 44.9% at the end of the fiscal period ending December 31, 2021. The following formula is used to calculate the LTV ratio, with numbers rounded off to the first decimal place. $\text{LTV ratio} = \text{Total interest-bearing debt} \div \text{Total assets} \times 100$ • The LTV may vary depending on the number and value of the investment units to be issued this time.
Investment units	<ul style="list-style-type: none"> • It is assumed that in addition to the total of 423,500 investment units issued and outstanding as of January 4, 2021, all of the 76,650 investment units, the sum of 73,000 new investment units to be issued through the Fourth PO and 3,650 investment units that are the maximum number of new investment units to be issued through private placement, based on a resolution of CRE REIT's Board of Directors adopted at a meeting held on January 4, 2021, will be issued and that there will be no change to the number of investment units due to the issuance of new investment units by the end of the fiscal period ending December 31, 2021 or by other means, excluding the said issuance. • Distributions per unit (excluding surplus distributions) and surplus distributions per unit are calculated based on 500,150 units, or the total of the expected numbers of investment units issued and outstanding at the end of the fiscal periods ending June 30, 2021 and December 31, 2021, respectively. • (Reference) If all 3,650 investment units, the maximum number of new investment units to be issued through private placement, are not issued, the expected number of investment units issued and outstanding at the end of the fiscal period ending June 30, 2021 and the fiscal period ending December 31, 2021 will be 496,500 units. In this case, it is expected that distributions per unit (excluding surplus distributions) and surplus distributions per unit will be 2,899 yen and 429 yen in the fiscal period ending June 30, 2021, and 3,169 yen and 341 yen in the fiscal period ending December 31, 2021.
Distributions per unit (excluding surplus distributions)	<ul style="list-style-type: none"> • Distributions per unit (excluding surplus distributions) are calculated in accordance with CRE REIT's policy on the distribution of cash as stipulated in its Articles of Incorporation. • Distributions per unit (excluding surplus distributions) may change for a variety of reasons, including changes in CRE REIT's investment assets, changes in leasing revenues due to tenant movements, etc., and/or the occurrence of unforeseen repairs and maintenance, etc.
Surplus distributions per unit	<ul style="list-style-type: none"> • Surplus distributions per unit are calculated in accordance with the policies stipulated in CRE REIT's regulations as well as the asset management guidelines provided in the asset management company's internal regulations. • It is assumed that there will be no specific possibility of significant deterioration in the economic environment, the real estate market conditions or CRE REIT's financial condition. • While CRE REIT has a policy of continuously implementing surplus distribution every term, in principle, with an amount equivalent to 30% of depreciation as a benchmark, CRE REIT has decided to implement this policy flexibly to level distributions within the range equivalent to 30% of depreciation. • In addition, in cases where distributions per unit are expected to decline temporarily to a certain extent due to the dilution of the investment unit value or a significant financial

	<p>burden as a result of the procurement of funds through the issuance of new investment units or for other reasons, CRE REIT may implement a temporary surplus distribution, in addition to the continuous surplus distributions, with a view to standardizing the amount of distributions per unit. However, this amount shall not exceed the amount equivalent to 60% of depreciation for the relevant business period, including the continuous surplus distributions. In the fiscal period ending June 30, 2021, CRE REIT expects to distribute an amount equivalent to approximately 7.8% of depreciation as temporary surplus distributions after distributing an amount equivalent to 30% of depreciation as continuous surplus distributions, to level distributions, given that one lease contract will expire in the Assets Currently Held.</p> <ul style="list-style-type: none"> • In fact, the amount of distributions exceeding earnings (return of contributions) may change due to factors such as the economic environment, trends in the real estate market, the situation surrounding owned assets, and financial conditions, and the surplus distribution of the amount (return of contributions) may not be undertaken as a result.
Other	<ul style="list-style-type: none"> • It is assumed that there will be no change in legislation, taxation, accounting standards, listing regulations imposed by the Tokyo Stock Exchange, rules and requirements imposed by The Investment Trusts Association, Japan, etc., that will impact the aforementioned forecasts. • It is assumed that there will be no unforeseen material changes in general economic trends, real estate market conditions, etc.

[Attachment 2] <Reference>

Estimate of Temporary Factors - Adjusted Income (Normalized Forecasts after the Fourth PO)

	Forecasts for the fiscal period ending December 31, 2021 (Announced today)	Temporary factors - adjusted estimates (Normalized forecasts after the Fourth PO)
Operating revenue (Million yen)	3,206	3,206
Operating income (Million yen)	1,817	1,763
Ordinary income (Million yen)	1,573	1,519
Net income (Million yen)	1,572	1,518
Distributions per unit (including surplus distributions) (Yen)	3,483	3,374
Distributions per unit (excluding surplus distributions) (Yen)	3,145	3,036
Surplus distributions per unit (Yen)	338	338

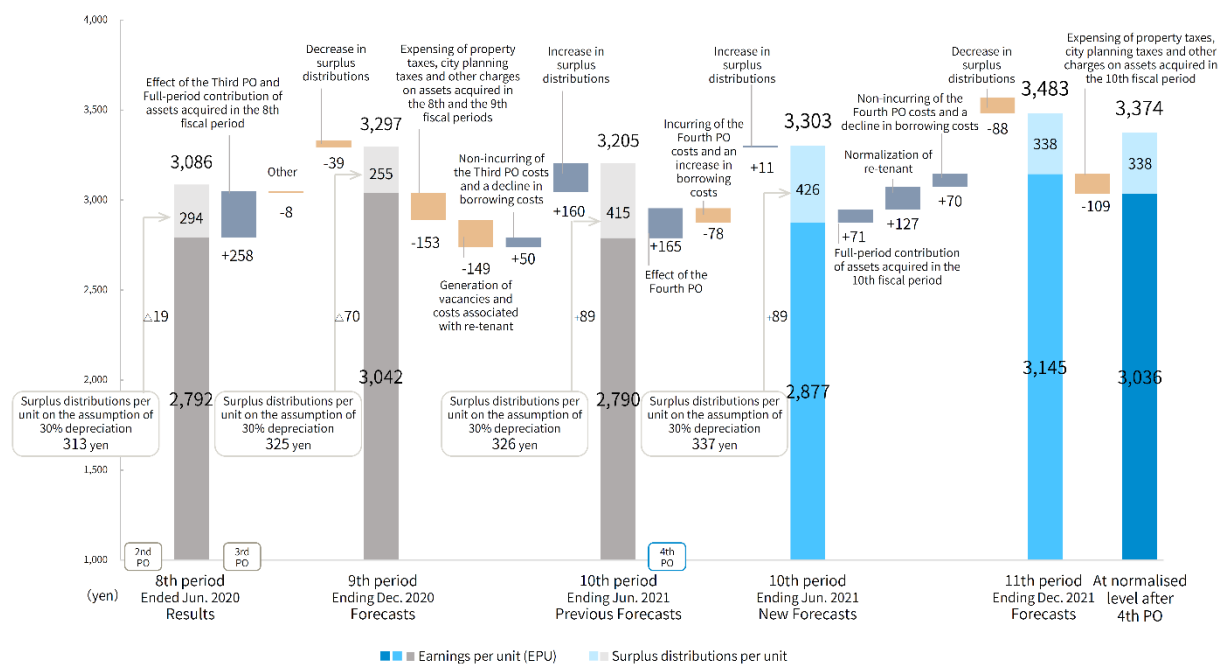
Assumptions Underlying Estimate of Temporary Factors - Adjusted Income

Income adjusted for temporary factors ("Temporary Factors - Adjusted Income") is estimated based on results forecasts for the fiscal period ending December 31, 2021, announced today, mainly under the following assumptions.

- It is assumed that operating revenue and real estate leasing expenses (excluding property taxes, city planning taxes and other charges) will be the same amount as the forecasts for the fiscal period ending December 31, 2021.
- As for property taxes, city planning taxes and other charges on the Assets to Be Acquired, it is assumed that 59 million yen, which is the amount expected to be generated every period in and after the fiscal period ending June 30, 2022, will be posted as real estate leasing expenses.
- It is expected that part of the borrowings will be prepaid in the fiscal period ending December 31, 2021, using the consumption tax refund, etc. as the source of funding, and it is assumed that total assets will decline associated with the refund and that asset management fees linked to total assets will decrease. In addition, net income will decline due to the generation of property taxes, city planning taxes and other charges on the Assets to Be Acquired, and it is therefore assumed that asset management fees linked to net income and net income per unit will decrease.
- It is assumed that revenues and expenses other than the above will become the same amounts as in the operating results forecast for the fiscal period ending December 31, 2021.

The estimate of Temporary Factors - Adjusted Income above neither aims to estimate income for a certain calculation period nor has meaning as a forecast of income for a certain calculation period. The estimate of Temporary Factors - Adjusted Income is not an indicator stipulated by corporate accounting standards generally accepted as fair and appropriate in Japan (hereinafter "Japan GAAP") and should not be considered as an alternative indicator for other indicators that are shown according to Japan GAAP. In addition, distributions per unit adjusted for temporary factors do not guarantee the existence of distributions in the future and their amount in any sense. Note that actual income, etc. in the fiscal period ending December 31, 2021 and any other certain calculation period may differ materially from the estimated values stated above.

Differences from Expected DPU and Normalized DPU



- "Effect of the Third PO" and "Effect of the Fourth PO" refer to the impact of assets acquired in the 9th fiscal period and the impact of assets acquired in the 10th fiscal period (the "Assets to Be Acquired", the same applies hereinafter) on the distributions per unit.
- "Full-period contribution of assets acquired in the 8th fiscal period" and "Full-period contribution of assets acquired in the 10th fiscal period" refer to the impact of the full-period operation of assets acquired or to be acquired in the period on the distributions per unit.
- "Expensing of property taxes, city planning taxes and other charges on assets acquired in the 8th and the 9th fiscal periods" refers to the impact of expensing property taxes, city planning taxes and other charges that are included in the acquisition costs of the assets acquired in the 8th and the 9th fiscal periods and the full-period operation of the assets acquired in the 9th fiscal period on the distributions per unit.
- "Expensing of property taxes, city planning taxes and other charges on assets acquired in the 10th fiscal period" refers to the impact of a decline in expensing property taxes, city planning taxes and other charges that are included in the acquisition costs of the assets acquired in the 10th fiscal period on the distributions per unit.
- "Non-incurring of the Third PO costs and a decline in borrowing costs" refers to the impact of the non-incurring of costs related to the issuance of new investment units in the Third PO and a decline in financing-related expenses related to the borrowing of 7,950 million yen on July 13, 2020, and the refinancing of 3,700 million yen on July 31, 2020 on the distributions per unit.
- "Incurring of the Fourth PO costs and an increase in borrowing costs" and "Non-incurring of the Fourth PO costs and a decline in borrowing costs" refer to the impact of the incurring and the non-incurring of costs related to the issuance of new investment units in the Fourth PO and an increase and a decline in financing-related expenses related to the new borrowing of 10,200 million yen on January 19, 2021, on the distributions per unit.
- "Generation of vacancies and costs associated with re-tenant" and "Normalization of re-tenant" refer to the impact of the generation of temporary items anticipated due to the expiration of one lease contract in the Assets Currently Held during the fiscal period ending June 30, 2021, and the removal of the temporary items due to the completion of re-tenant on the distributions per unit.

- "Other" refers to the impact of an increase in interest and other financing-related expenses related to the borrowing of 7,950 million yen on July 13, 2020, and the refinancing of 3,700 million yen on July 31, 2020, as well as the impact of the incurring of costs related to the issuance of new investment units in the Third PO on the distributions per unit.
- "Decrease in surplus distributions" and "Increase in surplus distributions" refer to the amount of decrease and increase in surplus distributions per unit in the relevant period from surplus distributions per unit in the previous period.
- "Surplus distributions per unit on the assumption of 30% depreciation" refers to surplus distributions on the assumption that an amount equivalent to 30% of depreciation (expected value) for the relevant period will be distributed as surplus distributions. It is different from actual surplus distributions (expected value) in the period.
- "Forecasts for the 9th fiscal period (ended December 31, 2020)" and "Previous forecasts for the 10th fiscal period (ending June 30, 2021)" are based on the assumptions in the "Summary of Financial Results for the 8th Fiscal Period Ended June 30, 2020," on August 17, 2020.