

Japanese Logistics Real Estate Players

Japanese investment grade logistics property continues to be dominated by foreign investors. Prologis merged with AMB in 2011 under the Prologis name and temporarily emerged as the No.1 dislodging Global Logistic Property (GLP). However GLP purchased 15 properties in a portfolio from LaSalle Investment Management (LaSalle) in March 2012, thereby retaining the NO.1 market share. These companies revolutionized the design of logistics buildings, especially the use of ramps with access to each floor. Importantly these companies also positively changed the thinking about industrial property as a desirable and stable investment asset class in Japan.

Orix and Daiwa House, both domestic Japanese companies are the highest ranked local players. Although in the past they built as speculative developers and profited from on selling the logistics properties to other players in the market they now exit to their respective funds. ORIX Group has a listed REIT and Daiwa has its own private fund. Both of them show robust development plans.

Other domestic players to watch in 2012 include Mitsui Real Estate which has concluded a joint venture with GLP to build a 121,000 m2 large-scale logistics facility in Tokyo Bay.

Goodman Japan ranks No.6 and formerly rebranded from J-REP like most of the players is taking advantage of the undersupply to deliver A-Grade logistics development projects to the market.

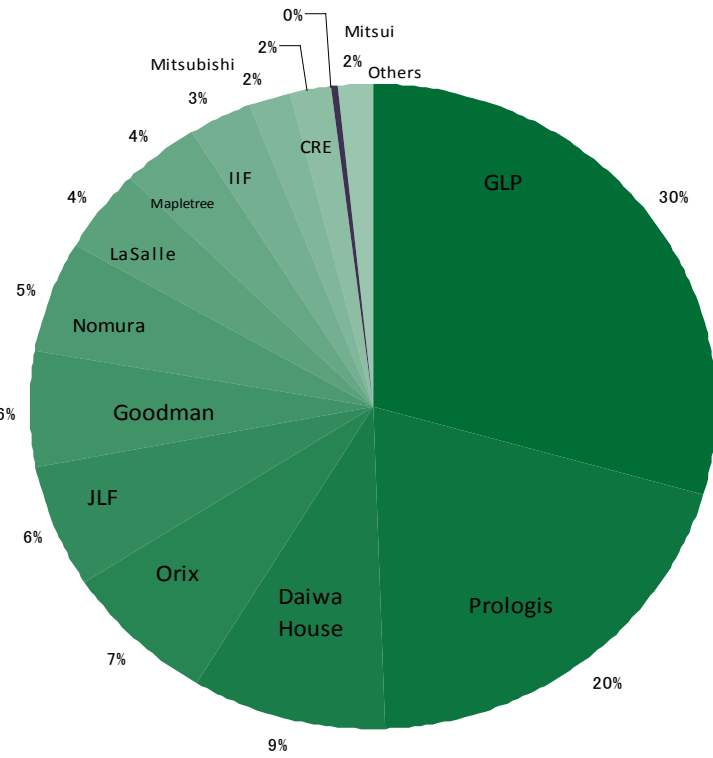
Mapletree acquired 7 properties in a portfolio from Goodman in early 2012, and has continued to increase its market share.

There are 2 industrial J-REITS

*Industrial & Infrastructure Fund (IIF) is a joint venture between Mitsubishi Trading (51%) & UBS (49%). This fund comprises industrial and logistics facilities but has less than 2% market share for logistics.

* Japan Logistics Fund sponsored by Mitsui & Co.,Ltd which has 51% interest, along with Mitsui Trust Financial Group with 29% and Kenedix with 20%.

In addition to the above REITS there are a number of logistics properties held in mixed REITS and unlisted private funds.



Japan Market Players based on percentage of total logistics property floorspace.

Ranking	No. of properties	Name
1	84	Global Logistics Properties
2	49	Prologis
3	19	Daiwa house
4	20	Orix
5	28	Japan Logistics Fund
6	24	Goodman
7	18	Nomura Real Estate
8	22	LaSalle Investment Management
9	22	Mapletree
10	16	Industrial & Infrastructure Fund
11	11	Mitsubishi Corporation
12	16	Commercial RE
13	1	Mitsui & Co., Ltd.

Japan Market Players ranked by number of properties and total floorspace.

Contact | Akihiko Sato
t | (+81) 3 5411-8336
e | sato@bearlogi.jp