



Fourth Fiscal Period Results
(January 1, 2009 – June 30, 2009)

INDUSTRIAL&INFRASTRUCTURE FUND INVESTMENT CORPORATION
BALANCE SHEETS
As of June 30, 2009

	<u>December 31, 2008</u> <u>(JPY in Millions)</u>	<u>June 30, 2009</u> <u>(JPY in Millions)</u>
ASSETS		
Current assets:		
Cash and cash equivalents	3,479	3,671
Rental receivables	9	153
Prepaid expenses and other assets	122	226
Total current assets	<u>3,610</u>	<u>4,050</u>
Non-current assets:		
Property and equipment, at cost:		
Land	36,940	32,400
Buildings	52,798	49,507
Building improvements and other assets	615	491
	<u>90,353</u>	<u>82,398</u>
Less: Accumulated depreciation	<u>(1,747)</u>	<u>(2,209)</u>
Total non-current assets	<u>88,606</u>	<u>80,189</u>
Other assets:		
Leasehold rights	19,834	19,834
Deposits	10	10
Long-term prepaid expenses	62	51
Capital issuance costs	120	86
Bonds issuance costs	-	26
Total other assets	<u>20,026</u>	<u>20,006</u>
TOTAL ASSETS	<u><u>112,242</u></u>	<u><u>104,245</u></u>

Note: The sum may not equal the total due to rounding.

INDUSTRIAL&INFRASTRUCTURE FUND INVESTMENT CORPORATION
BALANCE SHEETS
As of June 30, 2009

	<u>December 31, 2008</u> <u>(JPY in Millions)</u>	<u>June 30, 2009</u> <u>(JPY in Millions)</u>
LIABILITIES		
Current liabilities:		
Short-term borrowings	52,300	36,500
Consumption tax payable	131	217
Rent received in advance	558	481
Accrued expenses and other liabilities	232	429
Total current liabilities	<u>53,221</u>	<u>37,627</u>
Non-current liabilities:		
Long-term bonds issued	-	8,000
Long-term borrowings	15,000	15,000
Tenant leasehold and security deposits	6,395	6,083
Other non-current liabilities	139	131
Total non-current liabilities	<u>21,533</u>	<u>29,213</u>
TOTAL LIABILITIES	<u>74,754</u>	<u>66,840</u>
NET ASSETS		
Unitholders' capital, 4,000,000 units authorized		
79,035 units issued and outstanding	36,529	36,529
Retained earnings	959	876
TOTAL NET ASSETS	<u>37,488</u>	<u>37,405</u>
TOTAL LIABILITIES AND NET ASSETS	<u>112,242</u>	<u>104,245</u>

Note: The sum may not equal the total due to rounding.

INDUSTRIAL & INFRASTRUCTURE FUND INVESTMENT CORPORATION
STATEMENTS OF INCOME
For the Six Months Ended
June 30, 2009

	<u>July 1, 2008 to</u> <u>December 31, 2008</u> <u>(JPY in Millions)</u>	<u>January 1, 2009 to</u> <u>June 30, 2009</u> <u>(JPY in Millions)</u>
Operating revenues		
Rental and other operating revenues	3,261	3,145
Gain on sales of property	-	54
	<u>3,261</u>	<u>3,199</u>
Operating expenses		
Property-related expenses	1,286	1,293
Asset management fees	344	322
Custodian fees	6	5
General administration fees	22	21
Other	42	56
	<u>1,700</u>	<u>1,698</u>
Operating income	1,561	1,501
Non-operating revenues		
Non-operating revenues	9	3
Non-operating expenses		
Interest expense	419	405
Amortization of bonds issuance costs	-	2
Amortization of capital issuance costs	34	34
Other non-operating expenses	157	186
	<u>960</u>	<u>877</u>
Income before income taxes	960	877
Income taxes	1	1
Net income	<u>959</u>	<u>876</u>

Note: The sum may not equal the total due to rounding.

INDUSTRIAL & INFRASTRUCTURE FUND INVESTMENT CORPORATION
STATEMENTS OF CASH FLOWS
For the Six Months Ended
June 30, 2009

	<u>July 1, 2008 to</u> <u>December 31, 2008</u> <u>(JPY in Millions)</u>	<u>January 1, 2009 to</u> <u>June 30, 2009</u> <u>(JPY in Millions)</u>
Cash Flows from Operating Activities:		
Income before income taxes	960	877
Adjustments to reconcile income before income taxes to net cash provided by operating activities:		
Depreciation	768	725
Interest expense	419	405
Amortization of bonds issuance costs	-	2
Amortization of capital issuance costs	34	34
Consumption tax refundable	1,061	-
Rental receivables	145	(144)
Accounts payables	(0)	(13)
Rent received in advance	29	(77)
Accrued expenses and other liabilities	7	210
Proceed from sales of property and equipment	-	7,820
Other, net	(465)	(426)
Net cash provided by operating activities	<u>2,958</u>	<u>9,413</u>
Cash Flows from Investing Activities:		
Purchases of property and equipment	(314)	(127)
Proceeds from (payment of) tenant leasehold and security deposits	-	(312)
Net cash used in investing activities	<u>(314)</u>	<u>(439)</u>
Cash Flows from Financing Activities:		
Proceeds from short-term borrowings	12,300	34,000
Repayments of short-term borrowings	(15,000)	(49,800)
Proceeds from bonds issued	-	8,000
Payments of bonds issuance costs	-	(25)
Distribution payments	(951)	(958)
Net cash provided by financing activities	<u>(3,651)</u>	<u>(8,782)</u>
Net change in cash and cash equivalents	<u>(1,008)</u>	<u>192</u>
Cash and cash equivalents at beginning of period	<u>4,487</u>	<u>3,479</u>
Cash and cash equivalents at end of period	<u><u>3,479</u></u>	<u><u>3,671</u></u>

Note: The sum may not equal the total due to rounding.

Property Portfolio Summary 1

<u>Name of Property</u>	<u>Year(s) Built</u>	<u>Location of Property</u>	<u>Date Acquired</u>	<u>Ownership %</u>	<u>Acquisition Price (JPY in Millions)</u>	<u>Appraisal Value as of June 30, 2009(JPY in Millions)</u>	<u>% of Total Portfolio</u>
Industrial Properties							
IIF Shinonome Logistics Center	2006	Koto Ward, Tokyo	19-Oct-07	53	13,700	14,000	14.5%
IIF Funabashi Logistics Center	2007	Funabashi, Chiba	19-Oct-07	100	9,000	9,680	10.0%
IIF Noda Logistics Center	2006	Noda, Chiba	19-Oct-07	100	6,500	6,570	6.8%
IIF Shinsuna Logistics Center	1998	Koto Ward, Tokyo	19-Oct-07	100	5,300	5,550	5.8%
IIF Atsugi Logistics Center	2005	Atsugi, Kanagawa	19-Oct-07	100	2,100	2,140	2.2%
IIF Koshigaya Logistics Center	1985	Koshigaya, Saitama	19-Oct-07	100	2,000	2,100	2.2%
IIF Nishinomiya Logistics Center	1997	Nishinomiya, Hyogo	19-Oct-07	100	1,300	1,430	1.5%
subtotal					39,900	41,470	43.0%
Infrastructure Property							
IIF Kobe District Heating and Cooling Center	1990	Kobe, Hyogo	19-Oct-07	100	18,100	16,600	17.2%
IIF Haneda Airport Maintenance Center	1993	Ota Ward, Tokyo	29-Feb-08	100	41,110	38,300	39.7%
subtotal					59,210	54,900	57.0%
Grand Total					99,110	96,370	100.0%

Note: The sum may not equal the total due to rounding.

Property Portfolio Summary 2

<u>Name of Property</u>	<u>Number of Tenants</u>	<u>Net Book Value as of June 30, 2009 (JPY in Millions)</u>	<u>Leasable Space (sq. m.)</u>	<u>Leased Area (sq. m.)</u>	<u>Occupancy Rate as of June 30, 2009</u>	<u>Rental Revenue in 4th Fiscal Period (JPY in Millions)</u>	<u>% of Total Revenue</u>
Industrial Properties							
IIF Shinonome Logistics Center	1	13,680	27,493.29	27,493.29	100.0%	398	12.6%
IIF Musashi Murayama Logistics Center	-	-	-	-	-	109	3.5%
IIF Funabashi Logistics Center	2	8,676	42,336.00	42,336.00	100.0%	340	10.8%
IIF Noda Logistics Center	2	6,366	38,828.10	38,828.10	100.0%	243	7.7%
IIF Shinsuna Logistics Center	1	5,356	5,741.75	5,741.75	100.0%	164	5.2%
IIF Atsugi Logistics Center	1	2,018	10,959.68	10,959.68	100.0%	75	2.4%
IIF Koshigaya Logistics Center	1	1,971	10,113.50	10,113.50	100.0%	75	2.4%
IIF Nishinomiya Logistics Center	1	1,286	10,608.00	10,608.00	100.0%	60	1.9%
subtotal	9	39,352	146,080.32	146,080.32	100.0%	1,463	46.5%
Infrastructure Property							
IIF Kobe District Heating and Cooling Center	1	18,321	11,189.36	10,909.23	97.5%	378	12.0%
IIF Haneda Airport Maintenance Center	1	42,350	81,995.81	81,995.81	100.0%	1,304	41.5%
subtotal	2	60,671	93,185.17	92,905.04	99.7%	1,682	53.5%
Grand Total	11	100,023	239,265.49	238,985.36	99.9%	3,145	100.0%

Note: The sum may not equal the total due to rounding.