



Fifth Fiscal Period Results
(July 1, 2009 – December 31, 2009)

INDUSTRIAL&INFRASTRUCTURE FUND INVESTMENT CORPORATION
BALANCE SHEETS
As of December 31, 2009

	<u>June 30, 2009</u> <u>(JPY in Millions)</u>	<u>December 31, 2009</u> <u>(JPY in Millions)</u>
ASSETS		
Current assets:		
Cash and cash equivalents	3,671	3,988
Rental receivables	153	9
Consumption tax refundable	-	82
Prepaid expenses and other assets	226	195
Total current assets	<u>4,050</u>	<u>4,274</u>
Non-current assets:		
Property and equipment, at cost:		
Land	32,400	32,400
Buildings	49,507	49,514
Building improvements and other assets	491	491
	<u>82,398</u>	<u>82,405</u>
Less: Accumulated depreciation	<u>(2,209)</u>	<u>(2,891)</u>
Total non-current assets	<u>80,189</u>	<u>79,514</u>
Other assets:		
Leasehold rights	19,834	19,834
Deposits	10	10
Long-term prepaid expenses	51	163
Capital issuance costs	86	51
Bonds issuance costs	26	23
Total other assets	<u>20,006</u>	<u>20,081</u>
TOTAL ASSETS	<u><u>104,245</u></u>	<u><u>103,869</u></u>

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

INDUSTRIAL&INFRASTRUCTURE FUND INVESTMENT CORPORATION
BALANCE SHEETS
As of December 31, 2009

	<u>June 30, 2009</u> <u>(JPY in Millions)</u>	<u>December 31, 2009</u> <u>(JPY in Millions)</u>
LIABILITIES		
Current liabilities:		
Short-term borrowings	36,500	24,000
Current portion of long-term borrowings	-	15,000
Consumption tax payable	217	-
Rent received in advance	481	533
Accrued expenses and other liabilities	429	284
Total current liabilities	<u>37,627</u>	<u>39,817</u>
Non-current liabilities:		
Long-term bonds issued	8,000	8,000
Long-term borrowings	15,000	12,500
Tenant leasehold and security deposits	6,083	6,083
Other non-current liabilities	131	123
Total non-current liabilities	<u>29,213</u>	<u>26,705</u>
TOTAL LIABILITIES	<u>66,840</u>	<u>66,523</u>
NET ASSETS		
Unitholders' capital, 4,000,000 units authorized		
79,035 units issued and outstanding	36,529	36,529
Retained earnings	876	817
TOTAL NET ASSETS	<u>37,405</u>	<u>37,347</u>
TOTAL LIABILITIES AND NET ASSETS	<u>104,245</u>	<u>103,869</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
December 31, 2009

	<u>January 1, 2009 to</u> <u>June 30, 2009</u> <u>(JPY in Millions)</u>	<u>July 1, 2009 to</u> <u>December 31, 2009</u> <u>(JPY in Millions)</u>
Operating revenues		
Rental and other operating revenues	3,145	3,065
Gain on sales of property	54	-
	<u>3,199</u>	<u>3,065</u>
Operating expenses		
Property-related expenses	1,293	1,246
Asset management fees	322	315
Custodian fees	5	5
General administration fees	21	21
Other	56	43
	<u>1,698</u>	<u>1,630</u>
Operating income	1,501	1,435
Non-operating revenues		
Non-operating revenues	3	1
Non-operating expenses		
Interest expense	405	391
Amortization of bonds issuance costs	2	3
Amortization of capital issuance costs	34	34
Other non-operating expenses	186	189
	<u>877</u>	<u>818</u>
Income before income taxes	877	818
Income taxes	1	1
Net income	<u>876</u>	<u>817</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
December 31, 2009

	<u>January 1, 2009 to</u> <u>June 30, 2009</u> <u>(JPY in Millions)</u>	<u>July 1, 2009 to</u> <u>December 31, 2009</u> <u>(JPY in Millions)</u>
Cash Flows from Operating Activities:		
Income before income taxes	877	818
Adjustments to reconcile income before income taxes to net cash provided by operating activities:		
Depreciation	725	682
Interest expense	405	391
Amortization of bonds issuance costs	2	3
Amortization of capital issuance costs	34	34
Consumption tax refundable	-	(82)
Consumption tax payable	87	(217)
Rental receivables	(144)	144
Accounts payables	(13)	(0)
Rent received in advance	(77)	52
Accrued expenses and other liabilities	124	(138)
Proceed from sales of property and equipment	7,820	-
Other, net	(426)	(485)
Net cash provided by operating activities	<u>9,413</u>	<u>1,202</u>
Cash Flows from Investing Activities:		
Purchases of property and equipment	(127)	(8)
Proceeds from (payment of) tenant leasehold and security deposits	(312)	-
Net cash used in investing activities	<u>(439)</u>	<u>(8)</u>
Cash Flows from Financing Activities:		
Proceeds from short-term borrowings	34,000	-
Repayments of short-term borrowings	(49,800)	(12,500)
Proceeds from long-term borrowings	-	12,500
Proceeds from bonds issued	8,000	-
Payments of bonds issuance costs	(25)	(3)
Distribution payments	(958)	(874)
Net cash provided by financing activities	<u>(8,782)</u>	<u>(877)</u>
Net change in cash and cash equivalents	<u>192</u>	<u>317</u>
Cash and cash equivalents at beginning of period	<u>3,479</u>	<u>3,671</u>
Cash and cash equivalents at end of period	<u><u>3,671</u></u>	<u><u>3,988</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 December 31, 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	14.6%
IIF Funabashi Logistics Center	2007	Funabashi, Chiba	19-Oct-07	100	9,000	9,670	10.1%
IIF Noda Logistics Center	2006	Noda, Chiba	19-Oct-07	100	6,500	6,560	6.8%
IIF Shinsuna Logistics Center	1998	Koto Ward, Tokyo	19-Oct-07	100	5,300	5,540	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	41,440	43.1%
Infrastructure Property							
IIF Kobe District Heating and Cooling Center	1990	Kobe, Hyogo	19-Oct-07	100	18,100	16,300	17.0%
IIF Haneda Airport Maintenance Center	1993	Ota Ward, Tokyo	29-Feb-08	100	41,110	38,300	39.9%
subtotal					59,210	54,600	56.9%
Grand Total					99,110	96,040	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 December 31, 2009 (JPY in Millions)</u>	<u>Leasable Space (sq. m.)</u>	<u>Leased Area (sq. m.)</u>	<u>Occupancy Rate as of December 31, 2009</u>	<u>Rental Revenue in 5th Fiscal Period (JPY in Millions)</u>	<u>% of Total Revenue</u>
Industrial Properties							
IIF Shinonome Logistics Center	1	13,633	27,493.29	27,493.29	100.0%	398	13.0%
IIF Funabashi Logistics Center	2	8,559	42,336.00	42,336.00	100.0%	338	11.0%
IIF Noda Logistics Center	2	6,307	38,828.10	38,828.10	100.0%	242	7.9%
IIF Shinsuna Logistics Center	1	5,345	5,741.75	5,741.75	100.0%	164	5.3%
IIF Atsugi Logistics Center	1	1,986	10,959.68	10,959.68	100.0%	75	2.5%
IIF Koshigaya Logistics Center	1	1,954	10,113.50	10,113.50	100.0%	75	2.4%
IIF Nishinomiya Logistics Center	1	1,275	10,608.00	10,608.00	100.0%	60	2.0%
subtotal	9	39,059	146,080.32	146,080.32	100.0%	1,351	44.1%
Infrastructure Property							
IIF Kobe District Heating and Cooling Center	1	18,201	11,189.36	10,909.23	97.5%	378	12.3%
IIF Haneda Airport Maintenance Center	1	42,088	81,995.81	81,995.81	100.0%	1,335	43.6%
subtotal	2	60,289	93,185.17	92,905.04	99.7%	1,714	55.9%
Grand Total	11	99,348	239,265.49	238,985.36	99.9%	3,065	100.0%

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