

**Industrial & Infrastructure Fund Investment Corporation Revises  
its Operating Forecast for the 3<sup>rd</sup> Fiscal Period**

Industrial & Infrastructure Fund Investment Corporation ("IIF") announced today a revision of its operating forecast for the third fiscal period (July 1, 2008 to December 31, 2008). The previous forecast was announced on June 12, 2008. Details are as follows:

1. Revision of the Operating Forecast for the Third Fiscal Period (July 1, 2008 to December 31, 2008)

	Revenues (million yen)	Operating Income (million yen)	Recurring Income (million yen)	Net Income (million yen)	Distributions per Unit (yen)	Distributions in Excess of Earnings per Unit
Previous Forecast as of June 12, 2008 (A)	4,212	2,190	1,551	1,550	10,195	—
Revised Forecast (B)	3,269	1,547	873	872	11,037	—
Amount of Increase/Decrease (B-A)	-943	-643	-678	-678	842	—
Ratio of Increase/Decrease	-22.3%	-29.3%	-43.7%	-43.7%	8.2%	—

<Reference Information>

A : Number of investment units outstanding: 152,035 units

Expected amount of net income per unit: 10,195 yen

B : Number of investment units outstanding: 79,035 units

Expected amount of net income per unit: 11,037 yen

[Note 1]

The operating forecast presented herein is calculated based on certain assumptions as set forth in the attached Assumptions for the Operating Forecast for the third fiscal period ending December 31, 2008. The actual revenues, net income, and distribution per unit of the fiscal period may vary due to changes in the assumptions set forth, including further acquisition or disposition of properties, rent income resulted from tenant replacements, changes in operating environment such as unforeseen repairs, interest-rate fluctuation, the number of investment units issued, issue price, and other factors. No assurances can be given regarding the operating forecast.

[Note2]

Amounts less than the stated units are rounded down

## 2. Reason for Revision

IIF revised its operating forecast for the third fiscal period due to the decision on July 1, 2008 to cancel its planned public offering of new investment units.

The cancellation of the offering had no material impact on the results of the period ended on June 30, 2008. Distributions in that period are expected to be 12,063 yen per unit (see news release dated February 14, 2008). The decline in distributions per unit in the third fiscal period relative to the previous period is primarily due to the fact that annual property-related taxes are capitalized as part of the acquisition cost of properties in the year of their acquisition, and begin to be recognized in subsequent years as expenses, as is customary in real property transactions in Japan and in accordance with Japanese GAAP.

About IIF: Industrial and Infrastructure Fund Investment Corporation (“IIF”) is the first J-REIT focused on acquiring and operating both industrial and infrastructure properties in Japan — properties that play a vital role in the Japanese economy, and for which IIF expects to see stable demand in the mid to long term. With respect to industrial properties, IIF intends to invest in a more diverse portfolio of properties, including manufacturing and research and development facilities. Please refer to our website at <http://www.iif-reit.com/english/index.html>

Contacts: For the further information relating to this press release as well as the Fund and its Asset Manager, please feel free to contact Mr. Naoshi Ogikubo (Telephone Number: 81-3-5293-7090), Head of Industrial Division at Mitsubishi Corp.-UBS Realty, Inc., Asset Manager for Industrial & Infrastructure Fund Investment Corporation.

Investor Relations: Telephone Number: 81-3-5293-7091

Assumptions for the Operating Forecast  
for the Fiscal Period Ending December 31, 2008

Item	Assumptions
Fiscal Periods	The third fiscal period (July 1, 2008~December 31, 2008) (184 days)
Property Portfolio	The forecast is based on the 10 properties IIF holds at present. It is subject to change due to additional acquisitions or dispositions of properties.
Operating Revenues	<p>The forecast is based on the assumption that the operating revenues are generated from the 10 properties based on the lease agreements as of July 1, 2008.</p> <p>The forecast of operating revenues is made on the assumption that no tenants will delay or default on rental payments.</p>
Operating Expenses	<p>Operating expenses, including fixed property taxes, city planning taxes, and depreciation property taxes imposed on the properties, are expected to total approximately 153 million yen (fixed property taxes, city planning taxes, and depreciation property taxes for the second period ended June 30, 2008 are expected to total approximately 74 million yen).</p> <p>The depreciation cost is calculated using the straight-line depreciation method and is estimated to be approximately 768 million yen.</p>
Non-Operating Expenses	The interest expenses and borrowing costs are estimated to be approximately 545 million yen for the third period ending December 31, 2008.
Investment Units	<p>The number of investment units outstanding is 79,035 units as of today.</p> <p>The forecast presented herein is based on the assumption that there will be no additional issue of new investment units before the end of the third fiscal period ending December 31, 2008.</p>
Distributions per Unit	<p>Distributions per unit are calculated according to the distribution policy outlined in the Articles of Incorporation, and calculations are based on a 100% distribution of net income.</p> <p>Distributions per unit are subject to change due to various factors, including changes in the property portfolio and rent income resulted from tenant replacements, the number of investment units issued, issue price, operating environment such as unforeseen repairs, interest-rate fluctuations and other factors</p>
Distributions in Excess of Earnings per Unit	IIF does not currently anticipate distributions in excess of earnings per unit.



Other	<p>The forecast is based on the assumption that there will be no amendments in legislation, taxation, Japanese GAAP, listing requirements and Investment Trust Association regulations, which could affect the forecast presented herein.</p> <p>The forecast is based on the assumption that there will be no material changes in economic conditions and the real estate market.</p>
-------	--