



**Sixth Fiscal Period Results**  
**(January 1, 2010 – June 30, 2010)**

**INDUSTRIAL&INFRASTRUCTURE FUND INVESTMENT CORPORATION**  
**BALANCE SHEETS**  
As of June 30, 2010

	<u>December 31, 2009</u> <u>(JPY in Millions)</u>	<u>June 30, 2010</u> <u>(JPY in Millions)</u>
<b>ASSETS</b>		
<b>Current assets:</b>		
Cash and cash equivalents	3,988	8,035
Rental receivables	9	140
Consumption tax refundable	82	-
Prepaid expenses and other assets	195	197
<b>Total current assets</b>	<u>4,274</u>	<u>8,371</u>
<b>Non-current assets:</b>		
<b>Property and equipment, at cost:</b>		
Land	32,400	34,498
Buildings	49,514	44,290
Building improvements and other assets	491	313
	<u>82,405</u>	<u>79,100</u>
Less: Accumulated depreciation	<u>(2,891)</u>	<u>(2,932)</u>
<b>Total non-current assets</b>	<u>79,514</u>	<u>76,168</u>
<b>Other assets:</b>		
Leasehold rights	19,834	19,834
Deposits	10	10
Long-term prepaid expenses	163	212
Capital issuance costs	51	17
Bonds issuance costs	23	20
<b>Total other assets</b>	<u>20,081</u>	<u>20,093</u>
<b>TOTAL ASSETS</b>	<u><u>103,869</u></u>	<u><u>104,632</u></u>

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

**INDUSTRIAL&INFRASTRUCTURE FUND INVESTMENT CORPORATION**  
**BALANCE SHEETS**  
**As of June 30, 2010**

	<u>December 31, 2009</u> <u>(JPY in Millions)</u>	<u>June 30, 2010</u> <u>(JPY in Millions)</u>
<b>LIABILITIES</b>		
<b>Current liabilities:</b>		
Short-term borrowings	24,000	14,000
Current portion of long-term borrowings	15,000	15,000
Consumption tax payable	-	285
Rent received in advance	533	457
Accrued expenses and other liabilities	284	415
<b>Total current liabilities</b>	<u>39,817</u>	<u>30,156</u>
<b>Non-current liabilities:</b>		
Long-term bonds issued	8,000	8,000
Long-term borrowings	12,500	22,500
Tenant leasehold and security deposits	6,083	6,049
Other non-current liabilities	123	115
<b>Total non-current liabilities</b>	<u>26,705</u>	<u>36,664</u>
<b>TOTAL LIABILITIES</b>	<u>66,523</u>	<u>66,820</u>
<b>NET ASSETS</b>		
Unitholders' capital, 4,000,000 units authorized		
79,035 units issued and outstanding	36,529	36,529
Retained earnings	817	1,283
<b>TOTAL NET ASSETS</b>	<u>37,347</u>	<u>37,813</u>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<u>103,869</u>	<u>104,632</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, 2010

	<u>July 1, 2009 to</u> <u>December 31, 2009</u> <u>(JPY in Millions)</u>	<u>January 1, 2010 to</u> <u>June 30, 2010</u> <u>(JPY in Millions)</u>
<b>Operating revenues</b>		
Rental and other operating revenues	3,065	2,981
Gain on sales of property	-	460
	<u>3,065</u>	<u>3,440</u>
<b>Operating expenses</b>		
Property-related expenses	1,246	1,181
Asset management fees	315	311
Custodian fees	5	5
General administration fees	21	21
Other	43	58
	<u>1,630</u>	<u>1,576</u>
<b>Operating income</b>	1,435	1,864
<b>Non-operating revenues</b>		
Non-operating revenues	1	2
<b>Non-operating expenses</b>		
Interest expense	391	402
Amortization of bonds issuance costs	3	3
Amortization of capital issuance costs	34	34
Other non-operating expenses	189	143
	<u>818</u>	<u>1,284</u>
<b>Income before income taxes</b>	818	1,284
Income taxes	1	1
<b>Net income</b>	<u>817</u>	<u>1,283</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, 2010

	<u>July 1, 2009 to</u> <u>December 31, 2009</u> <u>(JPY in Millions)</u>	<u>January 1, 2010 to</u> <u>June 30, 2010</u> <u>(JPY in Millions)</u>
<b>Cash Flows from Operating Activities:</b>		
Income before income taxes	818	1,284
Adjustments to reconcile income before income taxes to net cash provided by operating activities:		
Depreciation	682	624
Interest expense	391	402
Amortization of bonds issuance costs	3	3
Amortization of capital issuance costs	34	34
Consumption tax refundable	(82)	82
Consumption tax payable	(217)	285
Rental receivables	144	(131)
Accounts payables	(0)	4
Rent received in advance	52	(76)
Accrued expenses and other liabilities	(138)	130
Proceed from sales of property and equipment (Book Value)	-	8,501
Other, net	(485)	(466)
Net cash provided by operating activities	1,202	10,675
<b>Cash Flows from Investing Activities:</b>		
Purchases of property and equipment	(8)	(5,779)
Proceeds from (payment of) tenant leasehold and security deposits	-	(34)
Net cash used in investing activities	(8)	(5,813)
<b>Cash Flows from Financing Activities:</b>		
Proceeds from short-term borrowings	-	14,000
Repayments of short-term borrowings	(12,500)	(24,000)
Proceeds from long-term borrowings	12,500	10,000
Proceeds from bonds issued	-	-
Payments of bonds issuance costs	(3)	-
Distribution payments	(874)	(816)
Net cash provided by financing activities	(877)	(816)
<b>Net change in cash and cash equivalents</b>	317	4,047
<b>Cash and cash equivalents at beginning of period</b>	3,671	3,988
<b>Cash and cash equivalents at end of period</b>	3,988	8,035

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, 2010(JPY in Millions)</u>	<u>% of Total Portfolio</u>
<b>Industrial Properties</b>							
IIF Shinonome Logistics Center	2006	Koto Ward, Tokyo	19-Oct-07	53	13,700	14,000	15.1%
IIF Funabashi Logistics Center	—	—	—	—	—	—	—
IIF Noda Logistics Center	2006	Noda, Chiba	19-Oct-07	100	6,500	6,560	7.1%
IIF Shinsuna Logistics Center	1998	Koto Ward, Tokyo	19-Oct-07	100	5,300	5,720	6.2%
IIF Atsugi Logistics Center	2005	Atsugi, Kanagawa	19-Oct-07	100	2,100	2,140	2.3%
IIF Koshigaya Logistics Center	1985	Koshigaya, Saitama	19-Oct-07	100	2,000	2,100	2.3%
IIF Nishinomiya Logistics Center	1997	Nishinomiya, Hyogo	19-Oct-07	100	1,300	1,430	1.5%
IIF Narashino Logistics Center (Land with leasehold interest)	—	Narashino, Chiba	16-Feb-10	100	1,190	1,940	2.1%
IIF Totsuka Technology Center (Land with leasehold interest)	—	Yokohama, Kanagawa	31-Mar-10	100	4,500	4,750	5.1%
<b>subtotal</b>					<b>36,590</b>	<b>38,640</b>	<b>41.6%</b>
<b>Infrastructure Property</b>							
IIF Kobe District Heating and Cooling Center	1990	Kobe, Hyogo	19-Oct-07	100	18,100	16,000	17.2%
IIF Haneda Airport Maintenance Center	1993	Ota Ward, Tokyo	29-Feb-08	100	41,110	38,300	41.2%
<b>subtotal</b>					<b>59,210</b>	<b>54,300</b>	<b>58.4%</b>
<b>Grand Total</b>					<b>95,800</b>	<b>92,940</b>	<b>100.0%</b>

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, 2010 (JPY in Millions)</u>	<u>Leasable Space (sq. m.)</u>	<u>Leased Area (sq. m.)</u>	<u>Occupancy Rate as of June 30, 2010</u>	<u>Rental Revenue in 6th Fiscal Period (JPY in Millions)</u>	<u>% of Total Revenue</u>
<b>Industrial Properties</b>							
IIF Shinonome Logistics Center	1	13,587	27,493.29	27,493.29	100.0%	400	13.4%
IIF Funabashi Logistics Center	—	—	—	—	—	146	4.9%
IIF Noda Logistics Center	2	6,248	38,828.10	38,828.10	100.0%	241	8.1%
IIF Shinsuna Logistics Center	1	5,334	5,741.75	5,741.75	100.0%	164	5.5%
IIF Atsugi Logistics Center	1	1,954	10,959.68	10,959.68	100.0%	75	2.5%
IIF Koshigaya Logistics Center	1	1,936	10,113.50	10,113.50	100.0%	75	2.5%
IIF Nishinomiya Logistics Center	1	1,272	10,608.00	10,608.00	100.0%	60	2.0%
IIF Narashino Logistics Center (Land with leasehold interest)	1	1,215	19,834.71	19,834.71	100.0%	31	1.0%
IIF Totsuka Technology Center (Land with leasehold interest)	1	4,553	31,442.47	31,442.47	100.0%	69	2.3%
<b>subtotal</b>	<b>9</b>	<b>36,099</b>	<b>155,021.50</b>	<b>155,021.50</b>	<b>100.0%</b>	<b>1,260</b>	<b>42.2%</b>
<b>Infrastructure Property</b>							
IIF Kobe District Heating and Cooling Center	1	18,077	11,189.36	10,909.23	97.5%	378	12.7%
IIF Haneda Airport Maintenance Center	1	41,826	81,995.81	81,995.81	100.0%	1,343	45.1%
<b>subtotal</b>	<b>2</b>	<b>59,903</b>	<b>93,185.17</b>	<b>92,905.04</b>	<b>99.7%</b>	<b>1,721</b>	<b>57.8%</b>
<b>Grand Total</b>	<b>11</b>	<b>96,002</b>	<b>248,206.67</b>	<b>247,926.54</b>	<b>99.9%</b>	<b>2,981</b>	<b>100.0%</b>

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