

**Notice Concerning Forecasts for Operating Results and Distributions
for June 2012 (10th) and December 2012 (11th) Fiscal Period**

Industrial & Infrastructure Fund Investment Corporation ("IIF") has announced today its forecast for operating results and distribution for the June 2012 fiscal period (10th) and the December 2012 fiscal period (11th). Details are as follows.

Forecasts for operating results and distributions for June 2012 fiscal period (10th) and December 2012 fiscal period (11th)

	Operating Revenue	Operating Income	Recurring Profit	Net Income	Distributions per unit	Distributions in Excess of Retained Earnings per Unit	Units issued and outstanding (Note 1)
June 2012	4,402 million yen	2,383 million yen	1,699 million yen	1,779 million yen	12,654 yen	-	140,632 units
December 2012	4,903 million yen	2,713 million yen	1,936 million yen	1,935 million yen	13,760 yen	-	140,632 units

(Note 1) Assumes the issuance of a total of 47,000 new investment units in addition to the 93,632 issued investment units as of December 31, 2011.

(Note 2) The estimated figures for June 2012 fiscal period (10th) and December 2012 fiscal period (11th) represent current calculations based on the assumptions provided in the attached document, and actual operating revenues, operating income, ordinary income, net income and distributions per unit may fluctuate significantly due to deviations from the initial assumptions caused by factors such as future acquisitions and sales of real estate, changes in rent income as result of changes in the tenants, changes in the investment environment such as unexpected occurrence of repairs, and fluctuations in interest rates and actual number of issuance and issue price of new investment units to be decided. As such, the estimates are not a guarantee of future results. Please refer to the attached "Assumptions underlying forecast of operation for June 2012 fiscal period (10th) and for December 2012 fiscal period (11th)" for the estimates of the respective investment status of the June 2012 fiscal period (10th) and December 2012 fiscal period (11th)" for the assumptions for the estimates of the respective investment status.

(Note 3) The above estimate may be revised if the degree of deviation with the estimate exceeds a certain level.

(Note 4) Digits below the unit are to be rounded down. The same treatment is implemented from here onwards.

[Reference] The operating results and distributions for the December 2011 fiscal period (9th)

	Operating Revenue	Operating Income	Recurring Profit	Net Income	Distributions per unit	Distributions in Excess of Retained Earnings per Unit	Units issued and Outstanding
December 2011	3,526 million yen	1,834 million yen	1,159 million yen	1,158 million yen	12,377 yen	-	93,632 units

Disclaimer:

This press release is intended as general information for the press regarding IIF's forecasts for operating results for the June 2012 (10th) fiscal period and the December 2012 (11th) fiscal period, and has not been prepared for the purpose of solicitation of investment. IIF advises investors investing in the investment units of IIF to do so based on their own judgment, after ensuring that they have read IIF's prospectus on the issuance of new investment units and the secondary offering of investment units as well as any amendments (if any).

[Attachment]

Assumptions underlying forecast of operation for June 2012 fiscal period (10th) and for December 2012 fiscal period (11th)

Item	Assumptions
Accounting period	June 2012 fiscal period (10 th) (January 1, 2012 to June 30, 2012)(182 days) December 2012 fiscal period (11 th) (July 1, 2012 to December 31, 2012)(184 days)
Assets owned	We assume that IIF will acquire six properties in addition to the 16 properties IIF owns as of December 31, 2011. IIF has entered into purchase and sales agreement or basic agreement with respect to the real estate or real estate trust beneficiary interest and transfer of such are expected to occur in a following schedule: <To be transferred on March 7, 2012> IIF Atsugi Logistics Center III, IIF Shinonome R&D Center, IIF Kamata R&D Center, IIF Zama IT Solution Center, IIF Shinagawa Data Center <To be transferred on April 2, 2012> IIF Mitaka Card Center Following the acquisition of the properties as mentioned above, while no changes in the properties until the end of June 2012 and the end of December 2012 are assumed to take place, such changes may actually occur due to acquisitions or disposals of other properties.
Interest-bearing debt	The interest-bearing debt as of December 31, 2011 is JPY 62,000 million, consisting of long-term debt . There are no debts which will come due during the 10 th and 11 th fiscal period. Implementation of financing of JPY 18,000 million in long-term debt is assumed for the purpose of acquiring the properties as mentioned in "Assets owned" above.
Operating revenues	No arrears or non-payments of rent by the leaseholders are assumed based on the assumptions indicated in "Assets owned" above for both the 10 th and 11 th fiscal period. New tenant has not been determined for IIF Atsugi Logistics Center from the beginning of the December 2012 fiscal period (11 th). Although the property may be fully occupied in the 11 th period, we assume no rent revenue from this property for the 11 th period.
Operating expense	We estimate approximately JPY 263 million in fixed property tax, city planning tax and depreciable property tax, and approximately JPY 45 million in repair costs for the 10 th fiscal period. The fixed property tax and city planning tax to be adjusted in accordance with the former owner and the number of days owned upon new acquisition of properties will not be appropriated as expenses as they will be included in acquisition cost. We estimate approximately JPY 287 million in fixed property tax, city planning tax and depreciable property tax and approximately JPY 76 million in repair costs for the 11 th fiscal period. Additionally, depreciation (including ancillary expenses) is being calculated by the straight-line method and is estimated to be JPY 690 million and JPY 753 million in the 10 th and 11 th fiscal periods, respectively. Calculations of external consignment expenses (property management fees, building management consignment fees, etc.) are based on actual results thus far.
Non-operating expenses	Based on the assumptions in regards to "Interest-bearing debt" above, we estimate approximately JPY 649 million and JPY 738 million in interest expenses and other debt-related expenses in the 10 th and 11 th fiscal periods, respectively. As for the amortization of new investment unit issuance costs, we estimate approximately JPY 28 million and JPY 38 million in the 10 th and 11 th fiscal periods, respectively. We are planning to amortize the new investment unit issuance costs by the straight-line method for 36 months.
Extraordinary gain or loss	We estimate JPY 81 million of extraordinary gain as a result of netting out the expected receipt of insurance payment and cost of repair in connection with the damage sustained from Typhoon No. 15 in September 2011 for 10 th period. No extraordinary gain or loss is assumed for 11 th period.
Issue of units	We assume the issuance of a total of 47,000 units in addition to the 93,632 issued investment units as of December 31, 2011.
Distribution per unit	We have assumed that all of the undistributed profit withhold for negative goodwill at the end of the period, disregarding amounts less than ¥1 per unit, will be distributed.
Distribution in excess of retained earnings per unit	We have assumed that there will be no distributions in excess of retained earnings per unit.

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[Reference]

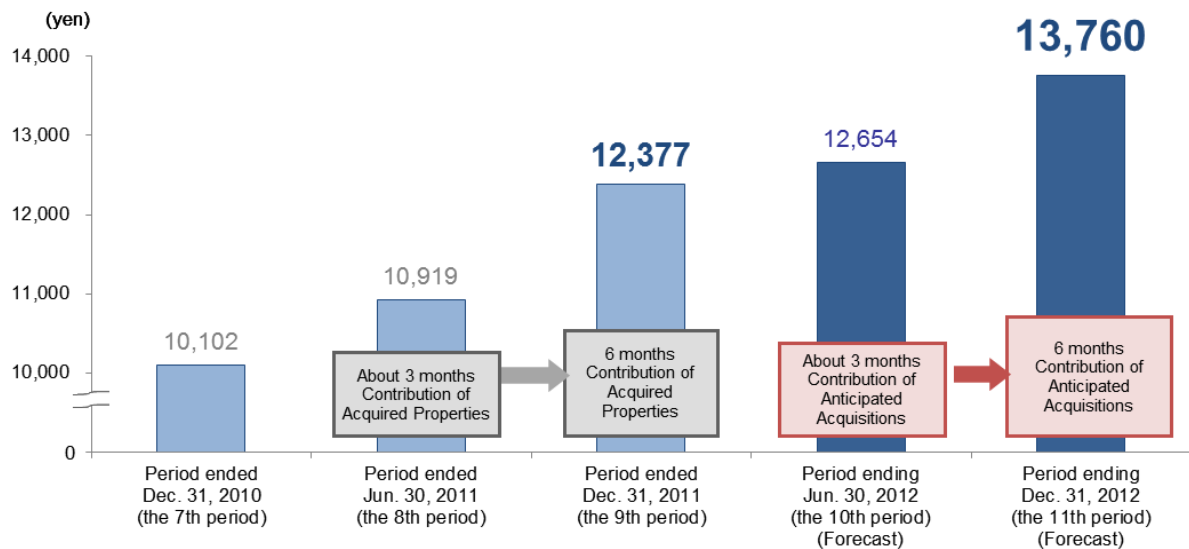
Operating Results and Forecast of IIF

(JPY million)

	Period ended Dec. 31, 2010 (the 7th period)	Period ended Jun. 30, 2011 (the 8th period)	Period ended Dec. 31, 2011 (the 9th period)	Period ending Jun. 30, 2012 (the 10th period) (Forecast)	Period ending Dec. 31, 2012 (the 11th period) (Forecast)
Operating revenue	2,962 (100.0)	3,295 (111.3)	3,526 (119.0)	4,402 (148.6)	4,903 (165.5)
Operating income	1,364 (100.0)	1,622 (118.9)	1,834 (134.4)	2,383 (174.7)	2,713 (198.8)
Ordinary income	799 (100.0)	1,038 (129.9)	1,159 (145.1)	1,699 (212.6)	1,936 (242.2)
Net income	798 (100.0)	1,022 (128.1)	1,158 (145.2)	1,779 (222.9)	1,935 (242.4)
Units Outstanding (unit)	79,035 (100.0)	93,632 (118.5)	93,632 (118.5)	140,632 (177.9)	140,632 (177.9)
Distributions per unit (yen)	10,102 (100.0)	10,919 (108.1)	12,377 (122.5)	12,654 (125.3)	13,760 (136.2)

(Note) Numbers in parenthesis refer to the period ended Dec. 31, 2010 (7th) as 100.

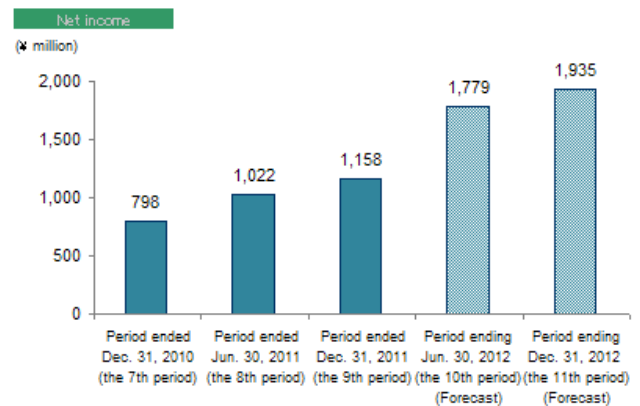
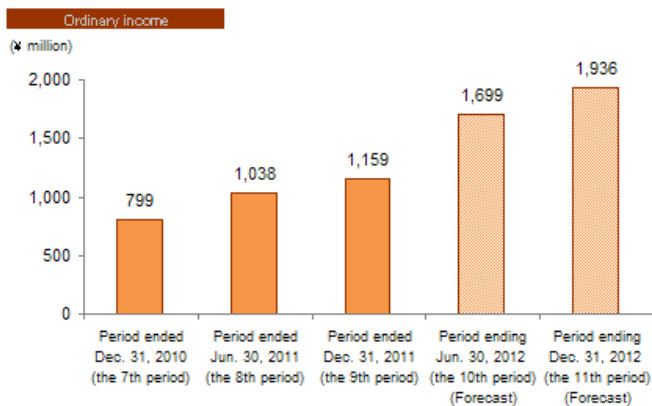
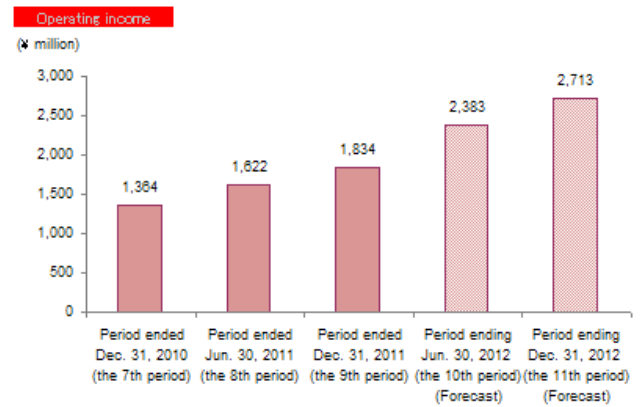
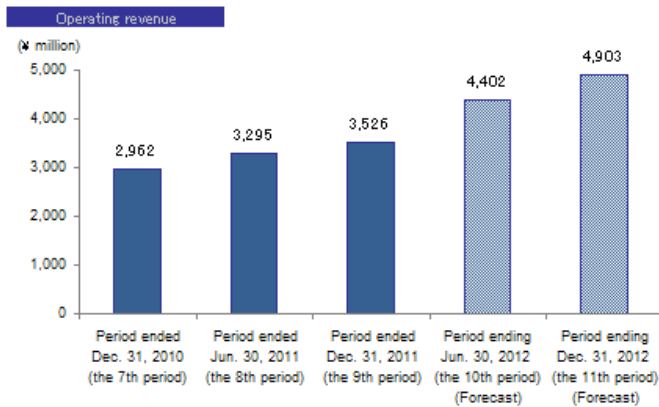
Distributions per unit



※IIF is currently conducting a search for a tenant for the IIF Atsugi Logistics Center for which the lease contract with the current tenant will expire at the end of the 10th period. IIF takes the conservative approach in assuming that vacancy continues during the entire 11th period when forecasting operation results.

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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 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. Yoshito Nishikawa (Telephone Number: 81-3-5293-7090), Head of Industrial Division at Mitsubishi Corp.-UBS Realty, Inc., Asset Manager for Industrial & Infrastructure Fund Investment Corporation.

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It is for informational purposes only, and the Japanese language release should be referred to as the original.

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