

February 20, 2018

To all concerned parties:

Investment Corporation
Industrial & Infrastructure Fund Investment Corporation
 (Tokyo Stock Exchange Company Code: 3249)
 Representative: Yasuyuki Kuratsu, Executive Director
 URL: <http://www.iif-reit.com/english/>

Asset Management Company
Mitsubishi Corp.-UBS Realty Inc.
 Representative: Toru Tsuji, President & CEO
 Inquiries: Hidehiko Ueda,
 Head of Industrial Division
 TEL: +81-3-5293-7091

Notice Concerning New Debt Financing and Refinancing

Industrial & Infrastructure Fund Investment Corporation (“IIF”) announced today its decision with respect to debt financing, new debt financing and refinancing (collectively, the “Debt Financing”), as outlined below.

1. Overview

As announced in “IIF to Acquire and Lease Ten Properties in Japan” released as of today, IIF is planning to acquire ten properties (the “Anticipated Acquisitions”) on or after February 20, 2018 for approximately 21.3 billion yen (excluding tax and acquisition costs). The proceeds from the new long-term debt of 7.3 billion yen will be allocated to a portion of the acquisition costs for the Anticipated Acquisitions.

In addition, IIF will borrow new long-term debt of 5 billion yen on February 27, 2018 and repay 5 billion yen, an equivalent amount, of long-term debt on the same date which is also its maturity date, and borrow new long-term debt of 8.5 billion yen on March 9, 2018 and repay 8.5 billion yen, an equivalent amount, of long-term debt on the same date which is also its maturity date.

<Outline of the Measure>

【Rationale of the Debt Financing】

- **Enhance ALM (Asset Liability Management) Strategy :**
 IIF aims to enhance stability in financial foundation through implementation of longer term and fixed interest borrowings matching to the stable balance of assets.
- **Reduce interest cost by refinancing existing debt**

Total Amount to be borrowed: 20.8 billion yen

- **Average Borrowing period ^(Note1): 8.9 years**
- **Average Fixed Interest Rate (estimate) ^(Note2): 0.65%**

1. **New Borrowing ^(Note 3)**

- Long-term: 7.3 billion yen
- Average Borrowing period: 8.1 years

2. **Refinancing ^(Note 4)**

- Long-term: 13.5 billion yen
- Average Borrowing period: 9.3 years

(Note 1) Weighted average based on the borrowing amounts. The same shall apply hereinafter.

(Note 2) The applicable interest rate is not yet determined as of the date of this press release. Individual interest rates are calculated by adding the spread set forth in each loan agreement to the rate calculated based on the offered rate, etc. of the fixed interest rate (Reuters Page 9154) published at 10:00 a.m. on January 29, 2018 (Tokyo Time), by taking into account the loan agreements executed associated with this new borrowing on February 20, 2018. Since the applicable interest rate is determined before each borrowing is completed based on the loan agreements executed on February 20, 2018, the estimated interest rate above may differ from the

Think bold today for a brighter tomorrow.



Industrial & Infrastructure Fund Investment Corporation

actual applicable interest rates. The actual applicable interest rates may deviate significantly from the numerical value above when the trend of interest rates changes drastically due to factors such as rapid changes in the economic environment, among other factors. The same shall apply hereinafter.

(Note 3) For details, please refer to 2. Below.

(Note 4) For details, please refer to 3. Below.

2. Debt Financing, New Debt Financing
(i) Overview of New Debt Financing

	Borrowing Period	Amount (million yen)	Fixed / Float	Interest Rate (Note 1)	Lender	Contract Execution Date	Scheduled Borrowing Date	Maturity Date	Remarks, Repayment Method
Debt 1	10.5 years	400	Fixed	To be determined (Note 2)	Development Bank of Japan Inc.	Feb. 20, 2018	Mar. 7, 2018	Sep. 7, 2028	Unsecured and unguaranteed, lump sum repayment
Debt 2	9.5 years	400	Fixed	To be determined (Note 2)	Sumitomo Mitsui Banking Corporation		Mar. 7, 2018	Sep. 7, 2027	
Debt 3	10.0 years	400	Fixed	To be determined (Note 2)	Mizuho Bank, Ltd.		Mar. 7, 2018	Mar. 7, 2028	
Debt 4	10.0 years	1,100	Fixed	To be determined (Note 2)	Mizuho Trust & Banking Co., Ltd.		Mar. 7, 2018	Mar. 7, 2028	
Debt 5	3.5 years	1,100	Fixed	To be determined (Note 2)	The Bank of Tokyo-Mitsubishi UFJ, Ltd.; Mitsubishi UFJ Trust and Banking Corporation; Sumitomo Mitsui Trust Bank, Limited		Mar. 30, 2018	Sep. 30, 2021	
Debt 6	9.5 years	600	Fixed	To be determined (Note 2)	The Bank of Tokyo-Mitsubishi UFJ, Ltd.; Mitsubishi UFJ Trust and Banking Corporation; Sumitomo Mitsui Trust Bank, Limited		Mar. 30, 2018	Sep. 30, 2027	
Debt 7	10.5 years	1,200	Fixed	To be determined (Note 2)	Development Bank of Japan Inc.		Mar. 30, 2018	Sep. 29, 2028	
Debt 8	3.5 years	1,000	Fixed	To be determined (Note 2)	Sumitomo Mitsui Banking Corporation		Mar. 30, 2018	Sep. 30, 2021	
Debt 9	9.5 years	600	Fixed	To be determined (Note 2)	Sumitomo Mitsui Banking Corporation		Mar. 30, 2018	Sep. 30, 2027	
Debt 10	10.0 years	500	Fixed	To be determined (Note 2)	Mizuho Bank, Ltd.		Mar. 30, 2018	Mar. 31, 2028	

Average Borrowing Period	Total Amount
8.1 years	7,300 million yen

(Note 1) For Debt 1 and 7, interest payments will start on June 29, 2018, followed by the last days of June, and December until the maturity date (if any corresponding date falls in a non-business day, the immediately preceding business day), and the maturity date. For Debt 2, 3, 4, 8, 9 and 10 interest payments will start on June 29, 2018, followed by the last days of March, June, September and December until the maturity date (if any corresponding date falls in a non-business day, the immediately preceding business day) and the maturity date. For Debt 5 and 6 interest payments will start on June 29, 2018, followed by the last days of March, June, September and December until the maturity date (if the corresponding date falls on a non-business day, the immediately following business day; and, if the immediately following business day falls on the next calendar month, the immediately preceding business day) and the maturity date.

(Note 2) The interest rate will be determined on or before the anticipated borrowing date pursuant to the loan agreements entered on February 20, 2018. The announcement of the interest rate will be made at the time of determination. The same shall apply hereafter.

(ii) Reasons for New Debt Financing

Please refer to 1. on page 1.

3. Debt Financing (Repayment)
(i) Description of Existing Loan Subject to Repayment

Borrowing Period	Amount (million yen)	Fixed/Float	Interest rate	Lender	Maturity Date	Scheduled Allocation of Repayment
7 year	5,000	Fixed	1.70000%	Development Bank of Japan Inc.	Feb. 27, 2018	Funded from refinanced borrowing as stated in 3.(ii) below
7 year	8,500	Fixed (Note)	1.76500%	The Bank of Tokyo-Mitsubishi UFJ, Ltd.; Mitsubishi UFJ Trust and Banking Corporation; Sumitomo Mitsui Trust Bank, Limited	Mar. 9, 2018	

(Note) Each loan agreement provides for a variable interest rate. IIF will execute interest rate swap agreements to fix the interest rate on and after the borrowing date.

(ii) Overview of Refinancing

	Borrowing Period	Amount (million yen)	Fixed/Float	Interest rate (Note 1)	Lender	Contract Execution Date	Scheduled Borrowing Date	Maturity Date	Remarks, Repayment Method
Debt 11	10.5 years	2,500	Fixed	To be determined (Note 2)	Development Bank of Japan Inc.	Feb. 20, 2018	Feb. 27, 2018	Aug. 31, 2028	Unsecured and unguaranteed, lump sum repayment
Debt 12	12 years	2,500	Fixed	To be determined (Note 2)	Development Bank of Japan Inc.		Feb. 27, 2018	Feb. 28, 2030	
Debt 13	3.5 years	2,500	Fixed	To be determined (Note 2)	The Bank of Tokyo-Mitsubishi UFJ, Ltd.; Mitsubishi UFJ Trust and Banking Corporation; Sumitomo Mitsui Trust Bank, Limited		Mar. 9, 2018	Sep. 9, 2021	
Debt 14	10 years	5,000	Fixed	To be determined (Note 2)	The Bank of Tokyo-Mitsubishi UFJ, Ltd.; Mitsubishi UFJ Trust and Banking Corporation; Sumitomo Mitsui Trust Bank, Limited		Mar. 9, 2018	Mar. 9, 2028	
Debt 15	11 years	1,000	Fixed	To be determined (Note 2)	The Bank of Tokyo-Mitsubishi UFJ, Ltd.; Mitsubishi UFJ Trust and Banking Corporation; Sumitomo Mitsui Trust Bank, Limited		Mar. 9, 2018	Mar. 9, 2029	
Average Borrowing Period				Total Amount					
9.3 years				13,500 million yen					

(Note 1) For Debt 11 and 12, interest payments will start on June 29, 2018, followed by the last days of June and December until the maturity date (if any corresponding date falls in a non-business day, the immediately preceding business day), and the maturity date. For Debt 13, 14, and 15, interest payments will start on June 29, 2018, followed by the last days of March, June, September and December until the maturity date (if any corresponding date falls in a non-business day, the immediately following business day, and if such day falls into the following month, the immediately preceding business day), and the maturity date. The same shall apply hereinafter.

(Note 2) The interest rate will be determined on or before the anticipated borrowing date pursuant to the loan agreements entered on February 20, 2018. The announcement of the interest rate will be made at the time of determination.

(iii) Reason for Refinancing

The refinancing is intended to improve the stability of the financial foundation by repaying the outstanding borrowing and financing with longer borrowing periods.

4. IIF's Debt after the Debt Financing (after March 30, 2018)

(million yen)

	Before Debt Financing	After Debt Financing	Change
Short-term Borrowings	0	0	0
Long-term Borrowings ^(Note)	127,500	134,800	+7,300
Total Borrowings	127,500	134,800	+7,300
Investment Corporation Bonds	10,000	10,000	0
Interest-bearing Debt in Total	137,500	144,800	+7,300

(Note) The amount of long-term borrowings includes the current portion of long-term borrowings.

5. Others

For the risks associated with the Debt Financing, please refer to "Investment Risk" stated in the Securities Registration Statement filed on February 20, 2018.

Reference: Other press releases announced today:

"IIF to Issue New Investment Units and Conduct Secondary Offering of Investment Units"

"IIF to Acquire and Lease Ten Properties in Japan"

"Notice Concerning Forecasts of Operating Results and Distributions for the July 2018 (22nd) and January 2019 (23rd) Fiscal Periods"

"Notice Concerning Execution of Commitment-type Term Loan Contract"

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/>

Contacts: For the further information relating to this press release as well as IIF and its Asset Manager, please feel free to contact Mr. Hidehiko Ueda (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 E-mail: iif-3249.ir@mc-ubs.com

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