



Investor Presentation for the December 2012 (11<sup>th</sup>) Period  
~ Appendix ~



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## A. Portfolio Data and Other Materials

# Our Portfolio (1)

Property Number	Name of Property	Location	Date Completed (Note 1)	Acquisition Price (million yen)		Appraisal Value as of the End of Period (million yen) (Note 2)		Total Leasable Area (Note 3)		Occupancy Rate	PML (Note 4)
					Percentage		Percentage		Percentage		
L-1	IIF Shinonome Logistics Center (Note 5)	Koto-ku, Tokyo	Feb 2006	13,700	8.3%	14,800	8.5%	27,493.29m <sup>2</sup>	4.6%	100.0%	4.6%
L-4	IIF Noda Logistics Center	Noda-shi, Chiba	Mar 2006	6,500	3.9%	7,010	4.0%	38,828.10m <sup>2</sup>	6.5%	100.0%	0.3%
L-5	IIF Shinsuna Logistics Center	Koto-ku, Tokyo	Jun 1998	5,300	3.2%	6,080	3.5%	5,741.75m <sup>2</sup>	1.0%	100.0%	6.4%
L-6	IIF Atsugi Logistics Center	Atsugi-shi, Kanagawa	Jan 2005	2,100	1.3%	1,920	1.1%	10,959.68m <sup>2</sup>	1.8%	100.0%	8.7%
L-7	IIF Koshigaya Logistics Center	Koshigaya-shi, Hyogo	Sep 1985	2,000	1.2%	2,330	1.3%	10,113.50m <sup>2</sup>	1.7%	100.0%	2.6%
L-8	IIF Nishinomiya Logistics Center	Nishinomiya-shi, Hyogo	May 1997	1,300	0.8%	1,580	0.9%	10,608.00m <sup>2</sup>	1.8%	100.0%	9.1%
L-9	IIF Narashino Logistics Center (land with leasehold)	Narashino-shi, Chiba	—	1,190	0.7%	2,070	1.2%	19,834.71m <sup>2</sup>	3.3%	100.0%	—
L-10	IIF Narashino Logistics Center II (land with leasehold)	Narashino-shi, Chiba	—	3,350	2.0%	4,030	2.3%	58,070.00m <sup>2</sup>	9.7%	100.0%	—
L-11	IIF Atsugi Logistics Center II	Atsugi-shi, Kanagawa	Oct 1992	3,100	1.9%	3,360	1.9%	20,661.13m <sup>2</sup>	3.5%	100.0%	7.6%
L-12	IIF Yokohama Tsuduki Logistics Center	Yokohama-shi, Kanagawa	Sep 1998	2,350	1.4%	2,730	1.6%	9,464.03m <sup>2</sup>	1.6%	100.0%	8.7%
L-13	IIF Saitama Logistics Center	Saitama-shi, Saitama	Dec 1989	1,490	0.9%	1,760	1.0%	8,995.00m <sup>2</sup>	1.5%	100.0%	4.2%
L-14	IIF Nagoya Logistics Center	Nagoya-shi, Aichi	Apr 1990	1,050	0.6%	1,150	0.7%	8,721.01m <sup>2</sup>	1.5%	100.0%	8.7%
L-15	IIF Atsugi Logistics Center III	Atsugi-shi, Kanagawa	Oct 1981	2,290	1.4%	2,600	1.5%	16,584.64m <sup>2</sup>	2.8%	100.0%	7.3%
L-16	IIF Kawaguchi Logistics Center	Kawaguchi-shi, Saitama	Apr 2002	1,770	1.1%	2,790	1.6%	11,705.02m <sup>2</sup>	2.0%	100.0%	10.7%
L-17	IIF Kobe Logistics Center	Kobeshi, Hyogo	Jan 2001	5,193	3.1%	5,900	3.4%	39,567.74m <sup>2</sup>	6.6%	100.0%	5.3%
L-18	IIF Higashi Osaka Logistics Center	Higashi Osaka-shi, Osaka	Nov 1991	2,280	1.4%	2,630	1.5%	20,461.73m <sup>2</sup>	3.4%	96.2%	8.7%
L-19	IIF Kashiwa Logistics Center	Kashiwa-shi, Chiba	Nov 1990	1,810	1.1%	2,290	1.3%	17,373.53m <sup>2</sup>	2.9%	100.0%	4.4%
<b>Logistics Centers Total</b>				<b>56,773</b>	<b>34.3%</b>	<b>65,030</b>	<b>37.2%</b>	<b>335,182.86m<sup>2</sup></b>	<b>56.0%</b>	<b>99.8%</b>	<b>—</b>
F-1	IIF Totsuka Technology Center (land with leasehold)	Yokohama-shi, Kanagawa	—	4,500	2.7%	4,760	2.7%	31,442.47m <sup>2</sup>	5.3%	100.0%	—
F-2	IIF Yokohama Tsuduki Technology Center	Yokohama-shi, Kanagawa	Feb 1996	1,100	0.7%	1,250	0.7%	4,655.48m <sup>2</sup>	0.8%	100.0%	3.3%
F-3	IIF Mitaka Card Center	Mitaka-shi, Tokyo	Apr 1994	8,700	5.3%	9,160	5.2%	21,615.01m <sup>2</sup>	3.6%	100.0%	6.7%
F-4	IIF Shinonome R&D Center	Koto-ku, Tokyo	Mar 1989	8,800	5.3%	10,700	6.1%	17,045.30m <sup>2</sup>	2.8%	100.0%	4.5%
F-5	IIF Kamata R&D Center	Ohta-ku, Tokyo	Jun 1988	7,200	4.4%	7,510	4.3%	21,896.56m <sup>2</sup>	3.7%	100.0%	7.7%
F-6	IIF Kawasaki Science Center (to be developed)	Kawasaki-shi, Kanagawa	Feb 2014	2,040	1.2%	2,500	1.4%	4,714.00m <sup>2</sup>	0.8%	100.0%	—
<b>Manufacturing and R&amp;D Facilities Total</b>				<b>32,340</b>	<b>19.6%</b>	<b>35,880</b>	<b>20.5%</b>	<b>101,368.82m<sup>2</sup></b>	<b>16.9%</b>	<b>100.0%</b>	<b>—</b>
I-1	IIF Kobe District Heating and Cooling Center	Kobe-shi, Hyogo	Apr 1990	18,100	10.9%	14,700	8.4%	11,275.39m <sup>2</sup>	1.9%	100.0%	4.2%
I-2	IIF Haneda Airport Maintenance Center	Ohta-ku, Tokyo	Jun 1993	41,110	24.9%	39,500	22.6%	81,995.81m <sup>2</sup>	13.7%	100.0%	M1: 4.5% M2: 3.2%
I-3	IIF Zama IT Solution Center	Zama-shi, Kanagawa	Nov 1988	5,384	3.3%	5,540	3.2%	10,931.89m <sup>2</sup>	1.8%	100.0%	7.3%
I-4	IIF Shinagawa Data Center	Shinagawa-ku, Tokyo	Aug 1989	4,900	3.0%	6,290	3.6%	19,547.11m <sup>2</sup>	3.3%	100.0%	8.9%
I-5	IIF Osaka Toyonaka Data Center	Toyonaka-shi, Osaka	Sep 1991	5,600	3.4%	6,030	3.4%	20,027.14m <sup>2</sup>	3.3%	100.0%	3.7%
I-6	IIF Osaka Nanko IT Solution Center	Osaka-shi, Osaka	Mar 1992	1,150	0.7%	2,030	1.2%	18,435.93m <sup>2</sup>	3.1%	100.0%	5.2%
<b>Infrastructure Facilities Total</b>				<b>76,244</b>	<b>46.1%</b>	<b>74,090</b>	<b>42.3%</b>	<b>162,213.27m<sup>2</sup></b>	<b>27.1%</b>	<b>100.0%</b>	<b>—</b>
<b>Portfolio Total</b>				<b>165,357</b>	<b>100.0%</b>	<b>175,000</b>	<b>100.0%</b>	<b>598,764.95m<sup>2</sup></b>	<b>100.0%</b>	<b>99.9%</b>	<b>3.3%</b>

(Note 1) The Date Completed is the year and month when each new property was recorded in the registry book

(Note 2) The appraisal value of the properties to be acquired are as of December 14, 2012.

(Note 3) The Total Leasable Area represents the leasable area relating to the building provided in each leasehold contract. The figure of IIF Shinsuna Logistics Center is described based on record in the registry book

(Note 4) The PML is the figure as Dec. 2012. The PML for IIF Haneda Airport Maintenance Center represents the data for M1 and M2 respectively

(Note 5) For IIF Shinonome Logistics Center, the total leasable area provided in the lease contract was multiplied by 53% (the proportion of quasi-ownership of the trust beneficiary certificates). The calculated value is the appraisal value for the 53% quasi-ownership ratio of the beneficiary right. The total leasable area was rounded to the nearest tenth

## Our Portfolio (2)

Property Number	Name of Property	Name of Tenants	Annual Rent (JPY MM) (Note 1,2)	Percentage (Note 3)	Type of Contract	Lease Term (Note 2)	Lease Term	Lease Term Remaining (Note 4)
L-1	IIF Shinonome Logistics Center	Sagawa Express Co., Ltd.	795	7.5%	Fixed-term	2006/2/21 ~ 2026/2/20	20.0 years	12.9 years
L-4	IIF Noda Logistics Center	Mitsubishi Corporation LT, Inc.	Not disclosed	-	Fixed-term	2006/4/10 ~ 2016/4/10	10.0 years	3.0 years
		Mitsubishi Electric Logistics Corporation	Not disclosed	-	Fixed-term	2011/5/1 ~ 2016/4/30	5.0 years	3.1 years
L-5	IIF Shinsuna Logistics Center	Sagawa Express Co., Ltd.	338	3.2%	Ordinary Building Lease	1998/7/15 ~ 2018/7/14	20.0 years	5.3 years
L-6	IIF Atsugi Logistics Center	Fuji Logitech Co., Ltd.	Not disclosed	-	Fixed-term	2012/7/1 ~ 2017/6/30	5.0 years	4.2 years
L-7	IIF Koshigaya Logistics Center	kabushikigaisya Tsukasa	151	1.4%	Fixed-term	2011/1/1 ~ 2020/12/31	10.0 years	7.7 years
L-8	IIF Nishinomiya Logistics Center	Suzuyo Corporation	120	1.1%	Fixed-term	2005/8/25 ~ 2025/8/31	20.0 years	12.4 years
L-9	IIF Narashino Logistics Center (land with leasehold)	Kajima Leasing Corporation/JA Mitsui Leasing, Ltd.	Not disclosed	-	Fixed-term	2001/9/1 ~ 2021/8/31	20.0 years	8.4 years
L-10	IIF Narashino Logistics Center II(land with leasehold)	Mitsubishi UFJ Trust and Banking Corporation	232	2.2%	Fixed-term	2011/4/28 ~ 2061/4/26	50.0 years	48.1 years
L-11	IIF Atsugi Logistics Center II	Sun Toshi Tatemono Co., Ltd.	Not disclosed	-	Ordinary Building Lease	2012/9/1 ~ 2022/8/31	10.0 years	9.4 years
L-12	IIF Yokohama Tsuduki Logistics Center	Tokyo Logistics Factory Co., Ltd.	Not disclosed	-	Fixed-term	2009/4/1 ~ 2024/3/31	15.0 years	11.0 years
L-13	IIF Saitama Logistics Center	MM Corporation	134	1.3%	Ordinary Building Lease	2007/5/24 ~ 2014/11/30	7.5 years	1.6 years
L-14	IIF Nagoya Logistics Center	DHL Supply Chain Kabushiki Kaisya	97	0.9%	Fixed-term	2011/3/14 ~ 2014/3/13	3.0 years	0.9 years
L-15	IIF Atsugi Logistics Center III	Tokyo Logistics Factory Co., Ltd.	Not disclosed	-	Fixed-term	2011/10/27 ~ 2017/1/31	5.3 years	3.8 years
L-16	IIF Kawaguchi Logistics Center	Taisei Corporation	Not disclosed	-	Fixed-term	2012/12/25 ~ 2014/12/31	2.0 years	1.7 years
L-17	IIF Kobe Logistics Center	Nissin Corporation <b>NEW</b>	Not disclosed	-	Ordinary Building Lease	2013/2/7 ~ 2024/9/30	11.7 years	11.5 years
L-18	IIF Higashi Osaka Logistics Center	Settsu Warehouse Co., Ltd. <b>NEW</b>	Not disclosed	-	Fixed-term	2011/4/1 ~ 2018/3/31	7.0 years	5.0 years
		Sega Logistics Service Co., Ltd. <b>NEW</b>	Not disclosed	-	Ordinary Building Lease	2013/4/1 ~ 2015/3/31	2.0 years	2.0 years
L-19	IIF Kashiwa Logistics Center	Nippon Express Co., Ltd. <b>NEW</b>	Not disclosed	-	Fixed-term	2012/12/1 ~ 2017/11/30	5.0 years	4.6 years
F-1	IIF Totsuka Technology Center(land with leasehold)	Taisei Corporation	276	2.6%	Fixed-term	2010/3/31 ~ 2040/3/30	30.0 years	27.0 years
F-2	IIF Yokohama Tsuduki Technology Center	IIF Rheinland Japan Ltd.	115	1.1%	Fixed-term	2008/10/1 ~ 2030/9/30	22.0 years	17.5 years
F-3	IIF Mitaka Card Center	JCB Co., Ltd.	730	6.9%	Ordinary Building Lease	2002/8/30 ~ 2019/2/28	16.5 years	5.9 years
F-4	IIF Shinonome System Development Center	Nihon Unisys, Ltd.	Not disclosed	-	Ordinary Building Lease	1989/4/1 ~ 2015/3/31	26.0 years	2.0 years
F-5	IIF Kamata R&D Center	Tokyo KEIKI Inc.	Not disclosed	-	Fixed-term	2011/5/1 ~ 2026/3/31	14.9 years	13.0 years
F-6	IIF Kawasaki Science Center (to be developed)	Johnson & Johnson <b>NEW</b>	Not disclosed	-	Fixed-term	2013/2/7 ~ 2029/3/31	16.2 years	16.0 years
I-1	IIF Kobe District Heating and Cooling Center	Osaka Gas Co., Ltd.	640	6.0%	Fixed-term	2012/6/7 ~ 2024/6/6	12.0 years	11.2 years
			20	0.2%	Fixed-term	2012/6/7 ~ 2024/6/6	12.0 years	11.2 years
I-2	IIF Haneda Airport Maintenance Center	Japan Airlines Co., Ltd.	1,849	17.4%	Fixed-term	2010/8/10 ~ 2025/12/31	15.4 years	12.7 years
I-3	IIF Zama IT Solution Center	IBM Japan, Ltd.	Not disclosed	-	Fixed-term	2011/7/26 ~ 2021/7/25	10.0 years	8.3 years
I-4	IIF Shinagawa Data Center	XYMAX AXIS Corporation	Not disclosed	-	Fixed-term	2012/3/7 ~ 2022/3/6	10.0 years	8.9 years
I-5	IIF Osaka Toyonaka Data Center	Nomura Building Management Co.,Ltd. <b>NEW</b>	Not disclosed	-	Fixed-term	2013/2/7 ~ 2023/2/6	10.0 years	9.8 years
I-6	IIF Osaka Nanko IT Solution Center	Nomura Research Institute, Ltd <b>NEW</b>	Not disclosed	-	Fixed-term	2013/2/7 ~ 2023/2/28	10.1 years	9.9 years

(Note 1) The annual rent for each property is calculated by multiplying the aggregate monthly rent, as indicated in the relevant lease agreement by 12

(Note 2) "Lease term" and "Annual rental rate" are based on the contracts with the tenant by Feb. 15, 2013. As the facility for IIF Kawasaki Science Center (to be developed) has not yet been developed, the figures are based on the assumption that the building lease has commenced under the fixed-term building lease agreement. In addition, as to the lease contract which will expire until Apr. 12, 2013, as the notice to exit was not sent during the period of the notice, the figures are based on the assumption that the contract will be updated on the same conditions

(Note 3) "Percentage" is a ratio to the total of the whole tenants' annual rent, and has rounded to the first decimal place

(Note 4) "Lease term remaining" is computed based on the last acquisition date of the property (April 12, 2013), and the expiry date on the lease contract.

# Our Portfolio (3)

Property Number	Name of Property	Appraisal Value as of the End of Period (JPY MM)				Applied Rate						
		End of 10 <sup>th</sup> Period	End of 11 <sup>th</sup> Period			Direct Capitalization Method	DCF Method			Year-earlier Levels		
			Appraisal Value	Appraisal Value	Period-Over-Period		Period-Over-Period (%)	Capitalization Rate	Discount Rate	Terminal Capitalization Rate	Capitalization Rate by Direct Capitalization Method	Discount Rate by DCF Method
L-1	IIF Shinonome Logistics Center (Note 2)	14,600	14,800	+200	+1.4%	5.0%	4.6%	5.2%	(0.1p)	(0.1p)	(0.1p)	
L-4	IIF Noda Logistics Center	6,880	7,010	+130	+1.9%	5.5%	5.3%	5.7%	(0.1p)	(0.1p)	(0.1p)	
L-5	IIF Shinsuna Logistics Center	5,810	6,080	+270	+4.6%	5.0%	4.7%	5.0%	(0.1p)	(0.1p)	(0.1p)	
L-6	IIF Atsugi Logistics Center	1,870	1,920	+50	+2.7%	5.8%	5.4%	5.9%	(0.2p)	(0.1p)	(0.1p)	
L-7	IIF Koshigaya Logistics Center	2,290	2,330	+40	+1.7%	5.7%	5.4%	5.8%	(0.1p)	(0.1p)	(0.1p)	
L-8	IIF Nishinomiya Logistics Center	1,490	1,580	+90	+6.0%	6.0%	5.7%	6.2%	(0.1p)	(0.1p)	(0.1p)	
L-9	IIF Narashino Logistics Center (land with leasehold)	2,040	2,070	+30	+1.5%	-	5.2%	-	-	(0.1p)	-	
L-10	IIF Narashino Logistics Center II (land with leasehold)	3,970	4,030	+60	+1.5%	5.4%	4.3%	6.1%	(0.1p)	(0.1p)	(0.1p)	
L-11	IIF Atsugi Logistics Center II	3,300	3,360	+60	+1.8%	5.6%	5.3%	5.9%	(0.1p)	(0.1p)	(0.1p)	
L-12	IIF Yokohama Tsuzuki Logistics Center	2,690	2,730	+40	+1.5%	5.4%	5.2%	5.6%	(0.1p)	(0.1p)	(0.1p)	
L-13	IIF Saitama Logistics Center	1,730	1,760	+30	+1.7%	6.1%	5.8%	6.4%	(0.1p)	(0.1p)	(0.1p)	
L-14	IIF Nagoya Logistics Center	1,130	1,150	+20	+1.8%	6.3%	6.0%	6.6%	(0.1p)	(0.1p)	(0.1p)	
L-15	IIF Atsugi Logistics Center III	2,560	2,600	+40	+1.6%	5.8%	5.5%	6.0%	(0.1p)	(0.1p)	(0.1p)	
<b>Logistics Facilities</b>		<b>50,360</b>	<b>51,420</b>	<b>+1,060</b>	<b>+2.1%</b>							
F-1	IIF Totsuka Technology Center (land with leasehold)	4,760	4,760	0	0.0%	-	6.0%	-	-	0.0p	-	
F-2	IIF Yokohama Tsuzuki Technology Center	1,250	1,250	0	0.0%	5.9%	5.9%	6.3%	0.0p	0.0p	0.0p	
F-3	IIF Mitaka Card Center	9,160	9,160	0	0.0%	6.1%	5.9%	6.3%	0.0p	0.0p	0.0p	
F-4	IIF Shinonome R&D Center	10,700	10,700	0	0.0%	5.9%	5.7%	6.1%	0.0p	0.0p	0.0p	
F-5	IIF Kamata R&D Center	7,510	7,510	0	0.0%	6.1%	5.8%	6.3%	0.0p	0.0p	0.0p	
<b>Manufacturing and Research and Development Facilities</b>		<b>33,380</b>	<b>33,380</b>	<b>0</b>	<b>0.0%</b>							
I-1	IIF Kobe District Heating and Cooling Center	14,700	14,700	0	0.0%	4.5%	3.7%	4.7%	0.0p	0.0p	0.0p	
I-2	IIF Haneda Airport Maintenance Center	39,500	39,500	0	0.0%	4.5%	3.6%	5.0%	0.0p	(0.1p)	0.0p	
I-3	IIF Zama IT Solution Center	5,600	5,540	(60)	(1.1%)	7.2%	5.8%	7.8%	0.1p	0.0p	0.1p	
I-4	IIF Shinagawa Data Center	6,300	6,290	(10)	(0.2%)	4.7%	5.2%	5.6%	0.0p	0.0p	0.0p	
<b>Infrastructure Facilities</b>		<b>66,100</b>	<b>66,030</b>	<b>(70)</b>	<b>(0.1%)</b>							
<b>Total of 22 properties</b>		<b>149,840</b>	<b>150,830</b>	<b>+990</b>	<b>+0.7%</b>							
L-16	IIF Kawaguchi Logistics Center (acquired in the 11th period) <span style="color:red">NEW</span>	-	2,790	-	-	5.8%	5.5%	5.8%				
<b>Portfolio Total</b>		<b>149,840</b>	<b>153,620</b>	<b>+3,780</b>	<b>+2.5%</b>							

(Note 1) The Appraisal Value as of the End of Period, Cap Rate by Direct Approach, Discount Rate by DCF Method and Final Cap Rate by DCF Method are based on the appraisal reports of real-estate consultants

(Note 2) The Appraisal Value as of the End of Period for IIF Shinonome Logistics Center is the appraisal value for 53% quasi-ownership ratio of trust beneficiary right

## Our Portfolio (4) – Additional Properties in the June 2013 (12th) Period

### ■ Appraisal Report Overview of Additional Properties in the June 2013 (12th) Period

Property Number	Name of Property	As of Dec. 14, 2012			
		Appraisal Value (JPY MM)	Capitalization Rate by Direct Capitalization Method	Discount Rate by DCF Method	Terminal Capitalization Rate by DCF Method
L-17	IIF Kobe Logistics Center	5,900	5.7%	5.5%	5.9%
L-18	IIF Higashi Osaka Logistics Center	2,630	5.9%	5.6%	6.0%
L-19	IIF Kashiwa Logistics Center	2,290	6.1%	5.5%	6.1%
<b>Logistics Facilities</b>		<b>10,820</b>			
F-6	IIF Kawasaki Science Center (to be developed)	2,500	–	–	–
<b>Manufacturing and Research and Development Facilities</b>		<b>2,500</b>			
I-5	IIF Osaka Toyonaka Data Center	6,030	6.7%	5.8%	6.3%
I-6	IIF Osaka Nanko IT Solution Center	2,030	6.4%	6.0%	6.9%
<b>Infrastructure Facilities</b>		<b>8,060</b>			
<b>Total Additional Properties</b>		<b>21,380</b>			

(Note) The Appraisal Value, Cap Rate by Direct Approach, Discount Rate by DCF Method and Final Cap Rate by DCF Method of the additional properties are based on the appraisal reports of real-estate consultants as of Dec. 14, 2012

# Our Portfolio (5)

Item	L1 (Shinonome)		L4 (Noda)		L5 (Shinsuna)		L6 (Atsugi)		L7 (Koshigaya)		L8 (Nishinomiya)		L9 (Narashino)	
	10th	11th	10th	11th	10th	11th	10th	11th	10th	11th	10th	11th	10th	11th
	182days	184days	182days	184days	182days	184days	182days	184days	182days	184days	182days	184days	182days	184days
Rent	397	397	222	222	168	168	74	Not Disclosed	75	75	59	59	Not Disclosed	Not Disclosed
Others	0	0	18	22	-	-	11		0	0	-	-		
Total rental business income	397	397	240	245	168	168	86		75	75	59	59		
Management expenses	31	30	21	20	16	15	6		4	4	8	8		
Utilities	0	0	5	5	0	0	1		0	0	0	0		
Taxes and public dues	0	1	-	0	-	0	19		-	0	-	0		
Repair expenses	1	1	1	1	1	1	1		0	0	1	1		
Others	0	0	12	17	0	0	1		0	0	0	0		
Total rental business expenses	34	33	41	45	18	18	30		6	6	10	11		
NOI	364	364	198	199	150	149	56		44	69	69	49		
Depreciation and amortization	47	47	58	58	13	13	31	33	22	22	11	12	-	-
Rental business profit	316	316	139	140	136	135	24	11	46	46	37	36	38	38
Rental deposits	1,457	1,457	222	222	84	84	12	Not Disclosed	37	37	89	89	Not Disclosed	Not Disclosed
Guaranteed deposits	-	-	-	-	231	231	-		-	-	-	-		
Total deposits (Ending balance)	1,457	1,457	222	222	315	315	12		37	37	89	89		

Item	L10 (Narashinoll)		L11 (Atsugill)		L12 (Yokohama Tsuzuki)		L13 (Saitama)		L14 (Nagoya)		L15 (Atsugilll)		L16 (Kawaguchi)	
	10th	11th	10th	11th	10th	11th	10th	11th	10th	11th	10th	11th	10th	11th
	182days	184days	182days	184days	182days	184days	182days	184days	182days	184days	182days	184days	0days	7days
Rent	115	115	Not Disclosed	Not Disclosed	Not Disclosed	Not Disclosed	66	66	48	48	Not Disclosed	Not Disclosed	-	-
Others	-	1					0	0	-	-			-	-
Total rental business income	115	117					66	66	48	48			-	-
Management expenses	4	8					1	3	2	5			-	-
Utilities	-	-					0	0	0	0			-	-
Taxes and public dues	-	-					1	17	0	2			-	-
Repair expenses	0	0					0	0	0	0			-	-
Others	0	0					1	1	0	0			-	-
Total rental business expenses	5	9					5	22	4	9			-	-
NOI	110	107					121	101	80	76			61	43
Depreciation and amortization	-	-	13	15	21	12	9	9	2	3	6	10	-	1
Rental business profit	110	107	108	86	67	63	51	34	40	35	49	77	-	1
Rental deposits	115	115	Not Disclosed	Not Disclosed	Not Disclosed	Not Disclosed	33	33	48	48	Not Disclosed	Not Disclosed	-	-
Guaranteed deposits	-	-					-	-	-	-			-	-
Total deposits (Ending balance)	115	115					33	33	48	48			-	-

## Our Portfolio (6)

Item	F1 (Totsuka)		F2 (Yokohama Tsuzuki)		F3 (Mitaka)		F4 (Shinonome R&D)		F5 (Kamata)	
	10th	11th	10th	11th	10th	11th	10th	11th	10th	11th
	182days	184days	182days	184days	182days	184days	182days	184days	182days	184days
Rent	154	154	57	57	180	364	Not Disclosed	Not Disclosed	Not Disclosed	Not Disclosed
Others	0	0	-	-	0	0				
Total rental business income	154	154	57	57	180	364				
Management expenses	16	16	8	8	0	0				
Utilities	-	-	6	6	2	4				
Taxes and public dues	-	-	0	2	1	4				
Repair expenses	0	0	0	0	0	1				
Others	0	0	0	0	0	0				
Total rental business expenses	17	17	16	18	4	10				
N O I	137	137	41	39	175	354				
Depreciation and amortization	-	-	4	4	17	34	28	43	15	23
Rental business profit	137	137	36	34	158	319	209	322	149	245
Rental deposits	276	276	92	92	182	182	Not Disclosed	Not Disclosed	Not Disclosed	Not Disclosed
Guaranteed deposits	-	-	-	-	-	-				
Total deposits (Ending balance)	276	276	92	92	182	182				

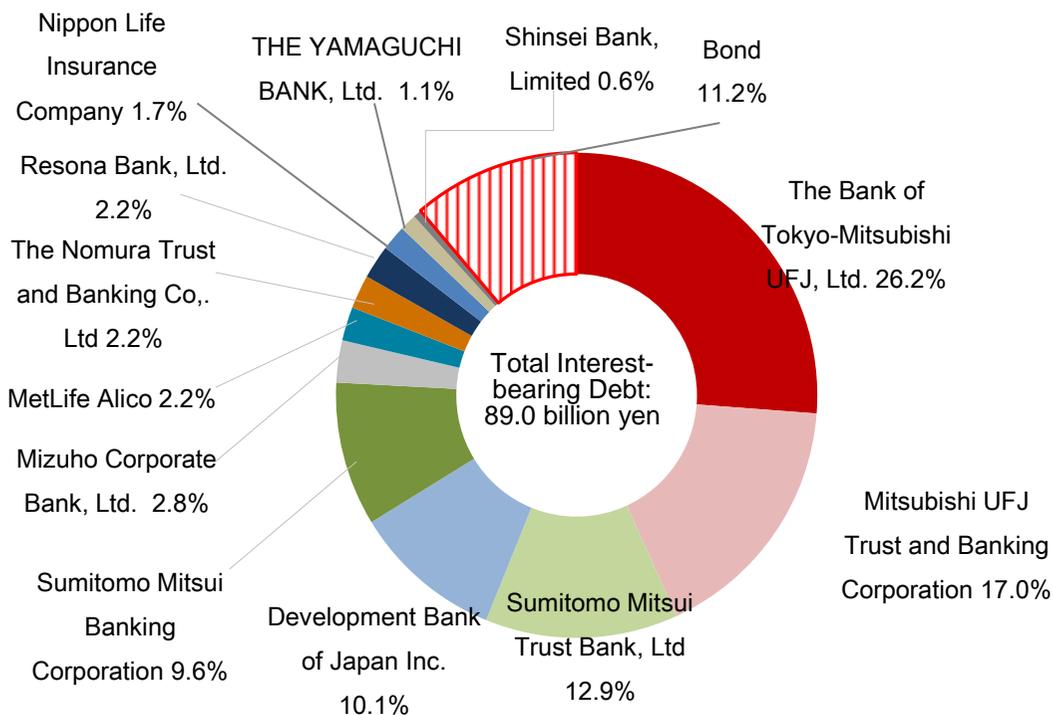
Item	I1 (Kobe)		I2 (Haneda)		I3 (Zama)		I4 (Shinagawa)		10th (Actual)	11th (Actual)
	10th	11th	10th	11th	10th	11th	10th	11th		
	182days	184days	182days	184days	116days	184days	116days	184days		
Rent	370	330	1,362	1,340	Not Disclosed	Not Disclosed	Not Disclosed	Not Disclosed	4,372	4,908
Others	1	0	0	0					85	129
Total rental business income	371	330	1,363	1,340					4,458	5,037
Management expenses	12	11	99	92					249	258
Utilities	0	0	0	0					35	46
Taxes and public dues	1	9	-	-					34	74
Repair expenses	1	1	5	5					20	23
Others	3	1	339	324					421	459
Total rental business expenses	18	23	445	422					761	862
N O I	352	306	918	917					146	219
Depreciation and amortization	124	124	233	233	23	35	14	23	694	764
Rental business profit	228	181	684	684	122	184	108	169	3,002	3,410
Rental deposits	2,145	2,154	973	973	Not Disclosed	Not Disclosed	Not Disclosed	Not Disclosed	8,654	8,500
Guaranteed deposits	-	-	-	-					231	231
Total deposits (Ending balance)	2,145	2,154	973	973					8,885	8,732

# Debt Stability

## Lender Status

Classification	Outstanding Balance (million yen) (Note 1)		Date of Borrowing	Interest Rate (Note 2) (%)	Maturity date	Fixed/Variable	Borrowing term	Remaining period (Note 4)	
	Lender	Total							
Long-term borrowing	MetLife Alico Insurance Company	2,000	2,000	Dec. 25, 2009	1.70000	Dec. 25, 2014	Fixed	5 years	1.9 years
	Sumitomo Mtsui Trust Bank, Limited	2,500							
	Nomura Trust and Banking Co., Ltd.	2,000	7,500	Sep. 30, 2010	0.90917	Sep. 30, 2013	Variable	3 years	0.6 years
	Resona Bank, Ltd.	2,000							
	THE YAMAGUCHI BANK, Ltd.	1,000							
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	3,900	7,500	Oct. 19, 2010	0.90917	Oct. 18, 2013	Variable	3 years	0.7 years
	Mitsubishi UFJ Trust and Banking Corporation	3,600							
	Sumitomo Mtsui Banking Corporation	2,000	2,000	Dec. 30, 2010	1.00917	Dec. 30, 2014	Variable	4 years	1.9 years
	Development Bank of Japan Inc.	5,000	5,000	Feb. 28, 2011	1.70000	Feb. 27, 2018	Fixed	7 years	5.0 years
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	3,200							
	Mitsubishi UFJ Trust and Banking Corporation	2,950	8,500	Mar. 11, 2011	1.76500	Mar. 9, 2018	Fixed (Note 3)	7 years	5.1 years
	Sumitomo Mtsui Trust Bank, Limited	2,350							
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	2,000	2,000	Aug. 31, 2011	1.16750	Aug. 31, 2016	Fixed (Note 3)	5 years	3.5 years
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	4,463							
	Mitsubishi UFJ Trust and Banking Corporation	4,057	11,600	Sep. 30, 2011	1.30000	Sep. 30, 2017	Fixed (Note 3)	6 years	4.6 years
	Sumitomo Mtsui Trust Bank, Limited	3,080							
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	2,823							
	Mitsubishi UFJ Trust and Banking Corporation	2,603	7,500	Mar. 6, 2012	0.94500	Mar. 6, 2017	Fixed (Note 3)	5 years	4.1 years
	Sumitomo Mtsui Trust Bank, Limited	2,074							
	Sumitomo Mtsui Banking Corporation	1,500	1,500		0.94500	Mar. 6, 2017	Fixed (Note 3)	5 years	4.1 years
	Development Bank of Japan Inc.	1,000	1,000		2.22000	Mar. 29, 2024	Fixed	12 years	11.1 years
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	1,000	1,000		1.90500	Mar. 30, 2022	Fixed (Note 3)	10 years	9.1 years
	Sumitomo Mtsui Banking Corporation	500	500		1.90500	Mar. 31, 2022	Fixed (Note 3)	10 years	9.1 years
	Development Bank of Japan Inc.	2,000	2,000		1.90000	Mar. 29, 2022	Fixed	10 years	9.1 years
	Mizuho Corporate Bank, Ltd.	1,500	1,500	Mar. 30, 2012	1.56100	Mar. 31, 2020	Fixed (Note 3)	8 years	7.1 years
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	565							
	Mitsubishi UFJ Trust and Banking Corporation	520	1,500		1.32375	Mar. 29, 2019	Fixed (Note 3)	7 years	6.1 years
	Sumitomo Mtsui Trust Bank, Limited	415							
	Sumitomo Mtsui Banking Corporation	1,500	1,500		1.32375	Mar. 31, 2019	Fixed (Note 3)	7 years	6.1 years
	Nippon Life Insurance Company	1,000	1,000		1.42000	Jun. 30, 2020	Fixed (Note 3)	8 years	7.4 years
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	583	583	Jun. 29, 2012	1.17500	Jun. 28, 2019	Fixed (Note 3)	7 years	6.4 years	
Sumitomo Mtsui Banking Corporation	417	417		1.17500	Jun. 28, 2019	Fixed (Note 3)	7 years	6.4 years	
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	2,274	2,274	Sep. 28, 2012	1.15750	Sep. 30, 2019	Fixed (Note 3)	7 years	6.6 years	
Sumitomo Mtsui Banking Corporation	1,626	1,626		1.15750	Sep. 30, 2019	Fixed (Note 3)	7 years	6.6 years	
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	1,000	1,000	Feb. 6, 2013	1.29000	Feb. 6, 2023	Fixed (Note 3)	10 years	10.0 years	
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	1,316								
Mitsubishi UFJ Trust and Banking Corporation	1,218	3,500	Feb. 6, 2013	1.38980	Feb. 6, 2023	Fixed (Note 3)	10 years	10.0 years	
Sumitomo Mtsui Trust Bank, Limited	966								
Sumitomo Mtsui Banking Corporation	500	500	Feb. 6, 2013	1.38980	Feb. 6, 2023	Fixed (Note 3)	10 years	10.0 years	
Nippon Life Insurance Company	500	500	Feb. 6, 2013	1.55000	Feb. 6, 2023	Fixed (Note 3)	10 years	10.0 years	
Mizuho Corporate Bank, Ltd.	1,000	1,000	Feb. 6, 2013	1.48980	Feb. 6, 2023	Fixed (Note 3)	10 years	10.0 years	
Shinsei Bank, Ltd.	500	500	Feb. 6, 2013	1.38980	Feb. 6, 2023	Fixed (Note 3)	10 years	10.0 years	
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	500	500	Feb. 6, 2013	1.22750	Feb. 4, 2022	Fixed (Note 3)	9 years	9.0 years	
Sumitomo Mtsui Banking Corporation	500	500	Feb. 6, 2013	1.22750	Feb. 4, 2022	Fixed (Note 3)	9 years	9.0 years	
Development Bank of Japan Inc.	1,000	1,000	Feb. 6, 2013	1.83000	Feb. 5, 2025	Fixed (Note 3)	12 years	12.0 years	
Investment corporation bond	First series unsecured investment corporation bonds	5,000	5,000	Dec. 27, 2012	0.56000	Dec. 27, 2016	Fixed	4 years	3.9 years
	Second series unsecured investment corporation bonds	5,000	5,000	Dec. 27, 2012	1.40000	Dec. 27, 2022	Fixed	10 years	9.9 years
	<b>Total / Average</b>	<b>89,000</b>	<b>89,000</b>		<b>1.27</b>				<b>6.4 years</b>

## Breakdown of Lender Formation

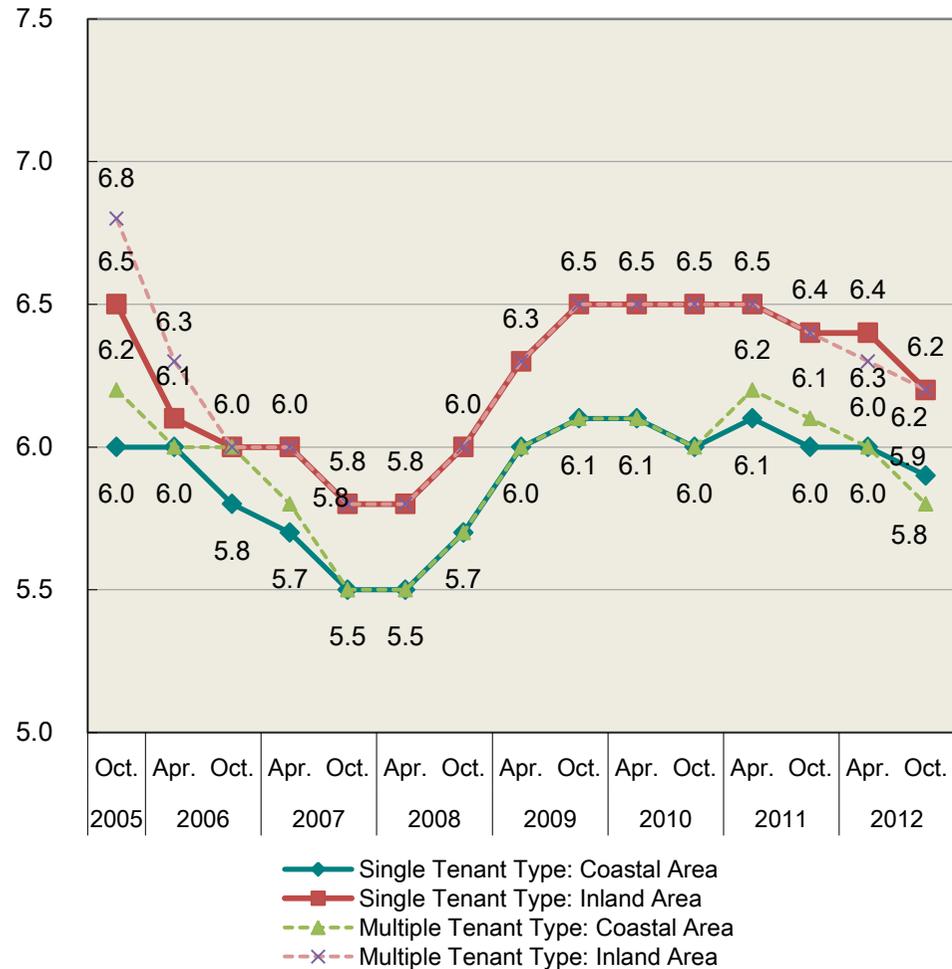


- (Note 1) Outstanding balance as of Feb. 15, 2013 is described
- (Note 2) The applicable rate is based on the interest rate as of Feb. 15, 2013. The average is calculated by weighting the rate for each borrowings according to the borrowing amount.
- (Note 3) I IF signed an interest rate swap contract to fix the interest rate.
- (Note 4) The remaining term for the existing borrowing is calculated with the base date as of Feb. 15, 2013. The average is calculated by weighting the remaining term of each borrowings according to the borrowing amount.

# Overview of the Logistics Market (1)

**Expected Cap Rate of Logistics Properties and Warehouse (Location: Tokyo)**

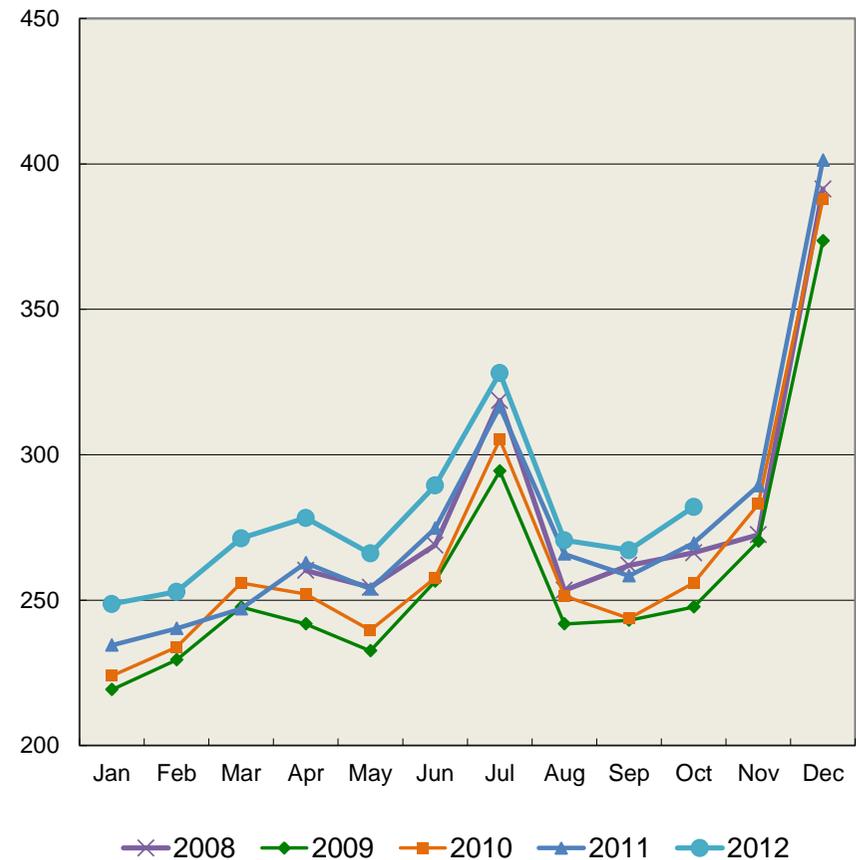
(%)



(Source) Japan Real Estate Institute "The Japanese Real Estate Investor Survey"

**Total Number of Parcels for Home Delivery Service**

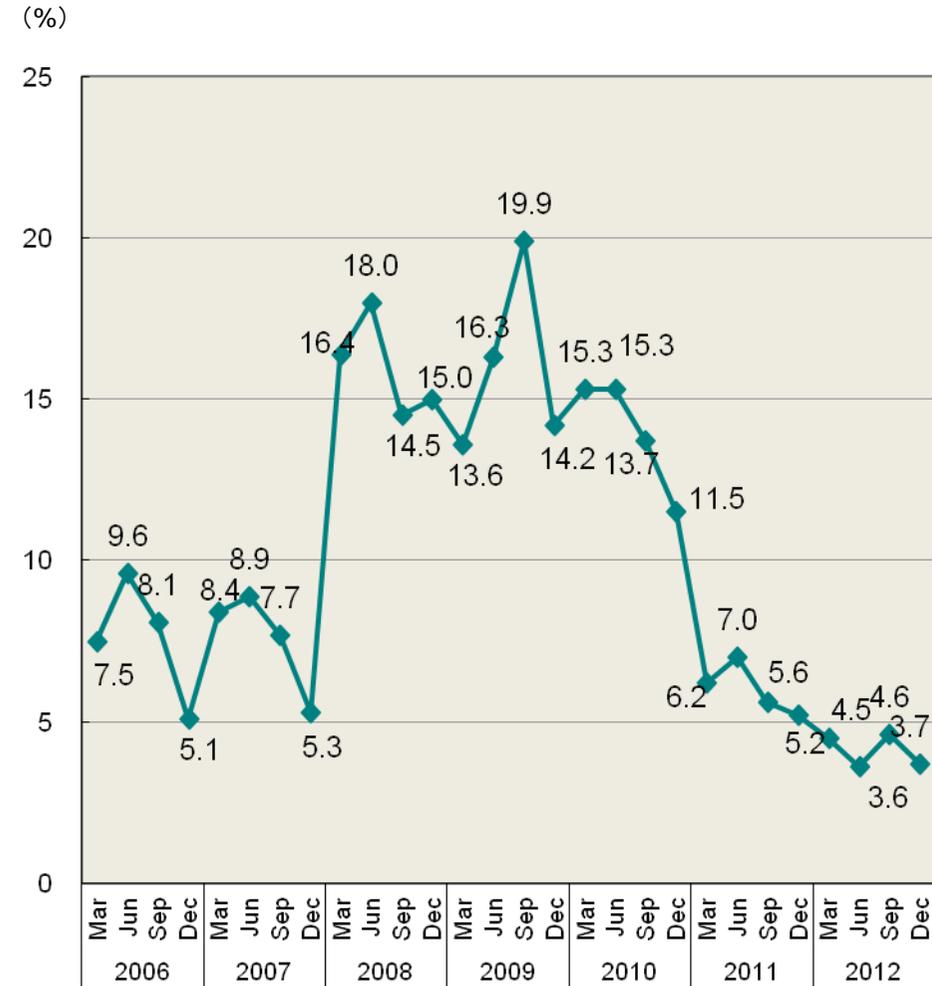
(MM)



(Source) Ministry of Land, Infrastructure, Transport and Tourism

# Overview of the Logistics Market (2)

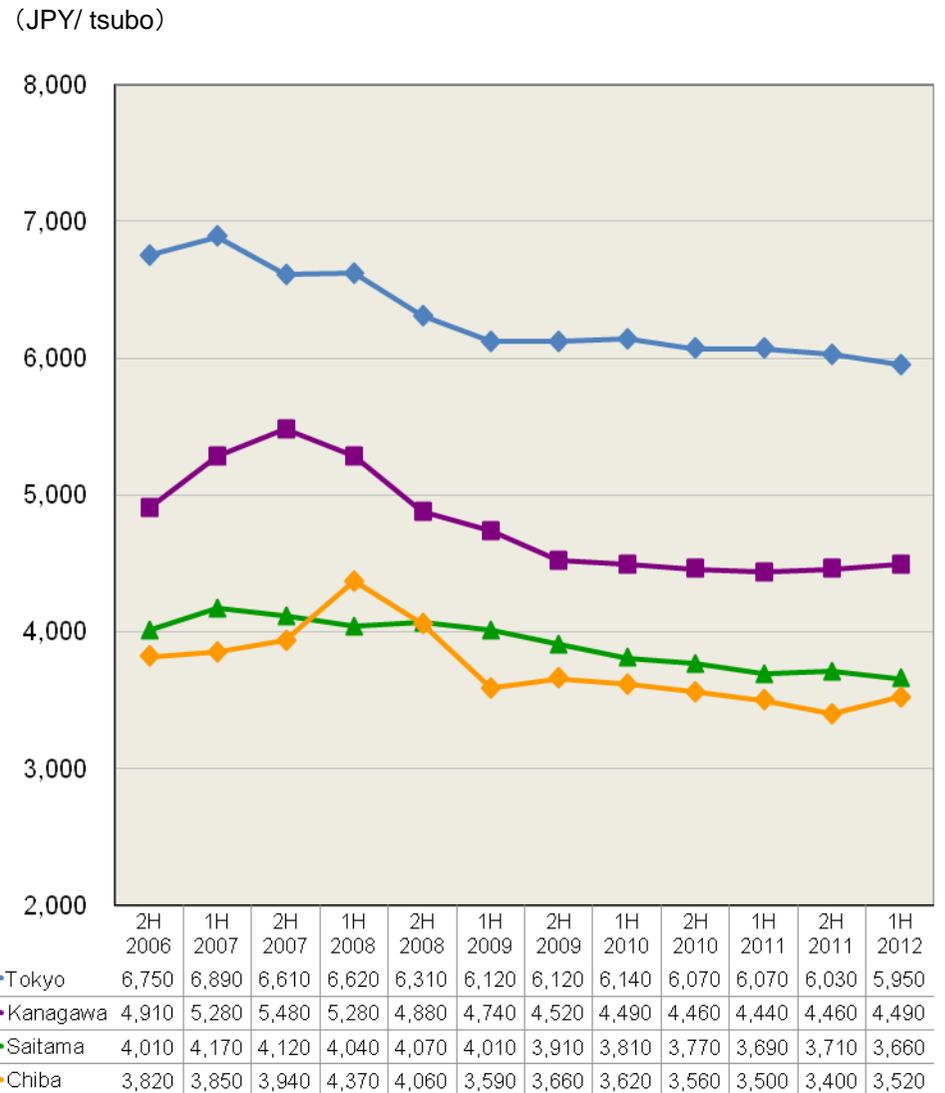
## Vacancy Rate of Large-scale Multi-Tenant Logistics Properties in the Tokyo Metropolitan Area



\* Vacancy rate covers 54 multi-type facilities with floor area of 10,000 tsubo and more in the Tokyo metropolitan area (Tokyo, Kanagawa, Chiba and Saitama).

(Source) CBRE: Industrial Market Report

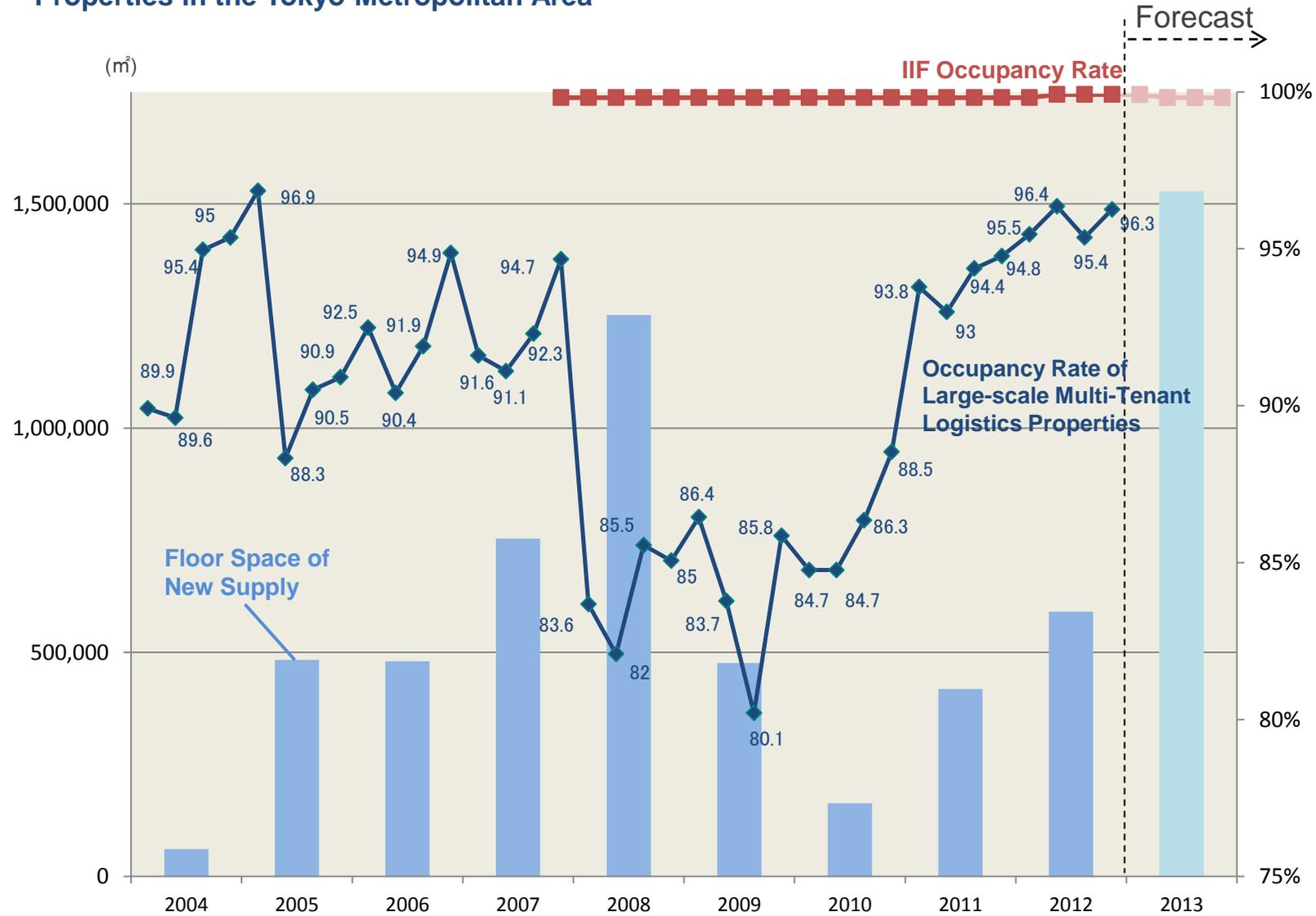
## Average Monthly Asking Rent for Large-scale Multi-Tenant Logistics Properties



(Source) CBRE: Industrial Market Report

# Overview of the Logistics Market (3)

## Floor Space of New Supply and Occupancy Rate of Large-scale Multi-Tenant Logistics Properties in the Tokyo Metropolitan Area



(Source) Floor Area of New Supply: CBRE 「Industrial Market Report」and press releases gathered by MCUBS which is the asset management company of IIF  
Occupancy Rate: CBRE 「Industrial Market Report」

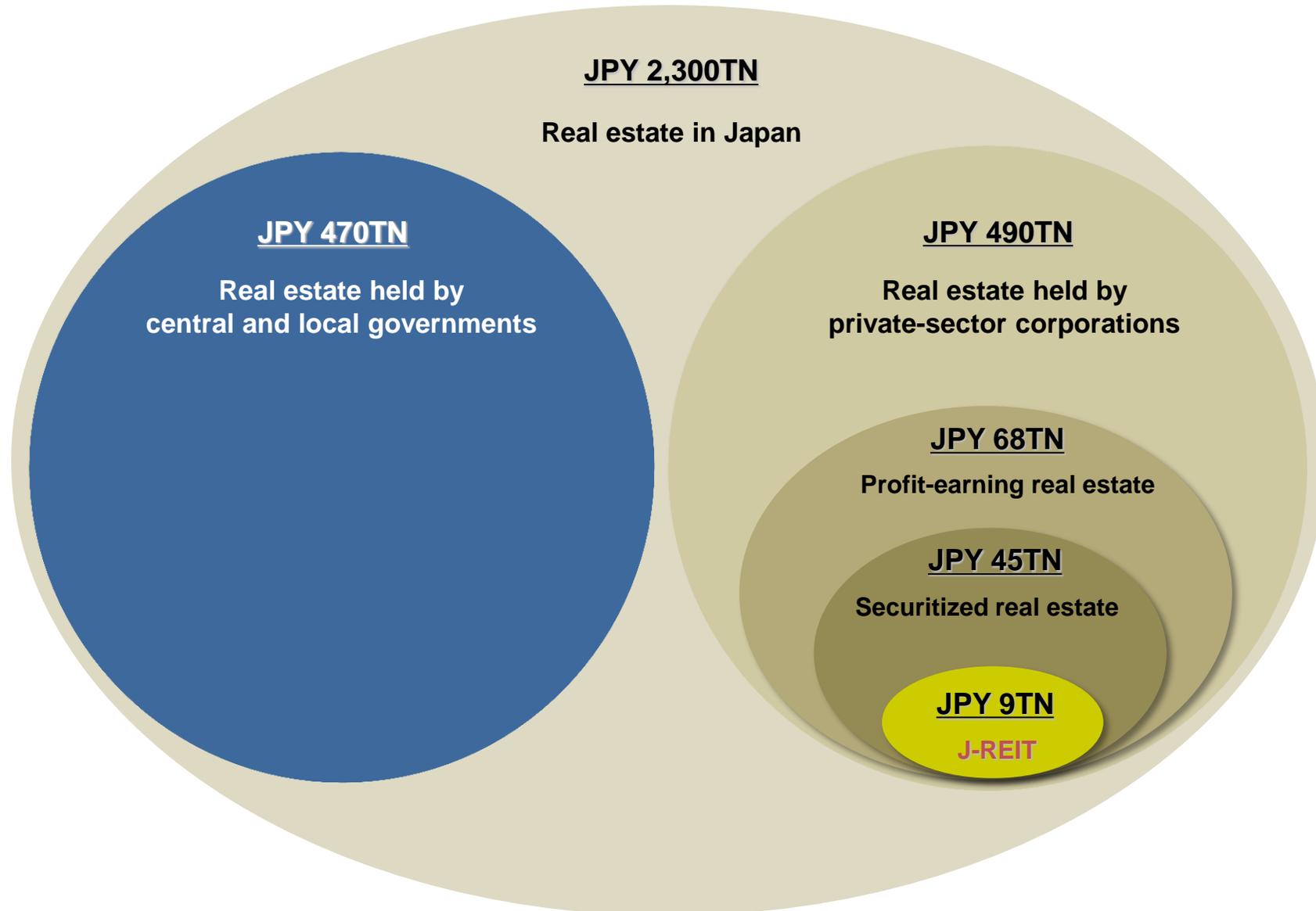
# Historical Unit Price Since IPO

■ Historical Unit Price since IPO (Oct. 18, 2007 – Feb. 8, 2013)



(Note 1) All indexes are based on closing prices  
 (Note 2) Left axis describes relative unit price trends which the closing price of TSE on Oct. 18, 2007 is set as 100%  
 (Source) Bloomberg

## Prodigious Growth Potential with Less Acquisition Competition



(Source) Ministry of Land, Infrastructure, Transport and Tourism

# Potential for PRE

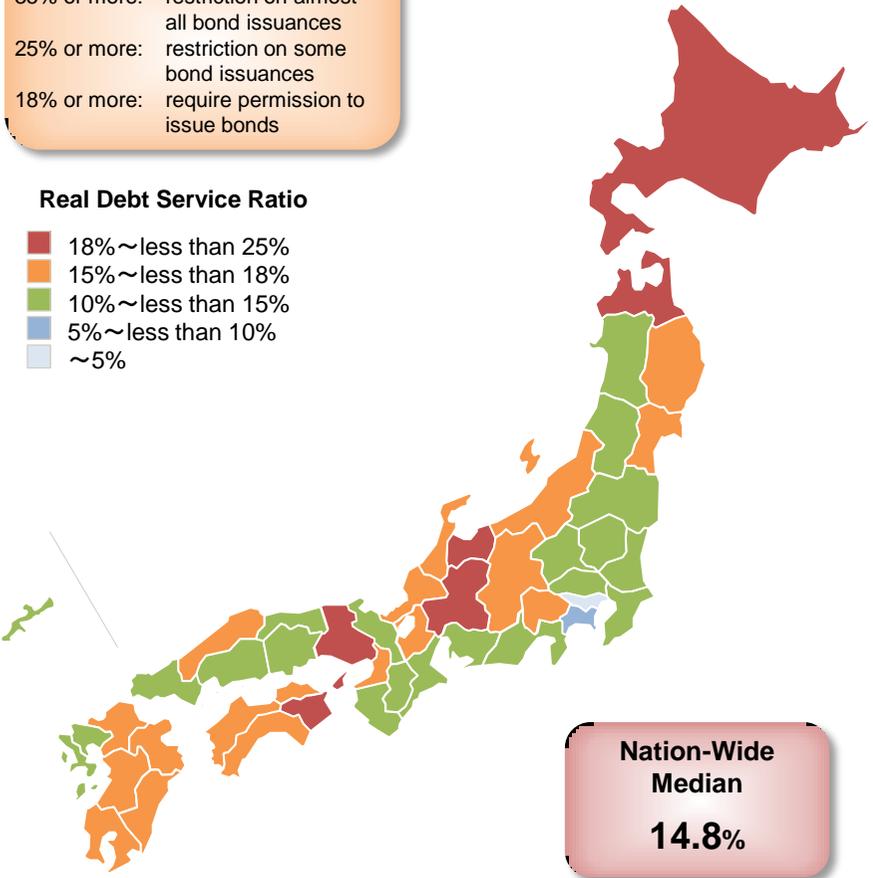
## Needs for Restoring the Financial Soundness in Local Prefectural Governments

### Real Debt Service Ratio by Local Prefectural Governments

<Real Debt Service Ratio>  
 35% or more: restriction on almost all bond issuances  
 25% or more: restriction on some bond issuances  
 18% or more: require permission to issue bonds

**Real Debt Service Ratio**

- 18% ~ less than 25%
- 15% ~ less than 18%
- 10% ~ less than 15%
- 5% ~ less than 10%
- ~5%

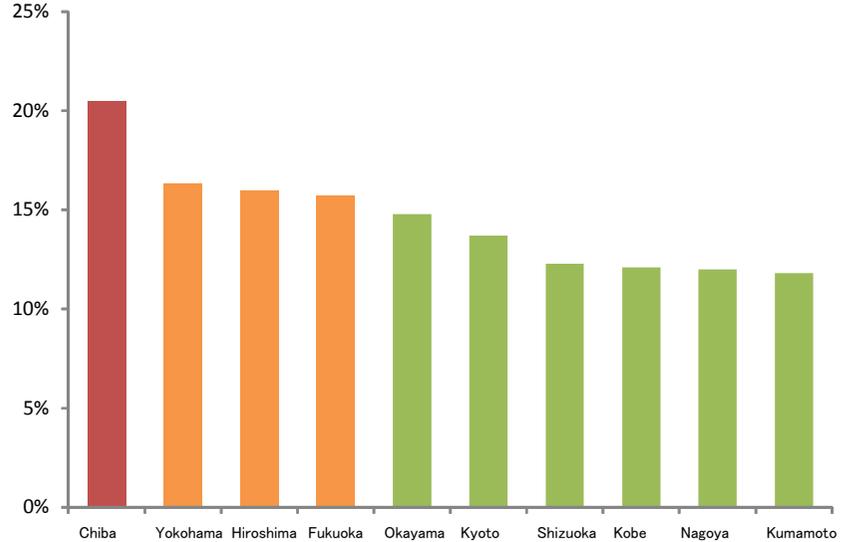


### High Real Debt Service Ratio of Government-Ordinance Designated Cities

<Real Debt Service Ratio>  
 35% or more: restriction on almost all bond issuances  
 25% or more: restriction on some bond issuances  
 18% or more: require permission to issue bonds

**Real Debt Service Ratio**

- 18% ~ less than 25%
- 15% ~ less than 18%
- 10% ~ less than 15%
- 5% ~ less than 10%
- ~5%



Note: Real Debt service payment ratio: The debt service payment ratio indicates the ratio of general revenue resources allocated for debt service (general revenue resources allocated for public service, including the principal and interest repayments on local bonds) to the total amount of general revenue resources. This index is used to determine the flexibility of the financial structure by assessing the degree to which debt service restrict the freedom of use of general revenue resources.

$$\text{Real debt service ratio} = \frac{\text{Redemption of principal and interest in the relevant fiscal year} + \text{Expenses similar to debt expenditure including expenses transferred to redemption of principal and interest to public enterprises from general account} - (\text{Specific revenue sources including redemption of principal and interest} + \text{Debt expenditure included in standard financial requirements of local allocation tax})}{\text{Standard financial scale} - \text{Debt expenditure included in standard financial requirements of local allocation tax}} \text{ in the fiscal year 2011}$$

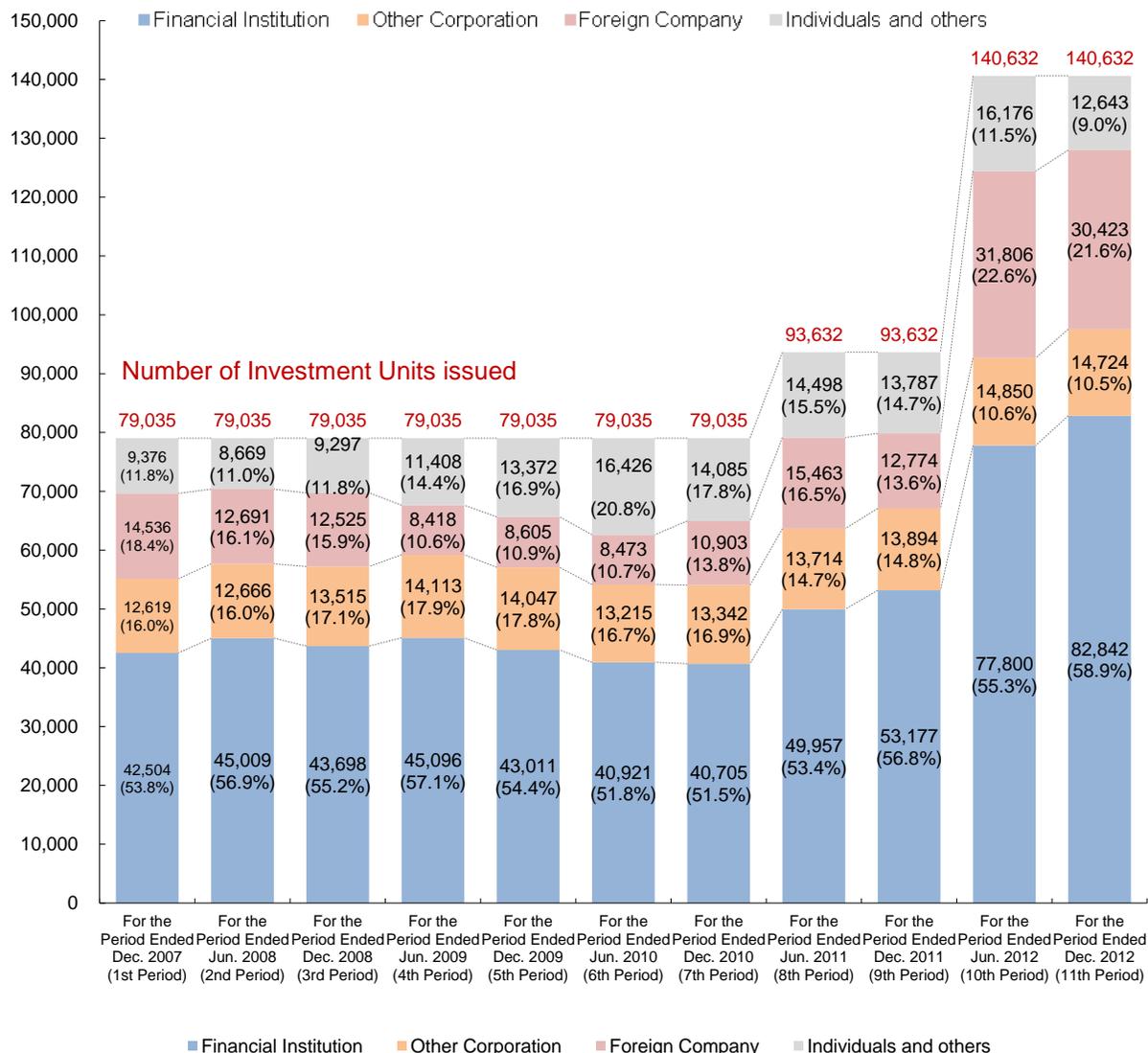
# Investor's Attributes

## Top 20 Investors as of Dec. 31, 2012

Rank	Name	Number of Units Held	Ownership Ration (%)
1	Japan Trustee Services Bank, Ltd. (Trust Account)	23,098	16.42
2	Trust & Custody Services Bank, Ltd. (Securities Investment Trust Account)	10,676	7.59
3	Master Trust Bank of Japan, Ltd. (Trust Account)	10,364	7.36
4	Mitsubishi Corporation	9,600	6.82
5	Nomura Trust and Banking Co., Ltd. (Trust Account)	7,139	5.07
6	UBS AG LONDON JAPAN SEED CAPITAL FUNDING	5,200	3.69
7	Development Bank of Japan Inc.	5,000	3.55
8	Nomura Bank Luxembourg S.A	3,643	2.59
9	North Pacific Bank, Ltd.	2,235	1.58
10	Mizuho Trust & Banking Co., Ltd.	2,187	1.55
11	Trust & Custody Services Bank, Ltd. (Cash in Trust Taxable Account)	2,003	1.42
12	Chugoku Bank	1,831	1.30
13	Joyo Bank, Ltd.	1,819	1.29
14	The Chase Manhattan Bank, N.A. London S. L. Omnibus Account	1,756	1.24
15	Bank of New York Europe, Ltd. 131705	1,599	1.13
16	Nippon Tocho Fukyu Co., Ltd.	1,433	1.01
17	Taiko Bank, Ltd.	1,397	0.99
18	Gibraltar Life Insurance Co., Ltd.	1,090	0.77
19	Senshu Ikeda Bank, Ltd.	1,089	0.77
20	National Mutual Insurance Federation of Agricultural Corporatives	1,037	0.70
Total of Top 20		94,196	66.98

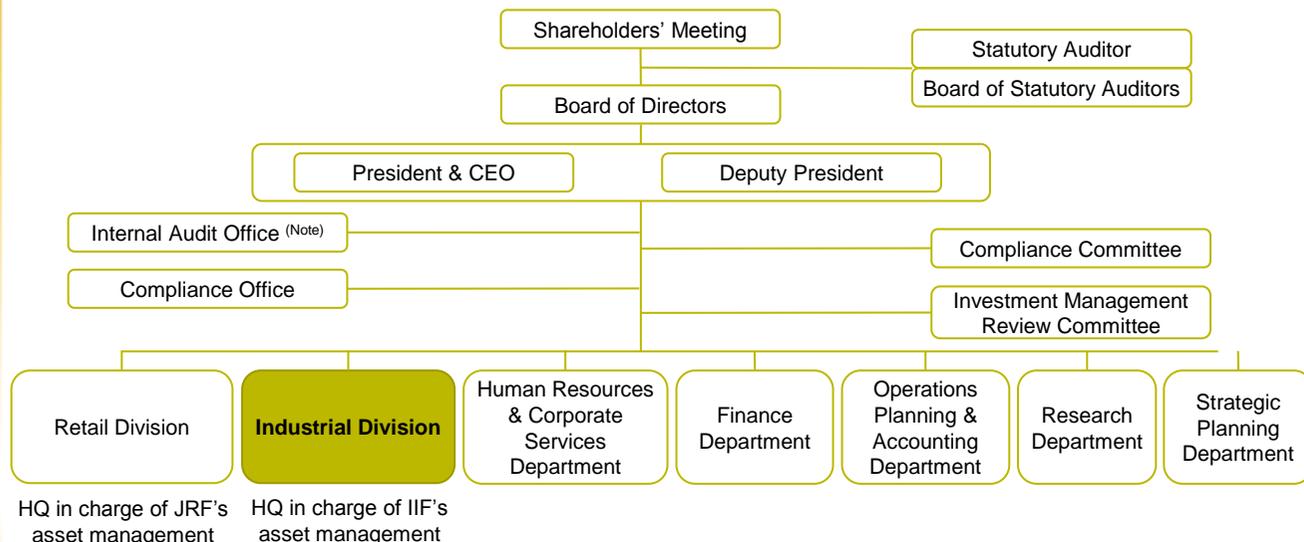
## Historical Percentage of Investment Units Held by Investor Type

(Number of Investment Units)



# Overview of Asset Management Company

## Organizational Structure



Japan Retail Fund Investment Corporation

Industrial & Infrastructure Fund Investment Corporation

(Note) Deputy President holds Internal Audit Officer in addition to his role

Asset Management Company:  
Number of Directors and Employees 92  
(excluding part-time directors and employees)

Number of Licensed Persons Out of the Above

Licensed Real Estate Agents	41
First-class Architects	5
Real Estate Appraisers	5
Chartered Financial Analyst	1
Certified Member of Security Analysts Association of Japan	6
Certified Tax Accountants	2
MBA (including US and UK)	3

(Note) As of Feb. 1, 2013

## Company History

Nov. 15, 2000	Founded MC Asset Management
Dec. 8, 2000	Changed the company name to Mitsubishi Corp. – UBS Realty Inc.
Jan. 27, 2001	Obtained a license of real-estate transaction manager (license number: Governor of Tokyo (1) Number 79372)
Apr. 5, 2001	Received approval to conduct business as a securities investment trust management company (approval number: Prime Minister Number 6)
Mar. 12, 2002	Japan Retail Fund Investment Corporation was listed on the Tokyo Stock Exchange
May. 11, 2007	Received approval for conducting the business of transaction discretion agency, etc. as stipulated in the Building Lots and Buildings Transaction Business Act (approval number: Minister of Land, Infrastructure, Transport and Tourism Number 58)
Sep. 30, 2007	Registered as financial instruments dealer (registration number: Director of Kanto Financial Bureau (Financial Instruments Dealer) Number 403)
Oct. 18, 2007	Industrial & Infrastructure Fund Investment Corporation was listed on the Tokyo Stock Exchange

## Major Shareholders

Name	Number of Shares Held (shares)	Percentage
Mitsubishi Corporation	5,100	51
UBS AG	4,900	49

(Note) As of Dec. 31, 2012

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## B. Overview of the PO in Feb. 2013

※ All information provided here are dated as of January 16, 2013



As a pioneer in the industrial and infrastructure property market, IIF will fully leverage its considerable market insights and industry network in order to acquire high-quality assets to achieve further growth in both asset size and unitholders' value

## 7 properties ¥19.8 bn at 7.0% NOI Yield

6 anticipated properties and 1 property acquired in Dec 2012

~ Breaking into brand new asset categories with less competition through our CRE Solution Proposal ~



**Logistics**  
4 properties

NOI Yield **6.8%**

**Manufacturing and R&D**  
1 property

NOI Yield **7.2%**

**Infrastructure**  
2 properties

NOI Yield **7.6%**

### Accretive Equity Offering Over the Long Term

*Further pursuing unitholders' value creation through planned accretive equity offering over the long term*

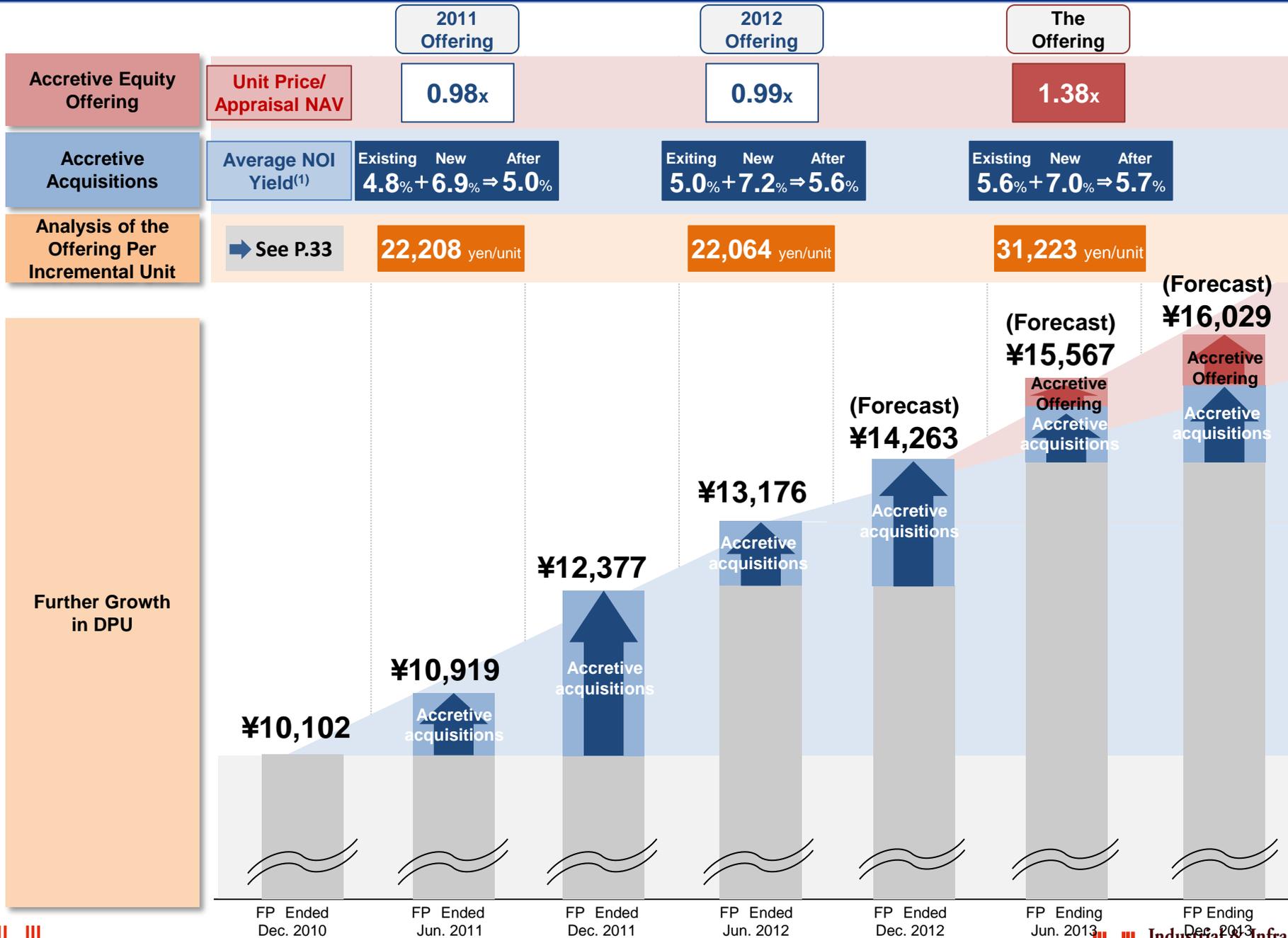
### CRE – Essentials of Our Steady Growth Strategy

*Make CRE Solution Proposal driven acquisition to achieve steady growth in DPU and Appraisal NAV*

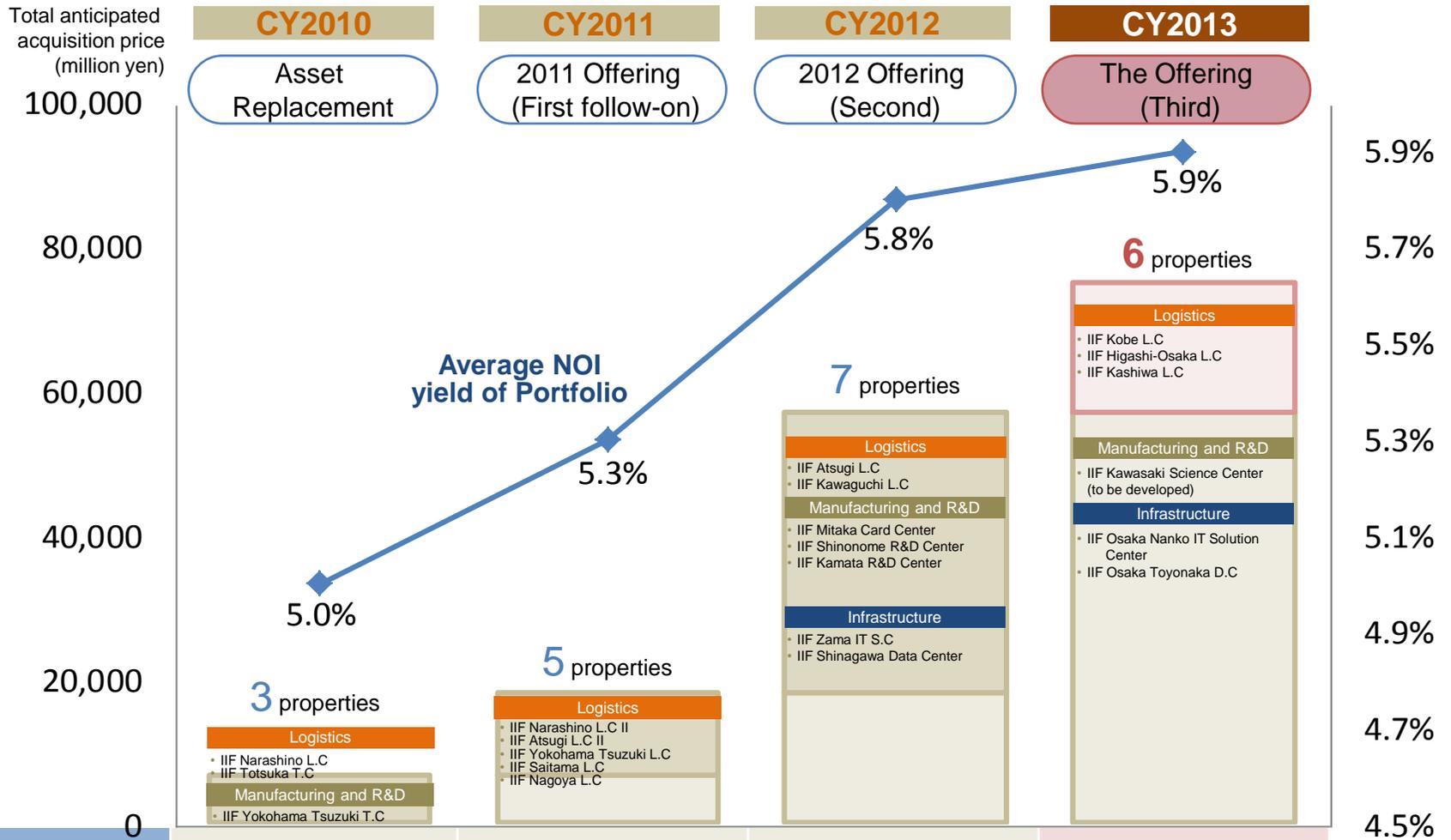
### Enhanced Stability

*Enhancing stability through our strategy of matching our long-term and stable asset and debt profiles*

# Further Growth in Dividend per Unit (DPU)



# Steady Growth of Portfolio through Our CRE Solution Proposals



DPU Growth	NOI Yield for Acquired(ing) Properties <sup>(1)</sup>	6.3 %	6.6 %	7.3 %	7.2 %
	NOI Yield for Entire Portfolio	5.0 %	5.3 %	5.8 %	5.9 %
Appraisal NAV Growth	Ratio of Acquisition Price to Appraisal Value for New Properties	84.3 %	88.5 %	87.5 %	84.5 %

(Note)

(1) Historical tax-adjusted NOI for CY2010 – 2012 stabilized forecasts NOI for CY2013

## Ever-evolving CRE Solution Proposal Strategy

CRE Beyond

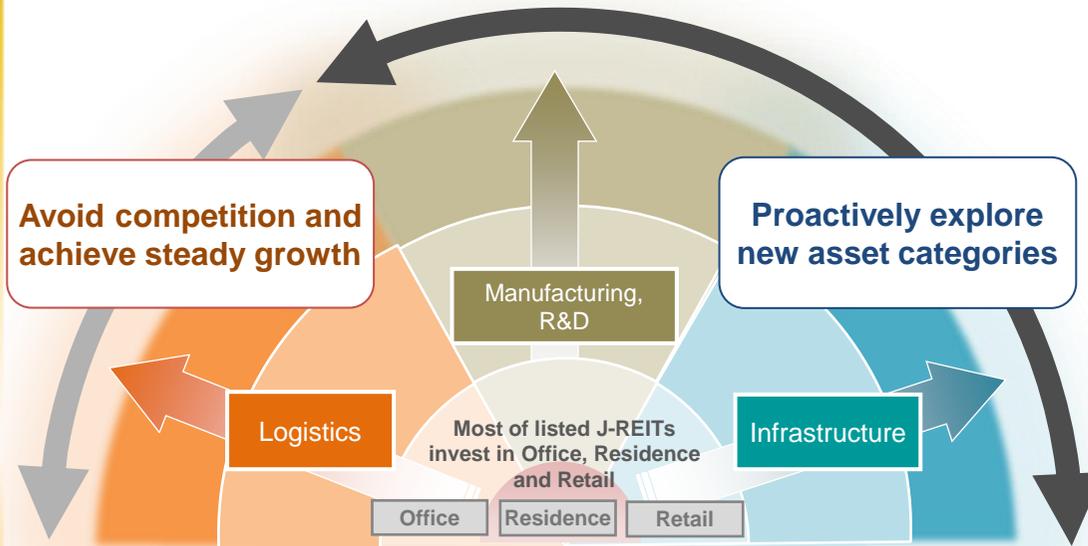
		CRE Solution Strategy			Growth of DPU	Growth of Appraisal NAV			
Property Name		Seller	CRE Solution	Transaction Type	NOI Yield <sup>(4)</sup> (before depreciation)	Anticipated Acquisition Price (¥ million) (A)	Appraisal Value (¥ million) (B)	(A) / (B)	
Logistics	IIF Kobe LC		<b>New Solution 1: PRE</b> Land: Kobe City	Fiscal Consolidation of the City	One-on-One Negotiation	6.6%	5,193	5,900	88.0%
			Building: Nissin	Off Balance Sheet					
	IIF Higashi-Osaka LC		Toshiba Logistics <sup>(2)</sup>	Off Balance Sheet	One-on-One Negotiation	6.8%	2,280	2,630	86.7%
	IIF Kashiwa LC		SPC <sup>(1)</sup>	Cash Needs	One-on-One Negotiation	7.6%	1,810	2,290	79.0%
IIF Kawaguchi LC (acquired in Dec 2012)		Meiji Logitech	Off Balance Sheet (Sale & Lease back)	One-on-One Negotiation	6.7%	1,770	2,790	63.4%	
		<b>New Solution 2: Off-balance development</b>		Sub-total (¥ million, %)	6.8%	11,053	13,610	81.2%	
Mfg and R&D	IIF Kawasaki SC <sup>(3)</sup> (to be developed)		Land: UR	Johnson & Johnson's new R&D facility	Collaboration with Tenant	7.2%	2,040	2,500	81.6%
Infra-structure	IIF Osaka Nanko IT SC		Nomura Research Institute	Off Balance Sheet (Sale & Lease back)	One-on-One Negotiation	8.1%	1,150	2,030	56.7%
	IIF Osaka Toyonaka DC		SPC <sup>(1)</sup>	Cash Needs	One-on-One Negotiation	7.5%	5,600	6,030	92.9%
				Sub-total (¥ million, %)	7.6%	6,750	8,060	83.7%	
				Total (¥ million, %)	7.0%	19,843	24,170	82.1%	

(Notes)

- (1) Not disclosed per seller's request  
(2) Toshiba Logistics and NREG Toshiba Building  
(3) IIF Kawasaki SC subject to bid process. purchaser to be selected on Jan. 23, 2013  
(4) Based on stabilized forecasts for 2013

# Leveraging CRE Solution Proposals to Capture Future Growth Opportunities

## First Mover Advantage through Our CRE Solution Proposal



## CRE Solutions for Wide Range of Industries

Diversified Industries

<b>Local Government</b> Kobe City (Land) <b>NEW</b> IIF Kobe LC	<b>Logistics</b> Nissin Corporation (Bldg) <b>NEW</b> IIF Kobe LC	<b>Medical Device</b> Johnson & Johnson <b>NEW</b> IIF Kawasaki SC	<b>Think-tank / IT</b> Nomura Rsch Institute <b>NEW</b> IIF Osaka Nanko ITSC
<b>Food</b> Meiji Logitech IIF Kawaguchi LC	<b>Electrical Manufacturing</b> NREG Toshiba Building Toshiba Logistics Corporation <b>NEW</b> IIF Higashi-Osaka LC	<b>Construction</b> Taisei Corporation IIF Totsuka LC (land with leasehold interest)	<b>IT</b> IBM Japan IIF Zama ITSC
<b>Food (beverage)</b> Sapporo Breweries IIF Narashino LC II (land with leasehold interest)	<b>Cement</b> Taiheiyo Cement IIF Nagoya LC	<b>Electric Railway</b> Odakyu Electric Railway IIF Atsugi LC II	<b>Non-ferrous Metal</b> Furukawa Electric IIF Shinagawa DC



## Varieties of CRE Needs

- Off-balance sheet development
- Focus on core business
- Cash needs for new investment
- Continuous use after disposition
- Downsizing balance sheet
- Income statement control
- Sales & lease back
- Long term reliable partner

## Our Strengths

The only J-REIT focusing on industrial and infrastructure properties

Enhanced credibility through co-sponsorship of Mitsubishi Corporation

## New Solutions

### PRE

Fiscal Consolidation



IIF Kobe Logistics Center

### Off-B/S Development

Collaboration with Johnson & Johnson



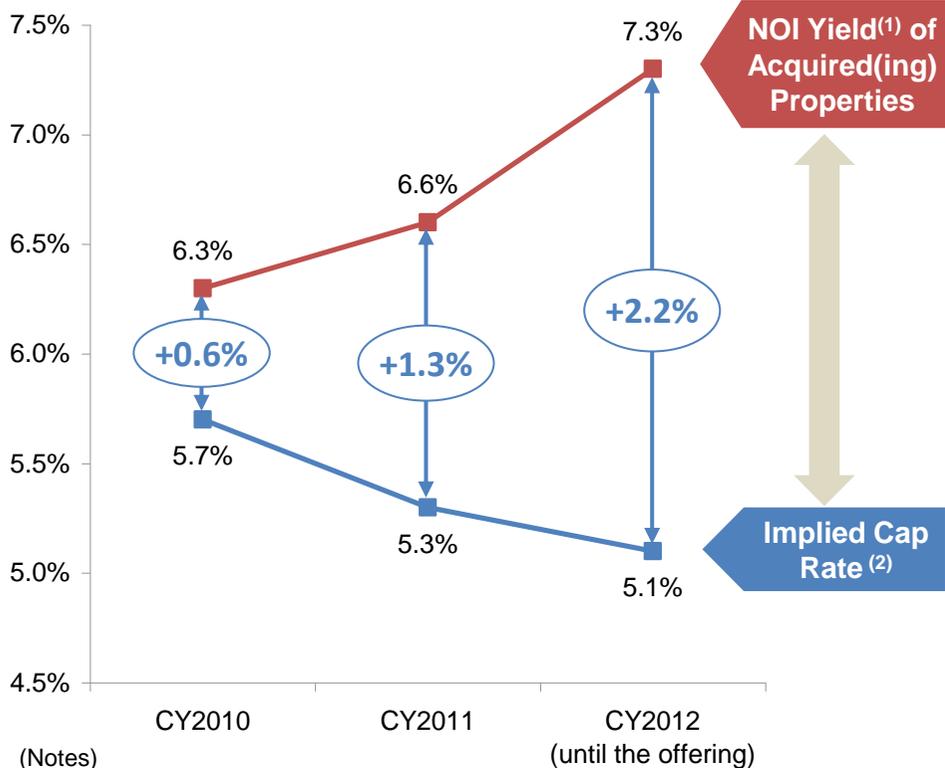
IIF Kawasaki Science Center (to be developed)

# Cautiously Selective Approach to the Acquisitions

## Attractive NOI Yield Properties

Keeping target NOI yield, regardless of implied cap rate status

### Widening Positive Spread for DPU Growth



(Notes)

(1) Historical tax-adjusted NOI Yield

(2) Implied Cap Rate = NOI / (Mkt Cap+Int-bearing Debt+Deposit-Cash)

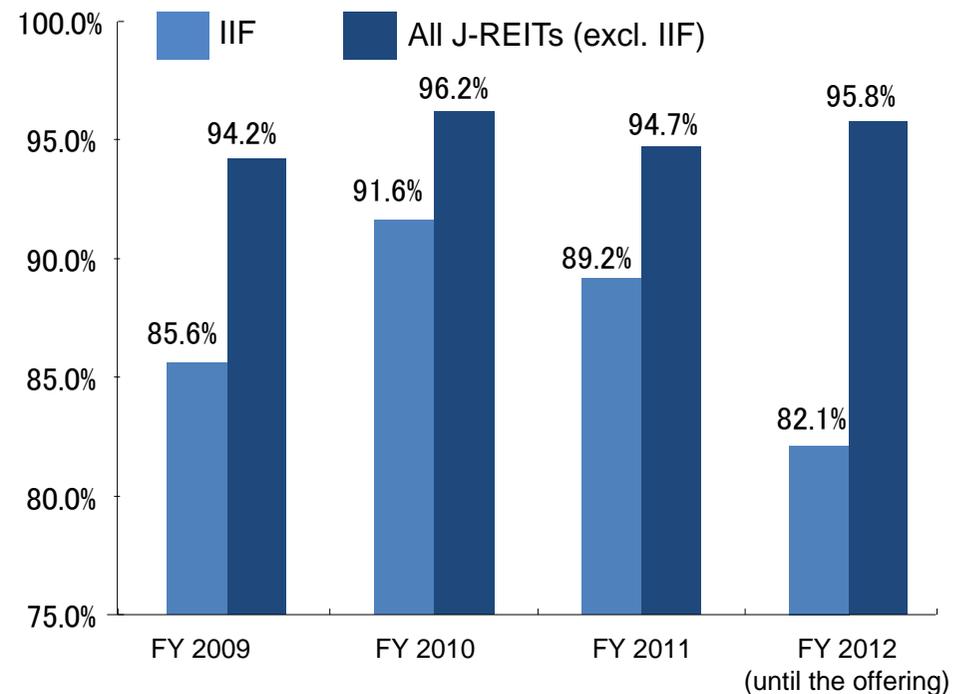
## Targeting Acquisitions below Appraisal Value

Through one-on-one negotiation

IIF  
**87.0%**

All J-REITs  
(excl. IIF)  
**95.3%**

<Ratio of acquisition price to appraisal value>



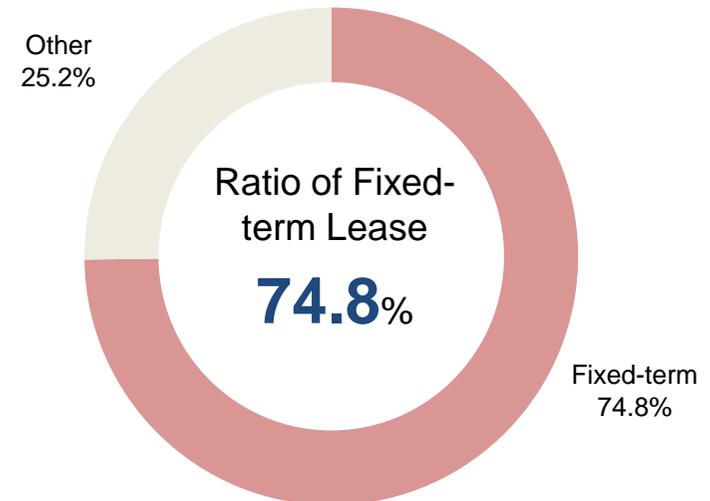
# Portfolio Development Policy for Stable Cash Flow ①

Solid Balance Sheet

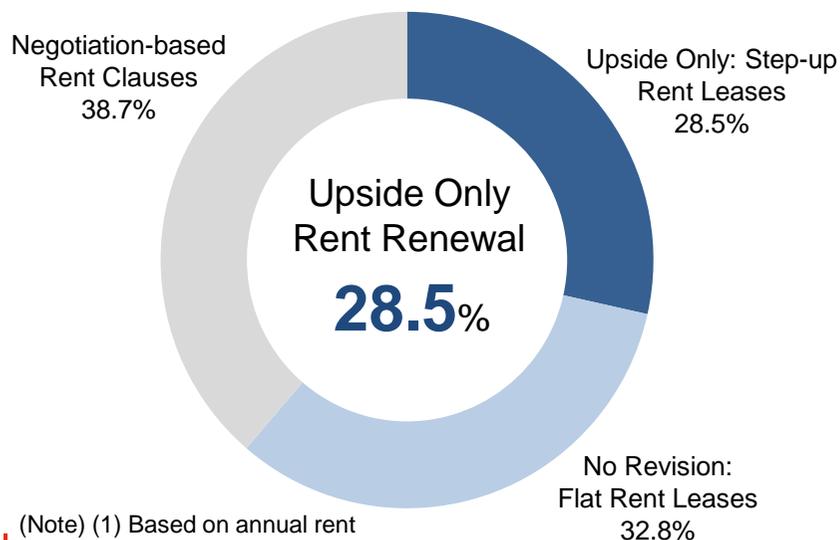
## Lease Contract Term <sup>(1)</sup>



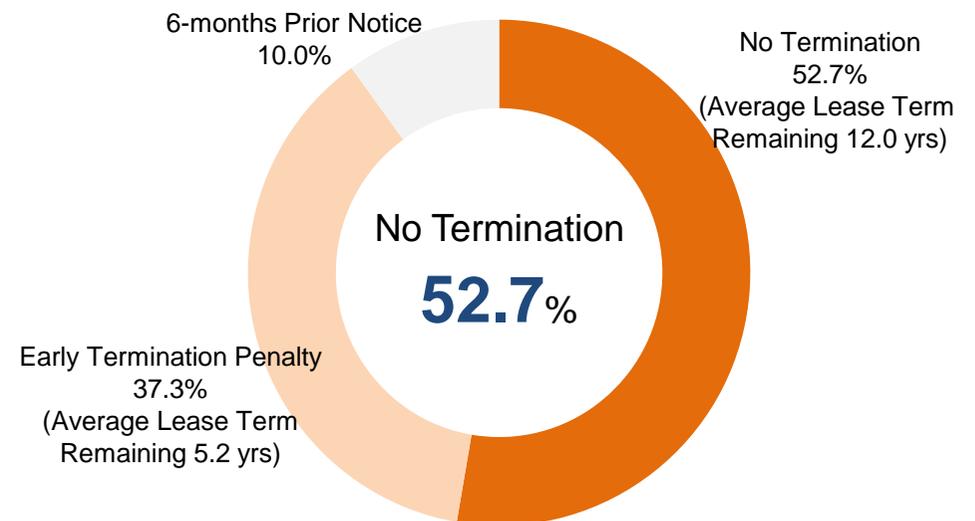
## Contract Type <sup>(1)</sup>



## Rent Revision <sup>(1)</sup>



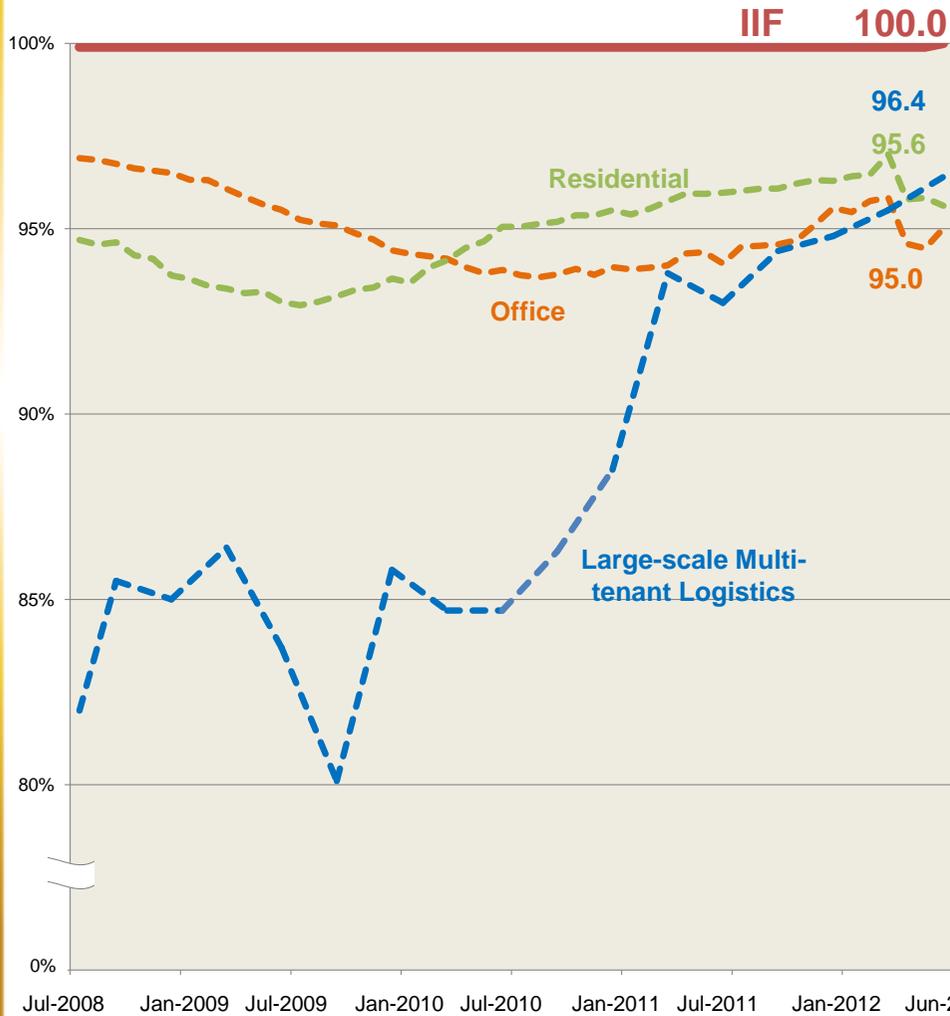
## Termination Option <sup>(1)</sup>



# Portfolio Development Policy for Stable Cash Flow ②

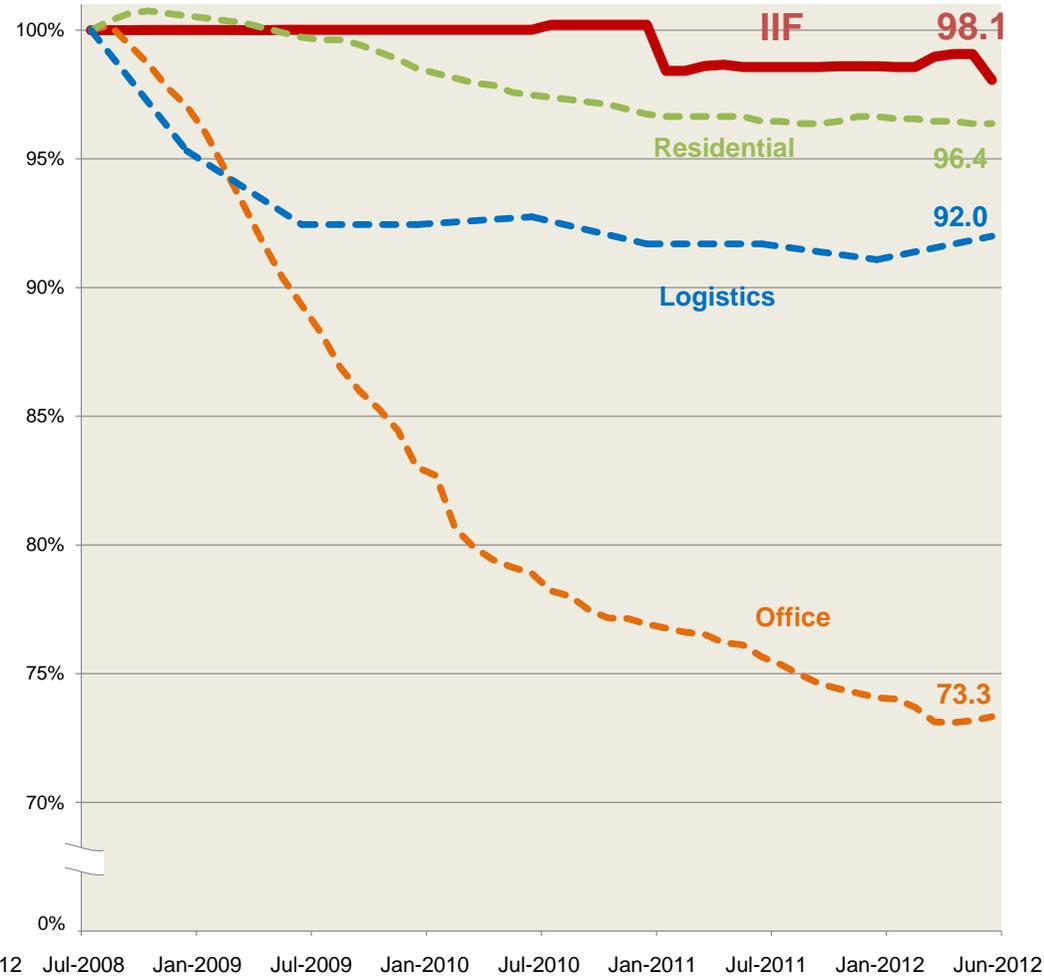
Solid Balance Sheet

High and Stable Occupancy Rate



Source Office and Residence: ARES  
Large-scale Multi-tenant Logistics: CBRE

Stable Rent Income

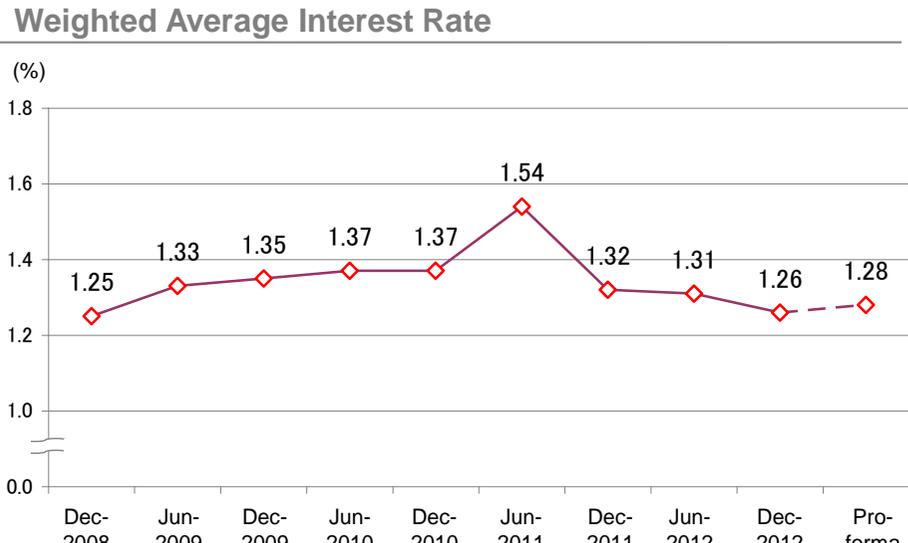
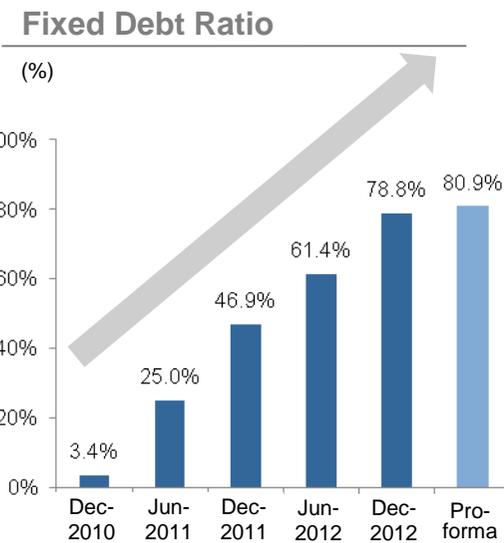
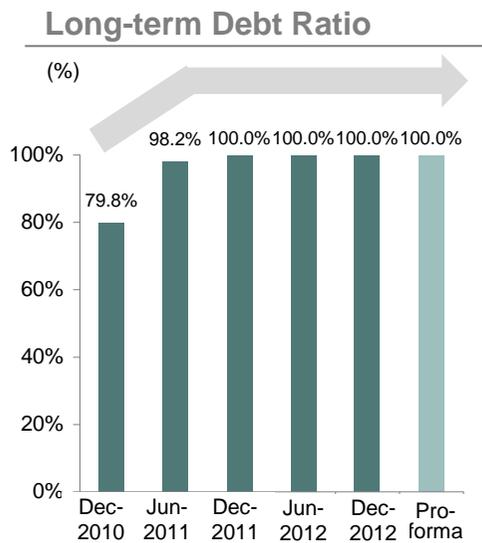
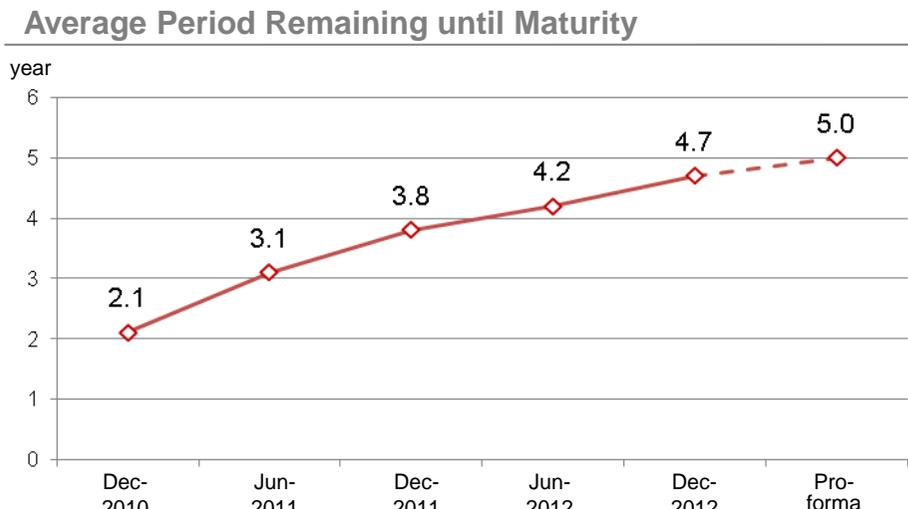
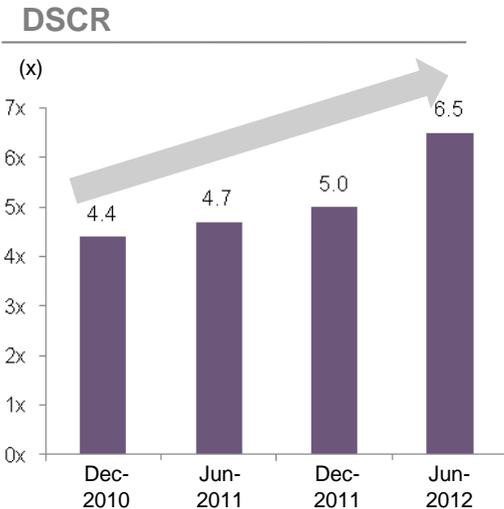
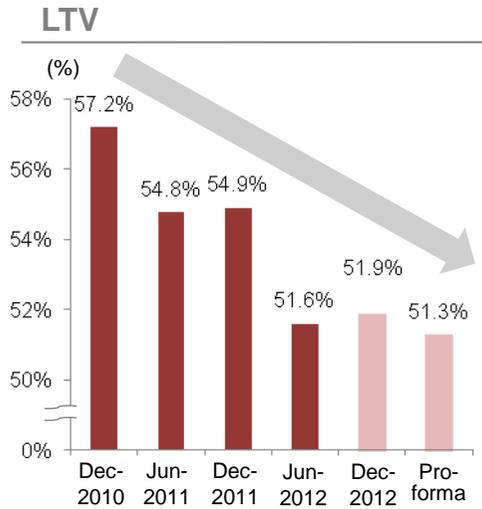


Source Office: Miki Shoji / Residence: Recruit / Logistics: CBRE  
Notes Indexed at 100 as of July 2008

# Enhanced Financial Stability

Solid Balance Sheet

## Improving Stability of Debt Finance Structure with Cost Control



# Robust ALM (Asset Liability Management)

Solid Balance Sheet

## Stability Enhancement Strategy: Matching Asset and Debt with Long-term and Stable Profiles

### Credit Rating from JCR

Jan 18, 2012 (newly assigned)

**AA - (Stable)**

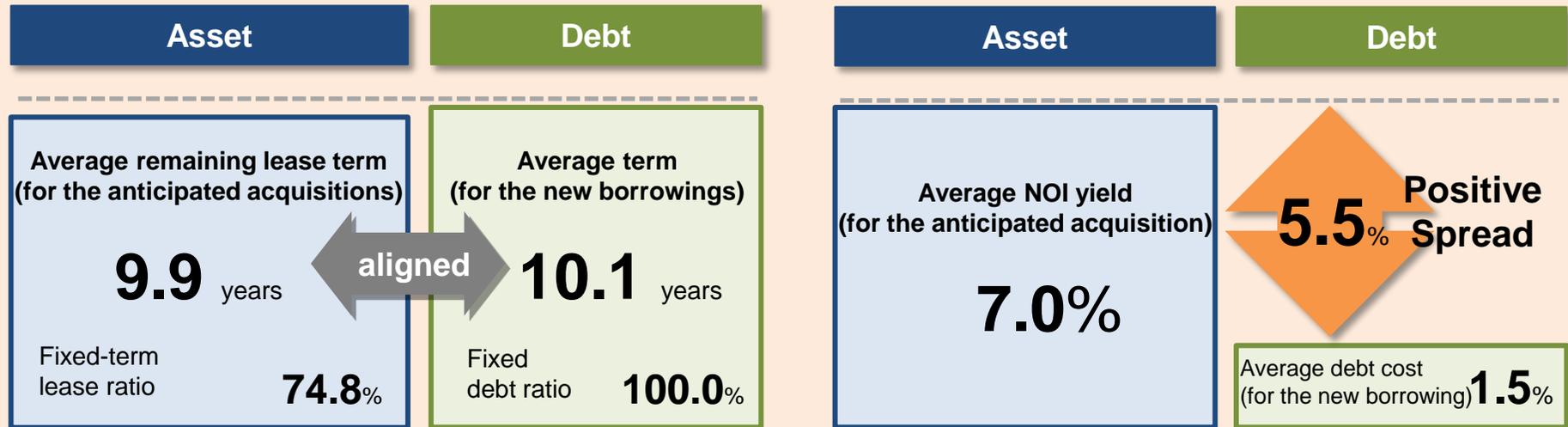
Outlook Improved



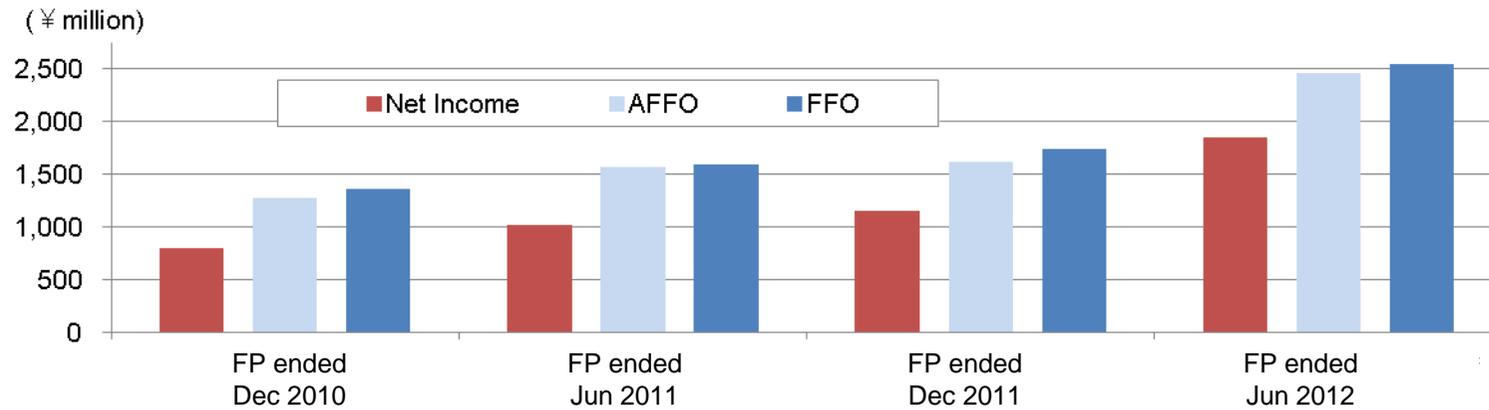
Aug 8, 2012 (updated)

**AA - (Positive)**

### ALM for the offering



## Stable Growth of FFO, AFFO, and Net Income

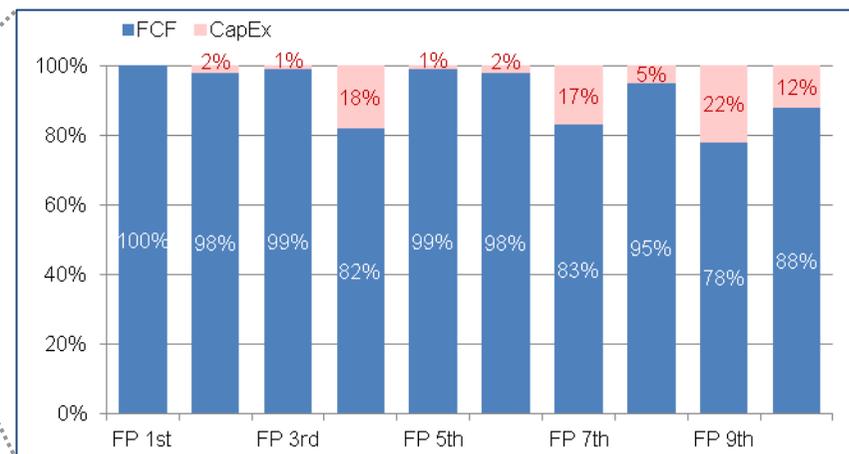
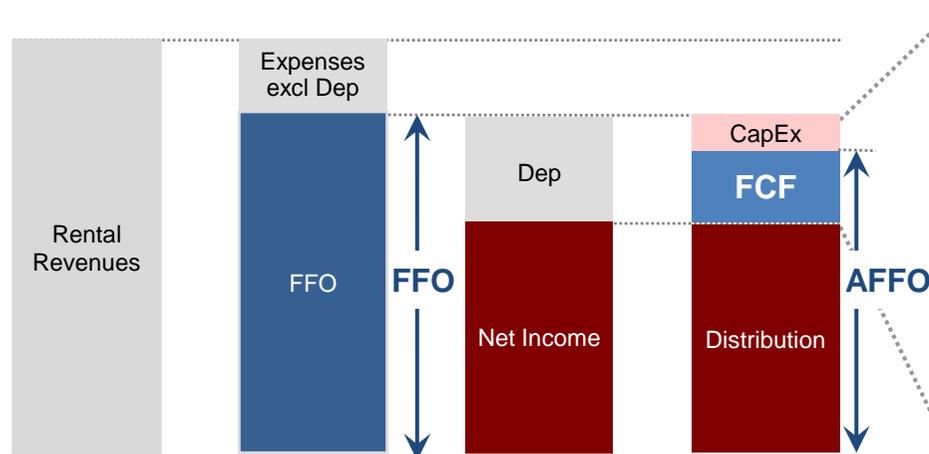


FFO Payout Ratio	58.5%	64.0%	66.4%	72.7%
AFFO Payout Ratio	62.8%	65.2%	71.7%	75.3%

## Stable Free Cash Flow

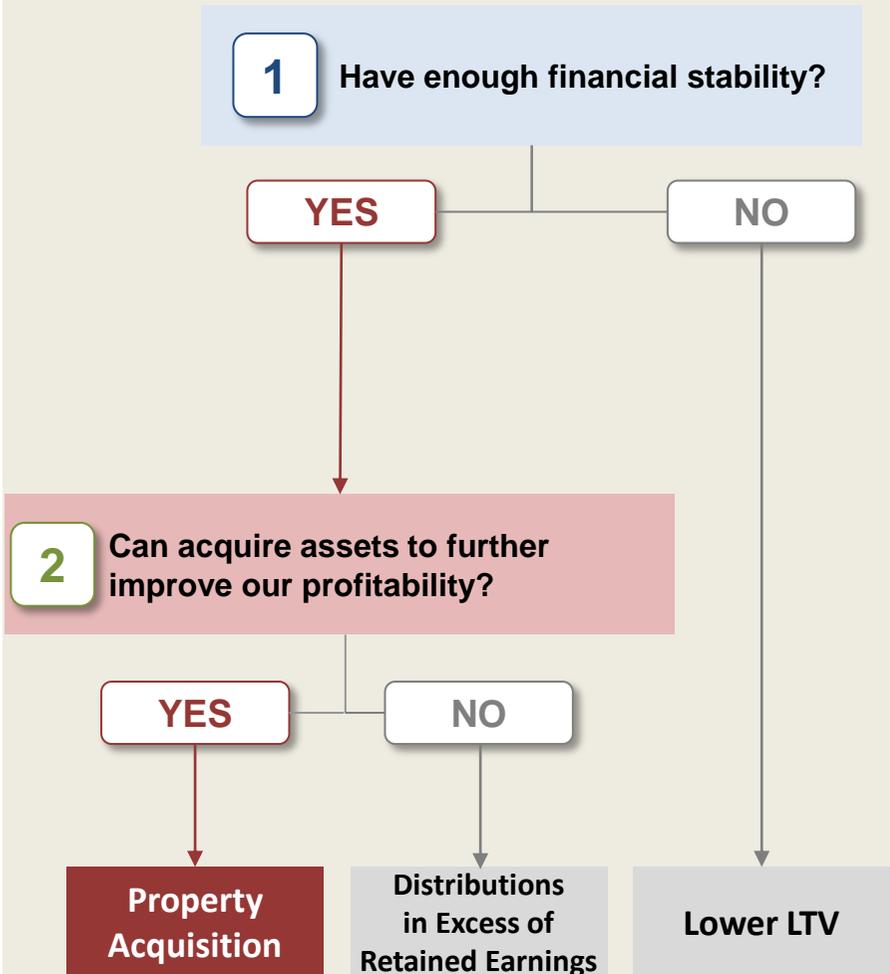
Our Income/ Cash Flow Structure

Average FCF **¥605** mn / 6-mon ※(since IPO, excl FP 1st)



# Our Policy for Use of Free Cash Flow

## Decision tree to select the best alternative



## Our current decision

**1 Have enough financial stability?** → **YES**

Credit Rating (JCR)  
 Assigned on Jan 18, 2012: **AA- (Stable)**  
 Outlook Improved → Updated on August 8, 2012: **AA- (Positive)**

---

**2 Can acquire assets to further improve our profitability?** → **YES**

<b>Average NOI Yield</b>	<b>Ratio of Acquisition Price to Appraisal Value</b>
<u>Anticipated Acquisitions</u> <b>7.0%</b>	<b>82.1%</b>
<u>Existing Portfolio</u> <b>5.6%</b>	

7.0% > 5.6%



---

# Anticipated Properties

# IIF Kobe Logistics Center

Anticipated Acquisition Price  
**¥5,193 mn**

NOI Yield<sup>(1)</sup>  
**6.6 %**



**Acquisition Highlights**

**PRE + CRE** 1-on-1 Negotiation

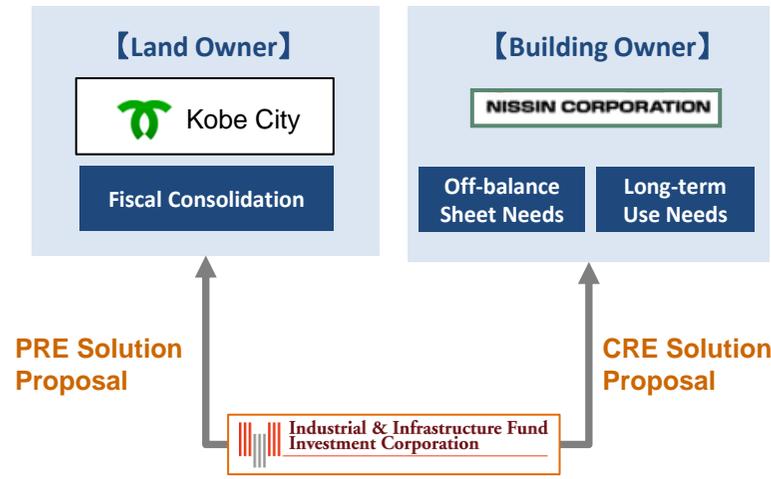
- Our first public real estate (PRE) acquisition
- Our unique PRE strategy proposal capturing Kobe City's needs for fiscal consolidation
- Toy manufacturer's logistic hub for its western Japan operation

Tenant  
**Nissin**

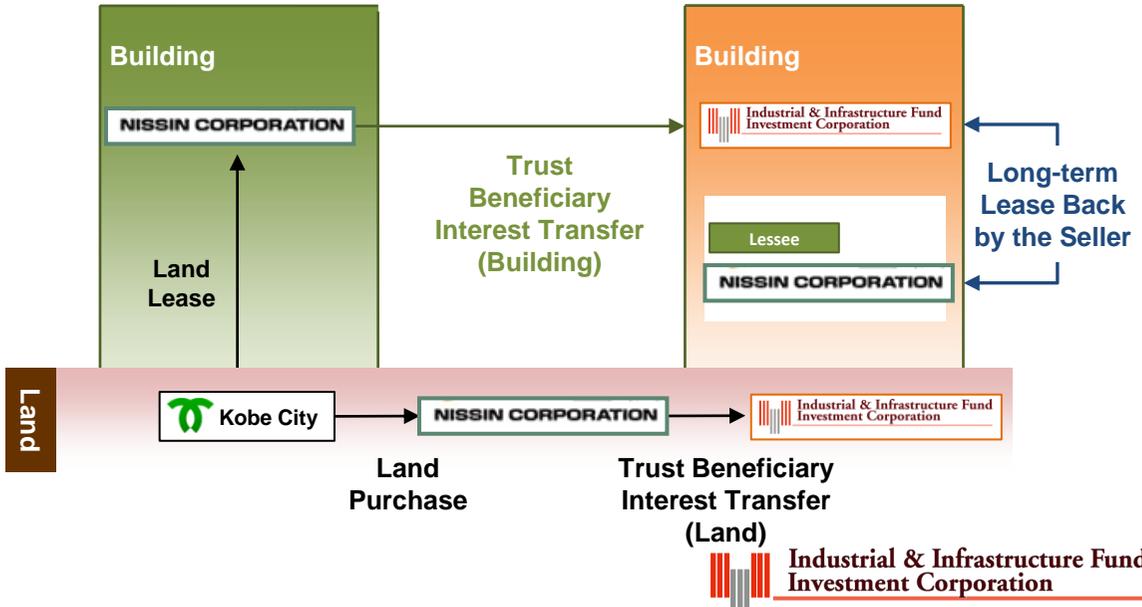
Remaining Lease Term  
**11.5 yrs**

Rent Revision/  
Termination Option  
**Basically No / Basically No**

## Combination of PRE and CRE Solution Proposals



## Overview of Development Scheme



# IIF Kobe Logistics Center (con'd)

## Long-term Usability Current tenant's long-term use expected

- Major logistics firm, Nissin's core logistic asset for its western Japan operation
- Major toy manufacturer's regional distribution center
- Long-term lease with 11 yrs and 7 months remaining

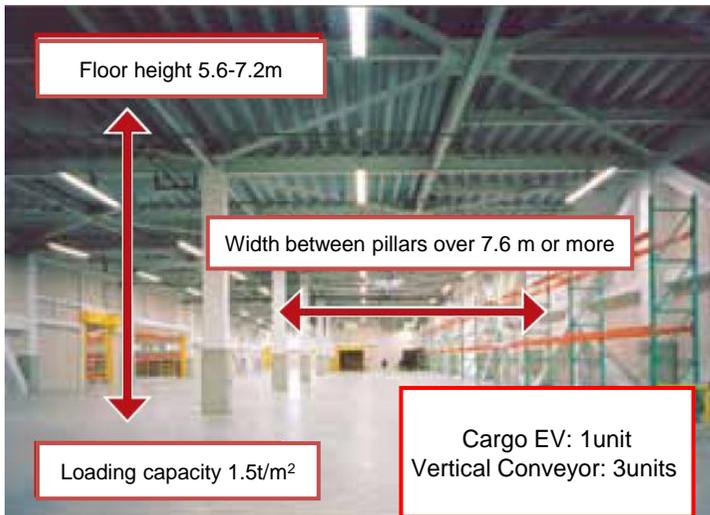
## Versatility Versatile as investment real estate

- Located at the industrial center with great access to land - sea-air transportations
- 24-hour operation
- Bus route from Sannomiya Sta. capturing sufficient work force

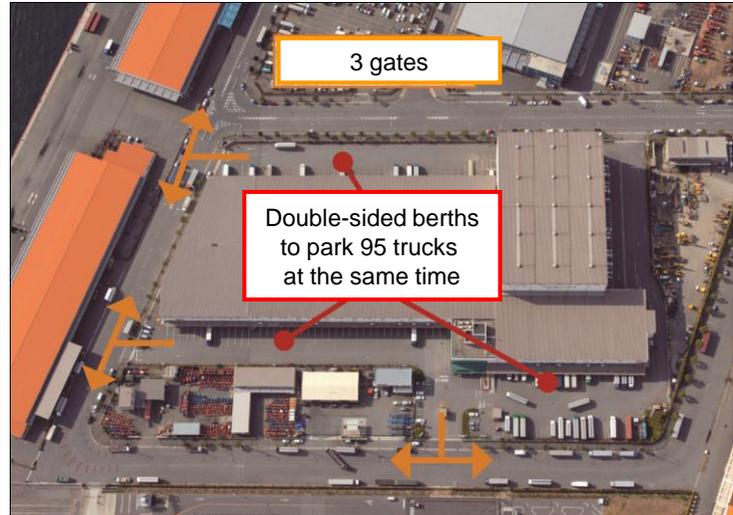
## Prime area for Logistics facilities



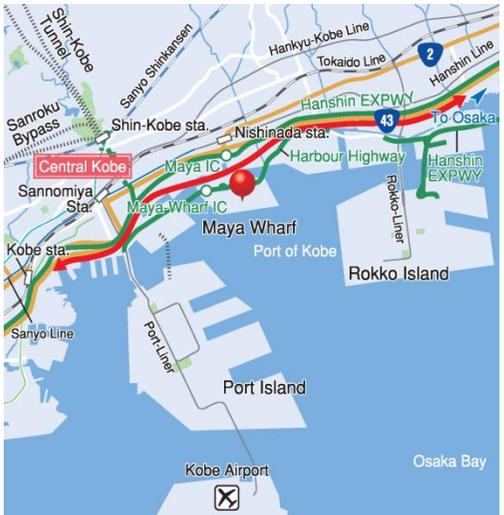
## Highly versatile building specifications



## Maximizing efficiency with double-sided truck berth



## Covering Hanshin Area broadly



# IIF Kawasaki Science Center (to be developed)

Anticipated Acquisition Price  
**¥2,040 mn**

NOI Yield<sup>(1)</sup>  
(Post Building Completion)  
**7.2 %**



**Acquisition Highlights**

- Off-balance sheet development
- CRE
- Collaboration with Tenant

- Captured Johnson & Johnson's off-balance sheet development needs for its core R&D hub
- Stable land lease cash flow from J&J, even during the development period
- Development of an advanced science center located at the heart of strategic development site

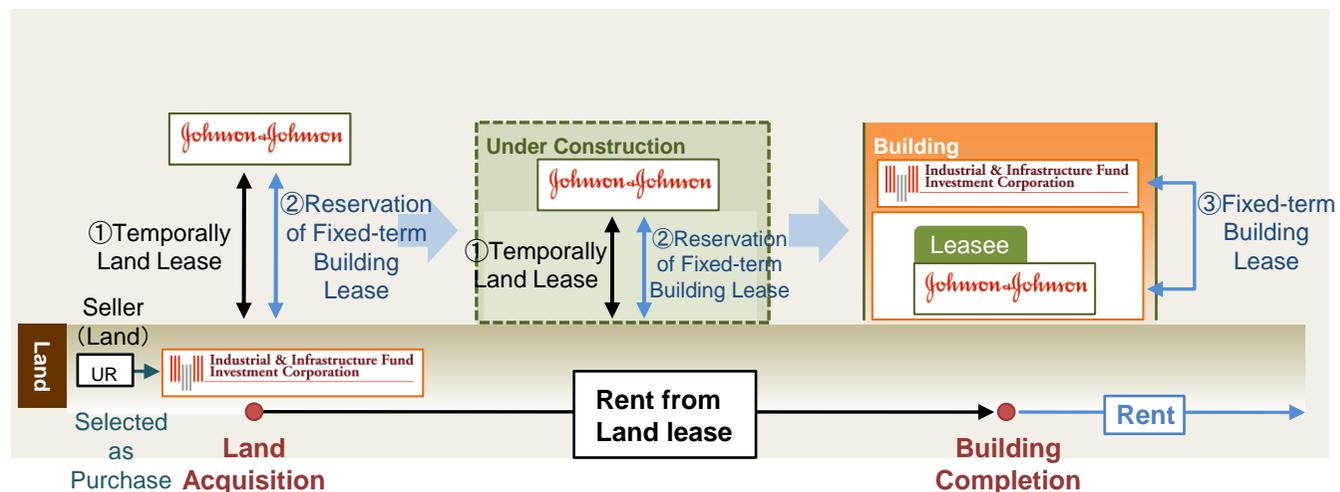
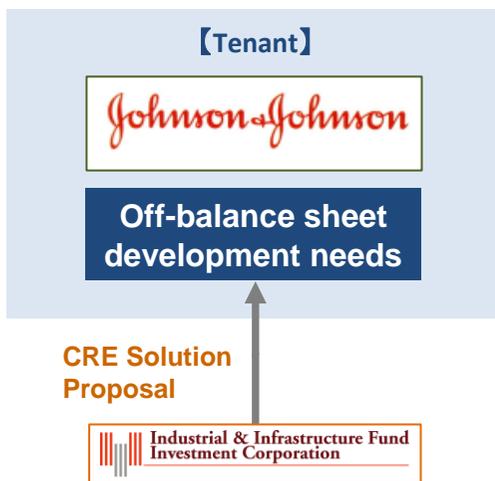
**Tenant**  
Johnson & Johnson

**Remaining Lease Term**  
16 yrs

**Rent Revision/ Termination Option**  
No/No

## Solution Proposal Towards CRE Needs

## Development Scheme's Overview



# IIF Kawasaki Science Center (to be developed) (Con'd)

## Long-term Usability Current tenant's long-term use expected

- Equipped with cutting-edge medical devices and large conference rooms, a key facility for J&J
- Close proximity to Haneda Airport, extensive global exchanges of medical professionals are expected
- 16 yrs and 2 months lease from the acquisition of the land



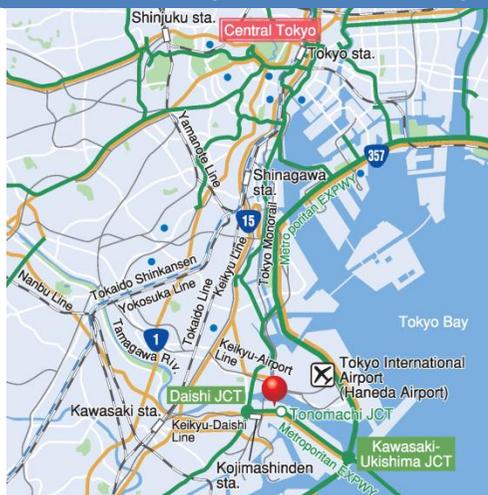
## Location enabling global exchanges of medical professional



## Versatility Real estate's generic versatility

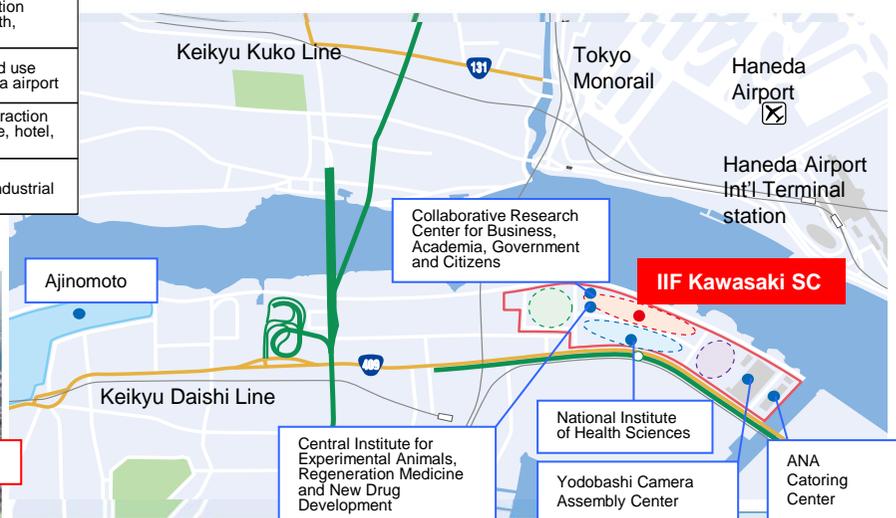
- Located at the globally strategic hub for life science and environment industries, currently being developed by public and private sector
- Located at the keystone of the international and domestic transportation network
- High versatility as R&D facility enabling successive tenant attraction

## Strategic Location with Great Access both Globally and Domestically



## Overview of the KING SKYFRONT, Tonomachi International Strategic Zone

	Life Science, Environment R&D Institute	Medical development function Research Institute for health, welfare, medical
	Airport related, Operation, R&D	Research institute and land use with accessibility of Haneda airport
	Activity, interaction	Hybrid function mainly interaction function such as commerce, hotel, conventional Center
	Airport related, industrial support	Airport related, logistics (distributive processing), industrial support



Infrastructure

# IIF Osaka Nanko IT Solution Center

Anticipated Acquisition Price  
**¥1,150 mn**

NOI Yield<sup>(1)</sup>  
**8.1 %**



**Acquisition Highlights**

**CRE**

Sales & Lease-back

1-on-1 Negotiation

- **Nomura Research Institute's core facility in Kansai Area with top-class specifications**
- **Well designed to prepare and manage various kinds of disasters**
- **Long-term sales and lease-back**

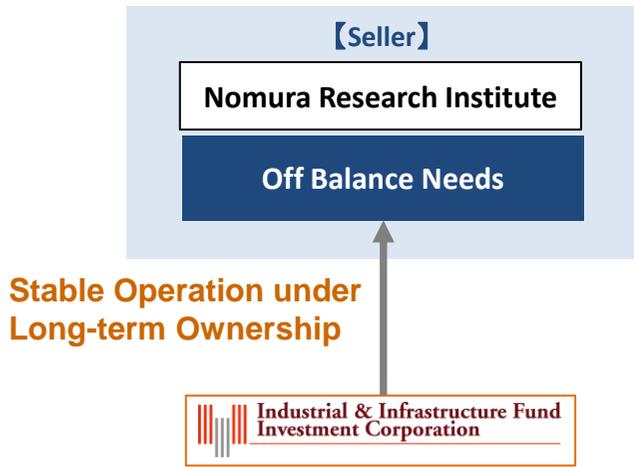
Tenant  
**Nomura Research Institute**

Remaining Lease Term  
**9.8 yrs**

Termination Option/  
Rent Revision  
**No / No**

**Our Proposal for CRE Solution**

**Excellent Specifications with the Highest Overall Rating of Tier 4 in JDCC**



Category	Item	Tier 1	Tier 2	Tier 3	Tier 4
Security	Level of security management	Server room only	Server room only	Building and server room	Site, building, server room and rack
Electricity equipment	Circuit for power receiving	Single circuit	Single circuit	Multiple circuits	Multiple circuits
	Emergency power generator	None	Number of circuits as needed	Number of circuits as needed	Number of circuits as needed plus one or more
	UPS equipment	Number of circuits as needed	Number of circuits as needed	Number of circuits as needed plus one or more	Number of circuits as needed plus 2 or more
Air conditioning	Air conditioning system	Number of air conditioners as needed	Number of air conditioners as needed	Number of air conditioners as needed plus one	Number of air conditioners as needed plus two or more
Telecommunication	Incoming conduit, telecom carrier	Single conduit, single telecom carrier	Multiple conduits, single telecom carrier	Multiple conduits, multiple telecom carriers	Multiple conduits, multiple telecom carriers
	Network route in the building	Single route	Multiple routes	Multiple routes	Multiple routes
Equipment operation	Manned operation	None	None	8 hour/day manned operation or longer	24/7 manned operation

# IIF Osaka Nanko IT Solution Center (cont'd)

## Long-term Usability

## Possibility of long-term use by existing tenant

- The key facility of NRI in the Kansai area among five facilities in Japan, which has complementary functions to facilities in the Kanto area
- NRI has continued to spend capex for the maintenance of the facility
- 10 year fixed-term lease

## Versatility

## Versatility of the property

- A good access to central Osaka city
- Located in an area with a high concentration of data centers and research institutions
- Location and design for its good business continuity and post-disaster recovery
- Top-class specification in the Data Center Facility Standards

## Designed for earthquake, flooding and liquefaction preparedness

### Structure

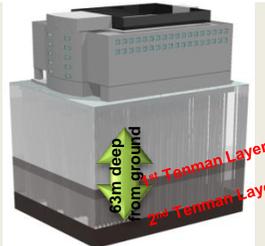
Hybrid structure of SRC and Steel for 1<sup>st</sup> floor and Steel structure for 2-6 floors, which improve stiffness of a property and prevent deformation

### External Walls

Prestressed concrete panels are used for external walls which are equipped with a vibration sensor to prevent intrusion and destruction

### Seismic Capacity

Well designed to be able to continue to use a property during a large earthquake (with 1.25x of required external force resistance)



### Measures to Subsidence

- Covering a tip of piles with asphalt to reduce negative friction
- Pile foundation is designed, anticipated to have subsidence

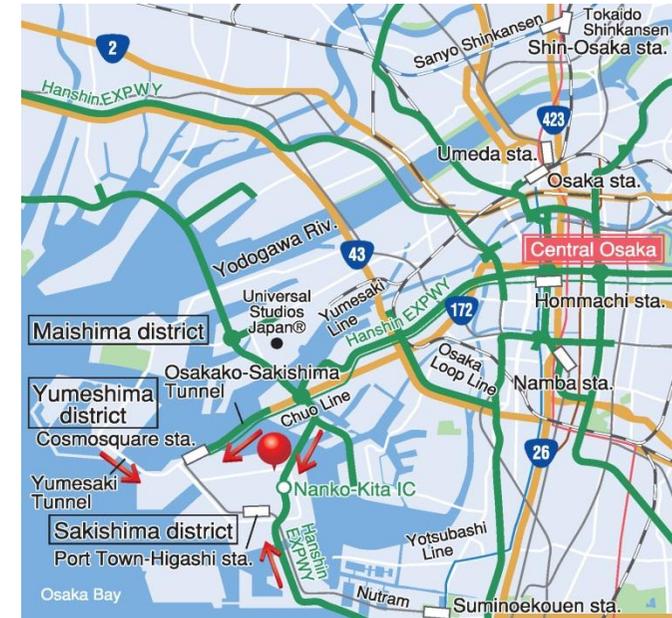
### Measures to Liquefaction

Steel concrete, which has high stiffness for liquefaction, was used (piles of outer perimeter 7m on top of piles)

### Bearing Resistance

(Premolded concrete pile 800Φ 225 piles)  
To have enough bearing resistance, Ds2 (Tenman layer), which is over 63m deep and with less subsidence risk, is used as bearing ground

## Good access to central Osaka City



## Top-class specifications to attract tenants



In-house Power Generation



Electric Substation Equipment



UPS



Seismic Capacity



3D holographic body scanner



Air-conditioning room



Fire Control Equipment

# IIF Osaka Toyonaka Data Center

Anticipated Acquisition Price  
**¥5,600 mn**

NOI Yield<sup>(1)</sup>  
**7.5 %**



Acquisition Highlights

CRE

Cash Needs

1-on-1 Negotiation

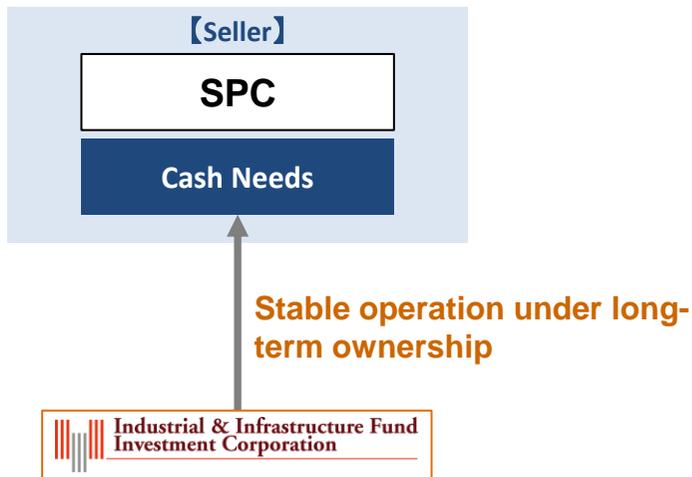
- A major IT company's most important facility in the Kansai area
- A competitive facility with high specifications to meet increasing back-up needs for disaster preparedness

Tenant  
**Nomura Building Management**

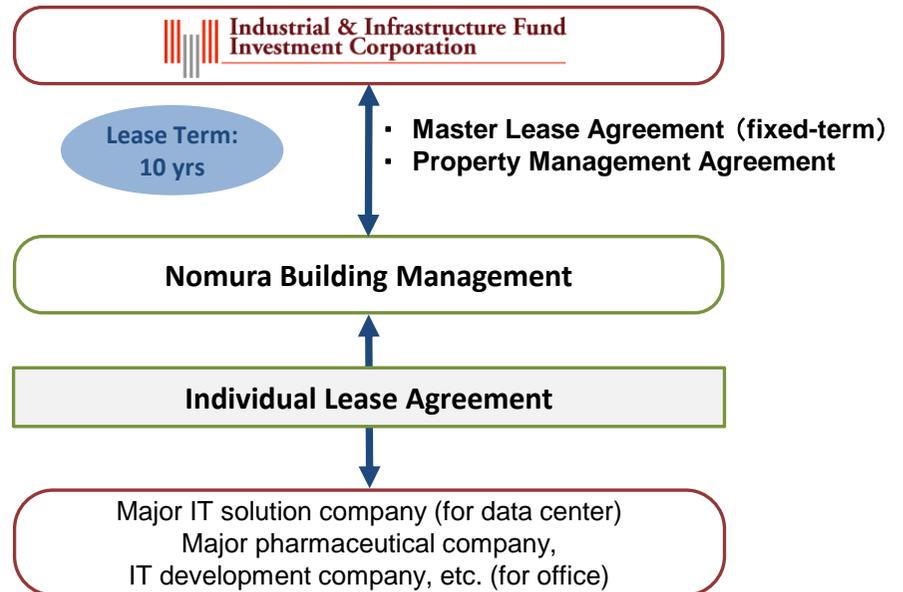
Remaining Lease Term  
**9.75 yrs**

Termination Option/Rent Revision  
**Yes**  
(pass-through type master lease)

## Our Proposal for CRE Solution



## Efficient Tenant Management by Master Lessee



# IIF Osaka Toyonaka Data Center (cont'd)

## Long-term Usability

### Possibility of long-term use by existing tenant

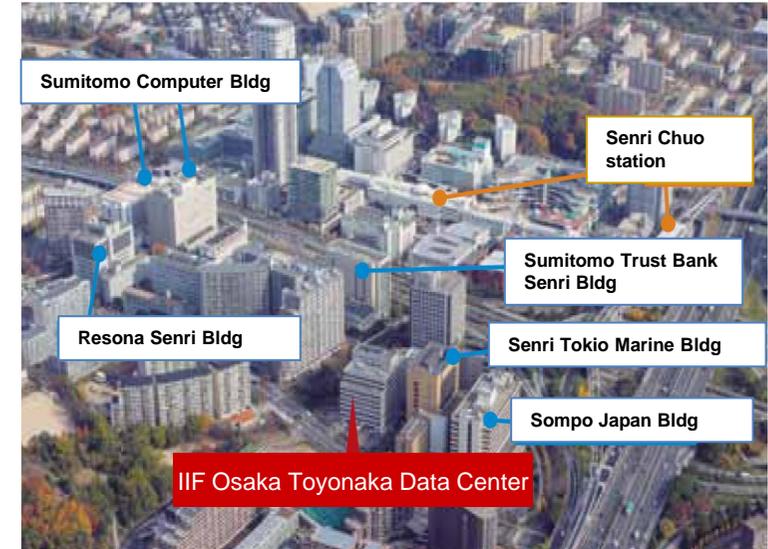
- Core facility for an end tenant (IT company), which is one of the top five facilities
- The end tenant has spent capex to use the facility for long term
- High occupancy maintained with increasing back-up needs for disaster preparedness

## Versatility

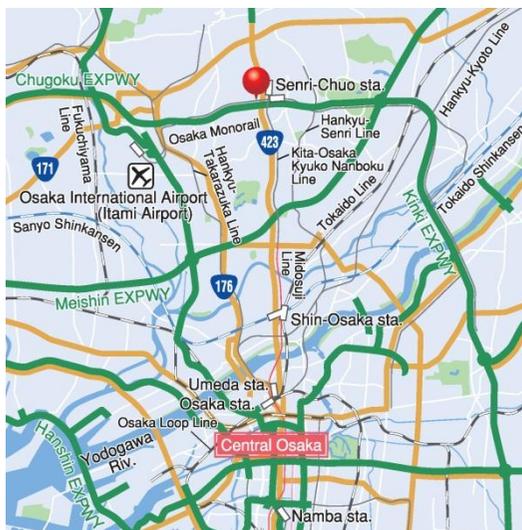
### Versatility of the property

- With its high altitude and solid foundation, the location is perfect for a data center
- Location with good access is also suitable for R&D and HQ
- Increasing needs for data center in Kansai after the Great East Japan Earthquake
- Facility with high specifications and good versatility

## Area with a high concentration of data centers

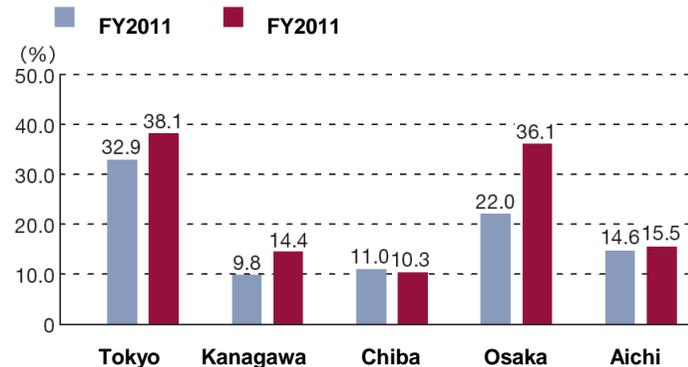


## Location with good access



## Increasing relocation needs to Kansai area

### Candidates to relocate for collocation needs



## High specification of the facility

High altitude and solid foundation

Earthquake-resistant structure

4 emergency power generators with 72-hr continuous operation

Multilayer security system (non-contact IC card and palm vein authentication)

Connecting point for LGWAN ("Local Government Wide Area Network")

# IIF Higashi-Osaka Logistics Center

Anticipated Acquisition Price  
**¥2,280 mn**

NOI Yield<sup>(1)</sup>  
**6.8 %**



Acquisition Highlights

**CRE** Off B/S 1-on-1 Negotiation

- A CRE solution proposal to Toshiba Logistics
- A key platform of Settsu Warehouse, a major logistic firm in Kansai area
- The only logistics platform in Kansai area for major food company and the only logistics platform and sales office in Kansai area for Sega Logistics Service

## Our Proposal for CRE Solution



Acquisition of property to meet seller's off B/S needs

Industrial & Infrastructure Fund Investment Corporation

<p>Tenant <b>Settsu Warehouse</b> (Warehouse and office)</p>	<p>Remaining Lease Term <b>4.9 yrs</b></p>	<p>Termination Option/ Rent Revision <b>No / Negotiable</b></p>
<p>Tenant <b>Sega Logistics Service</b> (Office)</p>	<p>Remaining Lease Term <b>1.9 yrs</b></p>	<p>Termination Option/ Rent Revision <b>Yes / No</b></p>



# IIF Higashi-Osaka Logistics Center (cont'd)

## Long-term Usability

Possibility of long-term use by existing tenant

- Key transportation hub with Kinki Expressway for major food company
- The only logistics platform and sales office in Kansai area for Sega Logistics Service
- High continuity backed by a 7 yrs fixed-term lease for the warehouse space

## Versatility

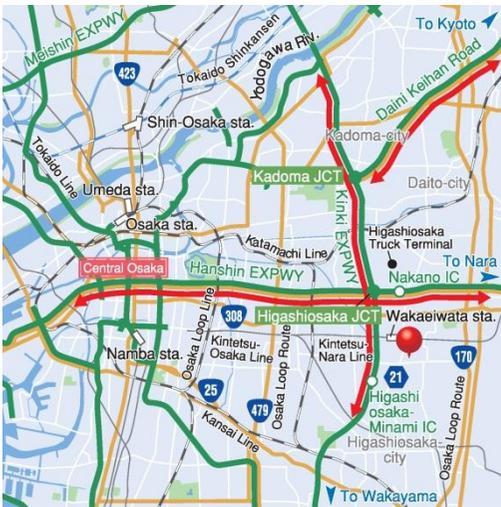
Versatility of the property

- Key transportation hub with 2 major express ways to be able to cover the entire Kansai area
- Area with high occupancy rate and stable demand
- Standard facility spec in the area
- Able to secure stable workforce

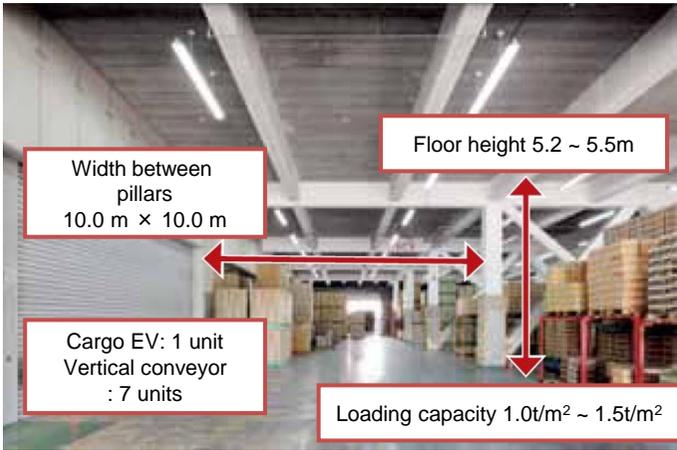
## Valuable large logistics facility in Osaka inland area with good transportation accesses



## Accessible to the entire Kansai area



## Standard facility spec in the market



# IIF Kashiwa Logistics Center

Anticipated Acquisition Price  
**¥1,810 mn**

NOI Yield<sup>(1)</sup>  
**7.6 %**



Acquisition Highlights

CRE

Cash Needs

1-on-1 Negotiation

- A key facility of Nippon Express, a leading global logistics firm in Japan
- Located within an industrial complex which is adjacent to Route 16 and an area in which 24 hour operation is available
- A versatile facility as a storage-type warehouse

Tenant

Nippon Express

Remaining Lease Term

4.0 yrs

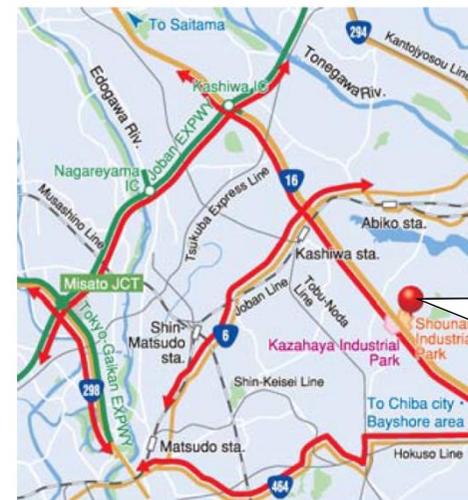
Termination Option/  
Rent Revision

No / Basically No

## Our Proposal for CRE Solution



Inland area of Tokyo metropolitan district, appropriate for logistics facility



(Note) (1) Stabilized forecast for 2013

# IIF Kashiwa Logistics Center (cont'd)

## Long-term Usability

Possibility of long-term use by existing tenant

- One of the largest logistics facilities in Kashiwa area for Nippon Express
- Continuous use by Nippon Express as one of its key distribution centers, since its completion
- Recently invested in extension of office space to improve operational efficiency of Nippon Express
- 5 yrs fixed-term lease

## Versatility

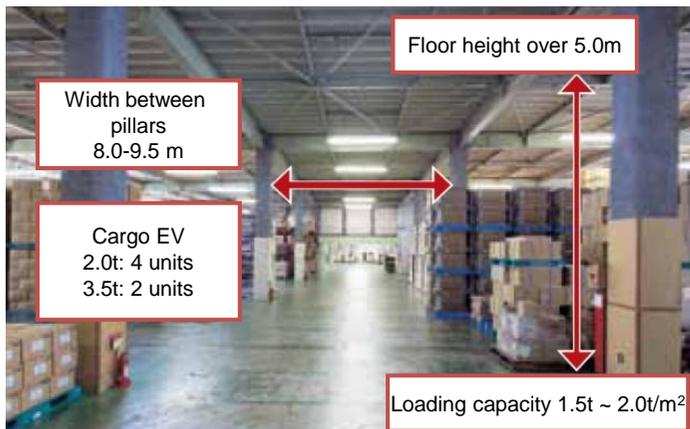
Versatility of the property

- Appropriate logistics location in inland area easily accessible to Tokyo metropolitan district
- Surrounding environment with availability for 24-hour operation and stable workforce
- Versatile facilities available for multiple tenants
- Stable rent and supply-demand balance of logistics facilities

Preferable operational environment for logistics facilities



Versatile facilities with sufficient basic specs



Operationally efficient 3 covered truck berths



Ground space for outside warehouse



# IIF Kawaguchi Logistics Center (acquired on Dec.25, 2012)

Anticipated Acquisition Price  
**¥1,770 mn**

NOI Yield<sup>(1)</sup>  
**6.7 %**



Acquisition Highlights

CRE

Off B/S Needs

1-on-1 Negotiation

- A CRE solution proposal to Meiji Logitech, the only logistic firm of Meiji Group, a leading food manufacturer in Japan
- Located in an area with high concentration of logistics facilities in Saitama Prefecture
- A versatile and high-spec facility with a functionality to handle various room temperatures

Tenant  
**Meiji Logitech**

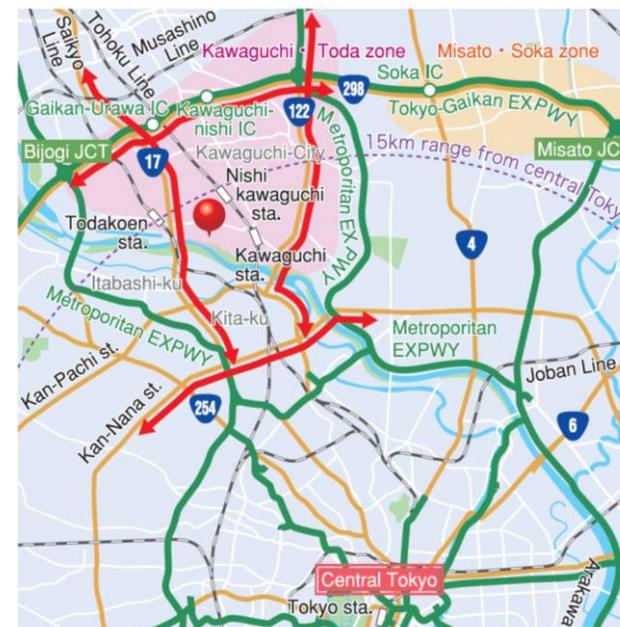
Remaining Lease Term  
**1.7 yrs**

Termination Option/  
Rent Revision  
**Basically No / No**

## Our Proposal for CRE Solution



## High accessibility to Tokyo and Saitama area



# IIF Kawaguchi Logistics Center (cont'd)

## Long-term Usability

Possibility of long-term use by existing tenant

- Meiji continues to use the facility for the next two years
- Leasing activities are already started to prepare for potential move-out
- Location and high spec facility can attract successive tenants

## Versatility

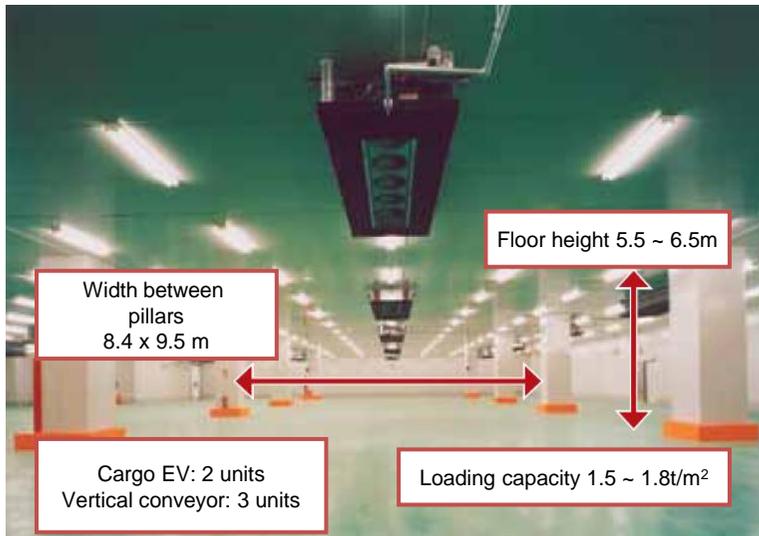
Versatility of the property

- Convenient location to cover broad distribution through key expressways to major cities
- A key logistics hub in terms of location
- A versatile and high-spec facility with a functionality to handle various room temperatures

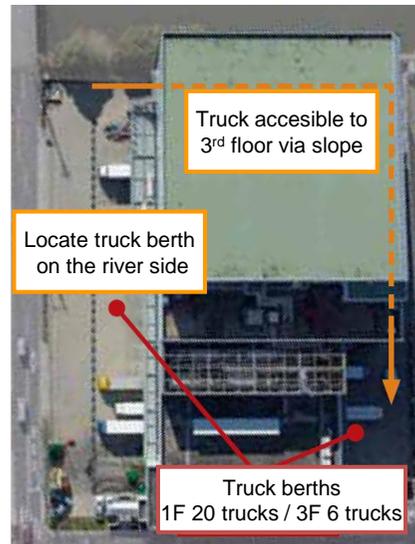
Suitable environment for operation of logistics facilities located in industrial area



## Specs with high versatility



## Well structured properties



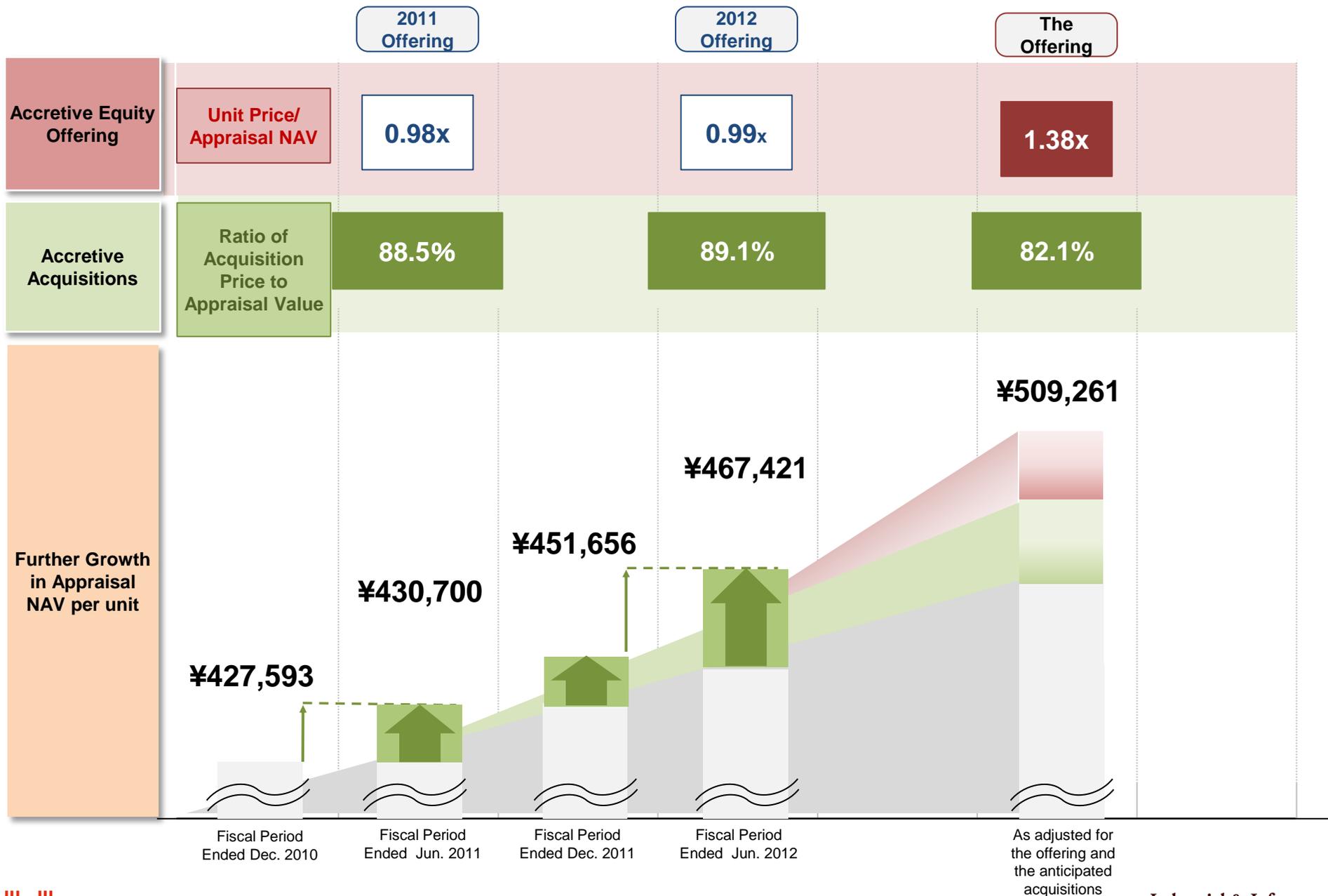
## Work Space of 3rd Floor Truck Berth



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## Appendix

## Further Growth in Appraisal NAV per unit



# NAV Growth Continuity Extra Effect

## (Reference) Classification of the Recent J-REIT Follow-on Equity Offerings (since the initial IIF follow-on)

### Classification by Average NOI Yield

		Extra effect of accretive equity offering			
		△	○	◎	
		Unit Price / Appraisal NAV			
Yield gap b/w acquired properties and existing portfolio		X < 0.9	0.9 ≤ X ≤ 1.1	1.1 < X	
Average NOI Yield	◎	more than 1.2% higher than the existing portfolio	4 cases	2 cases <small>include 2011/2012 offerings of IIF</small>	1 case <small>Only this offering</small>
	○	±1.2% higher/lower	4 cases	6 cases	1 case
	△	less than 1.2% lower	-	-	-

### Classification by the Spread b/w Acquisition Price and Appraisal Value

		Extra effect of accretive equity offering			
		△	○	◎	
		Unit Price / Appraisal NAV			
Ratio of Acquisition Price to Appraisal Value		X < 0.9	0.9 ≤ X ≤ 1.1	1.1 < X	
Spread b/w Acquisition Price and Appraisal Value	◎	X < 100/110	-	1 case <small>Only our offering</small>	1 case <small>Only this offering</small>
	○	100/110 X < 100/105	2 cases	2 cases <small>Includes our offering</small>	1 case
	△	X > 100/105	6 cases	5 cases	-

(Note) Includes this offering and all other offerings from the launch date of IIF's 2011 offering to December 31, 2012

## Further Growth in DPU and Appraisal NAV

## (Reference) Impact of the offering per incremental unit Calculation

## Profitability Enhancement

Investment Impact  $\hat{=}$  (Incremental NOI after depreciation – Incremental debt costs)  
 $\div$  Incremental units

	2011 Offering	2012 Offering	This Offering
① Anticipated acquisition price (million yen)	11,340	37,274	18,073
② Average NOI yield (after depreciation)	6.2%	6.2%	6.2%
③ Incremental NOI after depreciation (million yen, per 6 months) = ① × ②	351	1,155	560
④ Total debt	3,100	18,000	9,000
⑤ Average interest rate	1.8%	1.3%	1.5%
⑥ Incremental debt costs (million yen, per 6 months) = ④ × ⑤	27	118	66
⑦ Impact of this offering (million yen, per 6 months) = ③ – ⑥	324	1,037	493
⑧ Incremental Investment units	14,597	47,000	15,800
<b>Investment Impact per unit (yen)</b> = ⑦ $\div$ ⑧	<b>22,208</b>	<b>22,064</b>	<b>31,223</b>

# Ever-evolving CRE Solution Proposal Strategy (cont'd)

CRE Beyond

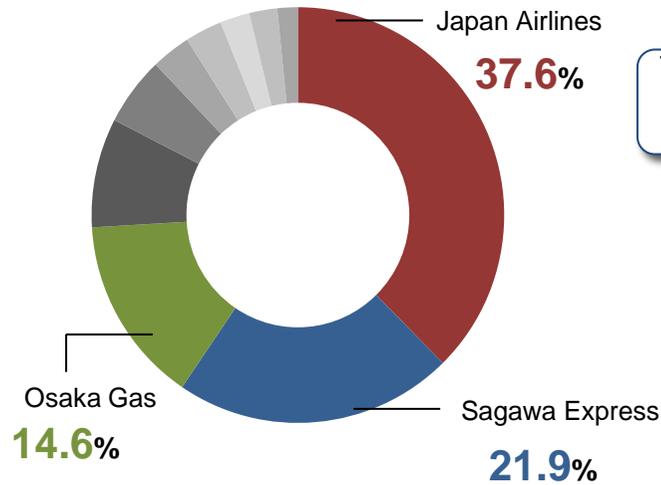
			Stability Enhancement				
Property Name			Tenant	Contract Period	Lease Type	Termination Option	Rent Revision
Logistics	IIF Kobe Logistics Center		Nissin	11.7 years	Standard	Basically not allowed	Basically not allowed
	IIF Higashi Osaka Logistics Center		Settsu Warehouse	7.0 years	Fixed term	Not allowed	Negotiable
	IIF Kashiwa Logistics Center		Nippon Express	5.0 years	Fixed term	Not allowed	Basically not allowed
	IIF Kawaguchi Logistics Center (Acquired on Dec. 25, 2012)		Meiji Logitech	2.0 years	Fixed term	Basically not allowed	Not allowed
			Average	<b>8.0 years</b>			
Manufacturing and R&D	IIF Kawasaki Science Center (to be developed)		Johnson & Johnson	16.2 years	Fixed term (standard before completion)	Not allowed	Not allowed
Infrastructure	IIF Osaka Nanko IT Solution Center		Nomura Research Institute	10.1 years	Fixed term	Not allowed	Not allowed
	IIF Osaka Toyonaka Data Center		Nomura Building Management	10.0 years	Fixed term	Allowed	Allowed (Pass-through type)
			Average	<b>10.0 years</b>			
			Average	<b>9.6 years</b>			

# Enhanced Financial Stability (Asset)

Solid Balance Sheet

## Further Tenant Diversification

As of December 31, 2010  
(based on annual rent)

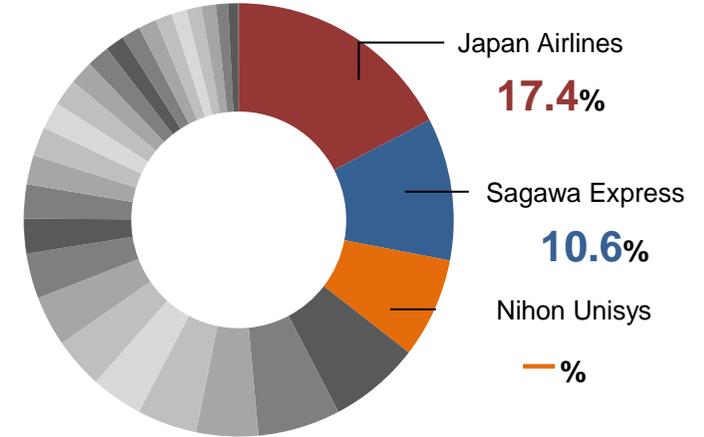


Tenant diversification through the three consecutive term public offerings

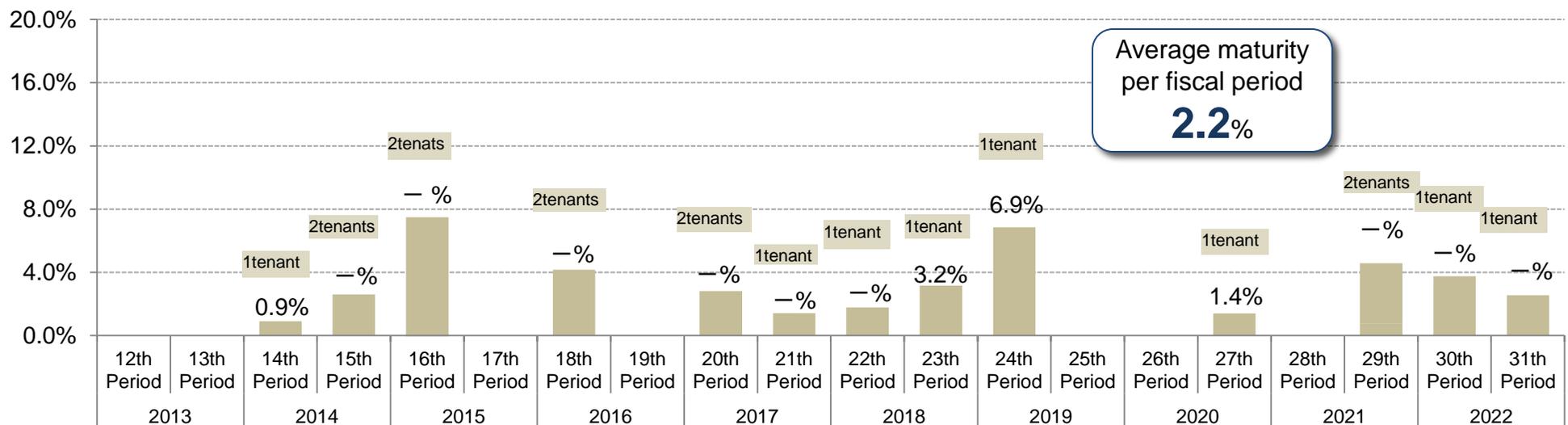
Total Tenant  
10 → 29

Top 3 Tenant %  
74.1% → 35.5%

After Anticipated Acquisitions  
(based on annual rent)



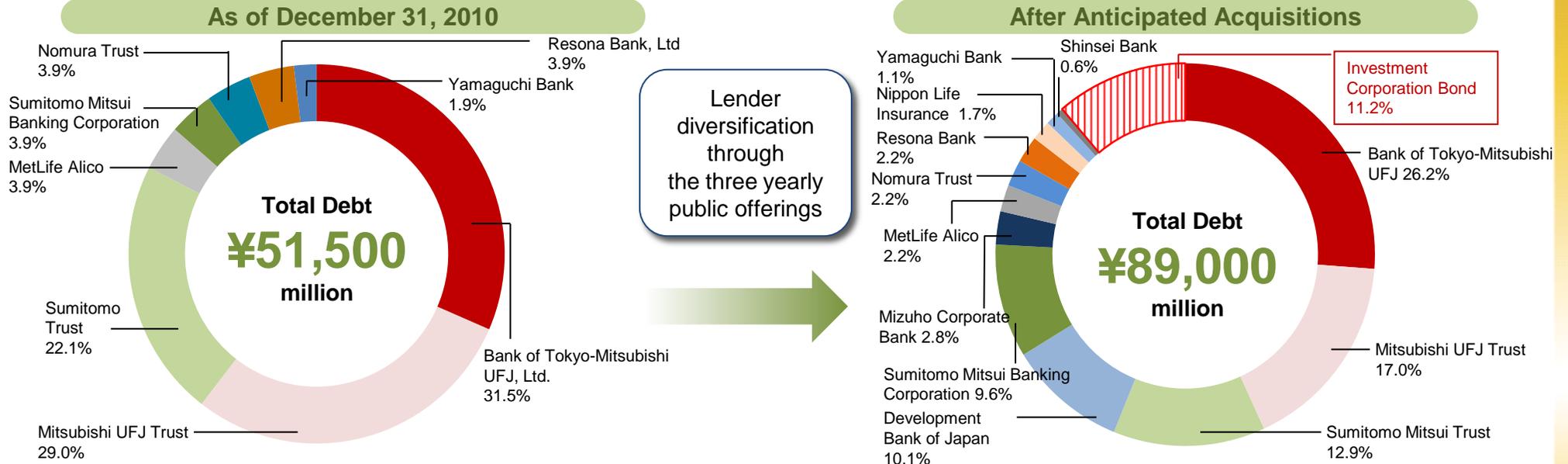
## Diversification of Lease Maturity (after an anticipated acquisition)



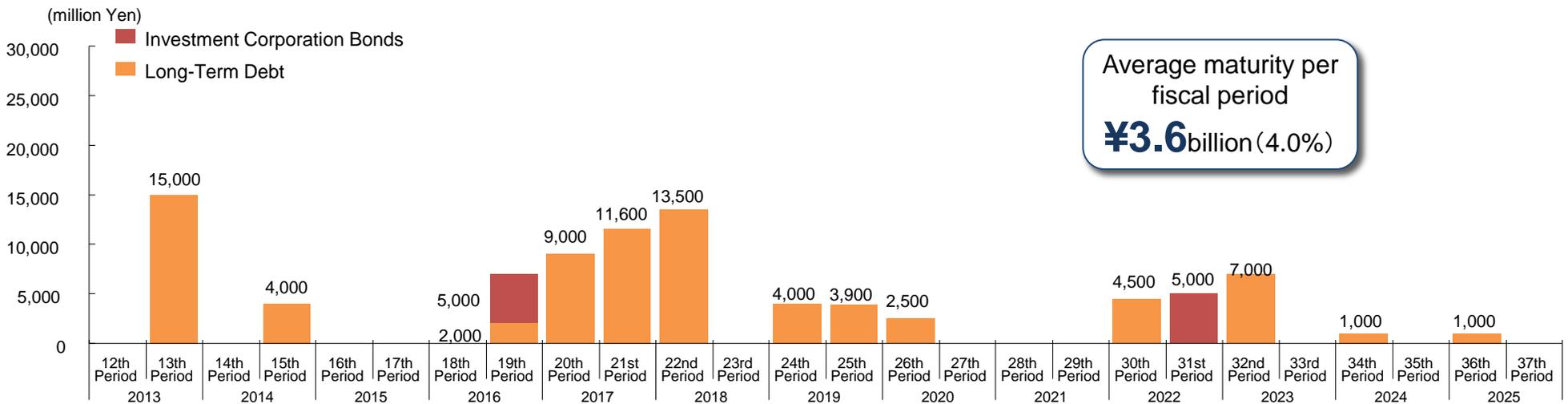
# Enhanced Financial Stability (Debt)

Solid Balance Sheet

## Further Lender Diversification



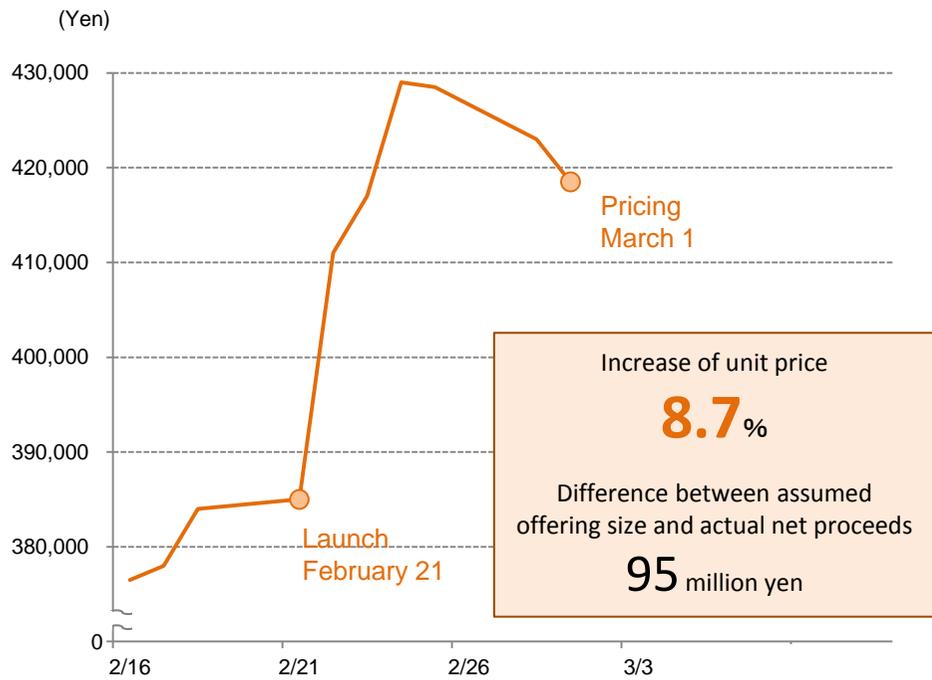
## Diversification of Debt Maturity (after an anticipated acquisition)



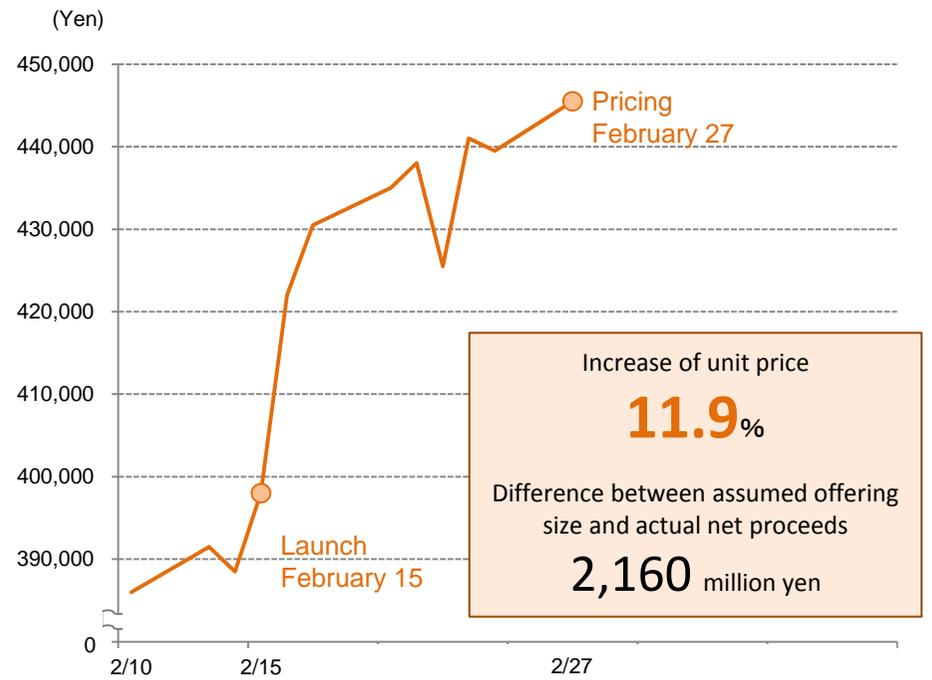
# For Continuous Equity Growth

<Reference> For the last two public offering, net proceeds increased due to increase of unit price after the launch

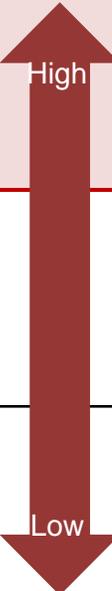
2011 Offering



2012 Offering



# Impact Simulation of Free Cash Flow based on IIF's Historical Data

Alternative to Spend Free Cash Flow	Current Priority	Equity Growth		Stability Enhancement	
		Impact on DPU	Impact on NAV per Unit	Impact on LTV	Impact on Stability
1. Property Acquisition <sup>(1)</sup>	High 	Per fiscal period <b>+90</b> yen/unit	<b>+386</b> yen/unit	<b>±0.0%</b>	Stability enhancement from diversification (property/tenant)
2. Decrease LTV <sup>(2)</sup>		Per fiscal period <b>+17</b> yen/unit	<b>±0</b> yen/unit	Per fiscal period <b>-0.1%</b>	Stability enhancement from LTV decrease
3. Excess Distribution (Return of Capital)	Low 	Per fiscal period <b>+2,663</b> yen/unit	Per fiscal period <b>-2,663</b> yen/unit <small>offset</small>	Per fiscal period <b>+0.1%</b>	Stability diminishment from LTV increase

(Notes)

(1) Based on non-tax adjusted historical NOI for 2012

(2) Based on estimated average weighted interest rate post offering

■ Retained earning (retained cash) will be always considered with consideration of capital efficiency and stability from cash holdings

On the simulation described above, each figures are calculated based on the assumption that the assuming free cash flow of each period is ¥416 million, which equals to 60% of ¥694 million of the depreciation in the period ended June 30, 2012

# Execution of Strategy for Achieving Sustainable Growth of Distribution

## DPU and NAV Growth by Accretive Acquisition based on Our CRE Solution

Continuous Equity Growth by Accretive Acquisition and Accretive Equity Offering

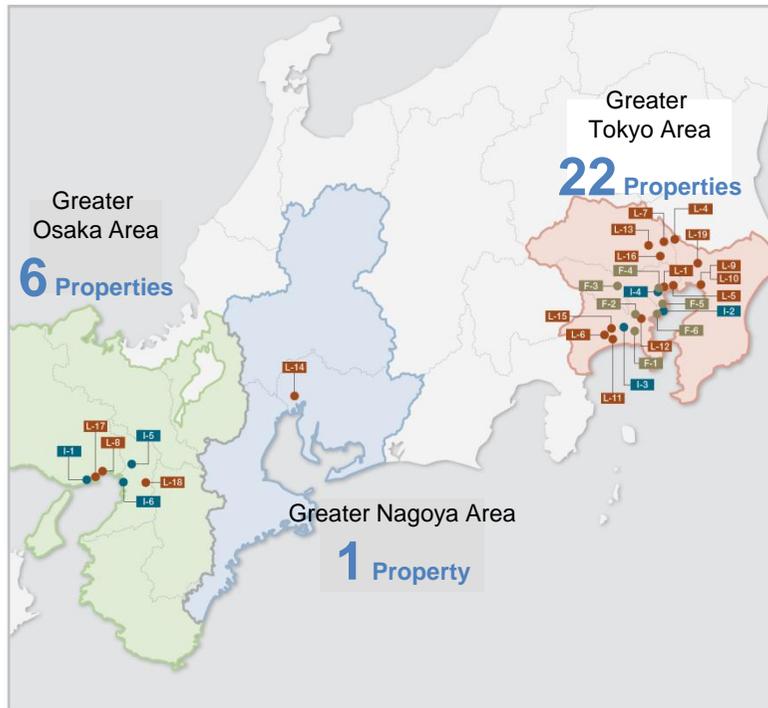
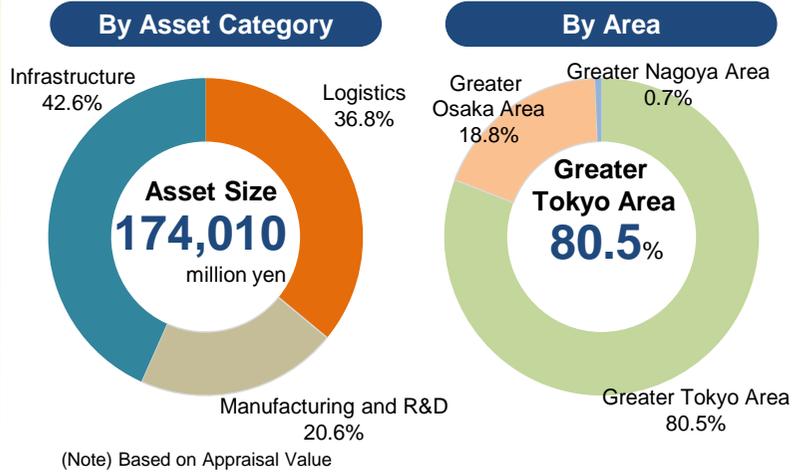
		As of December 31, 2010	2011 Offering	As of December 31, 2011	2012 Offering	As of June 30, 2012	The Offering (Note 1)	After Anticipated Acquisition
<b>Asset</b>	Number of Properties	11	5	16	6	22	7	29
	Total Acquisition Price	¥96,900mn	+ ¥11,340mn	¥108,240mn	+ ¥37,274mn	¥145,514mn	+ ¥19,843mn	¥165,357mn
	Average NOI Yield <sup>(2)</sup> (before depreciation)	4.8%	+ 6.9%	= 5.0%	+ 7.2%	= 5.6%	+ 7.0%	= 5.7%
	Average NOI Yield <sup>(2)</sup> (after depreciation)	3.6%	+ 6.1%	= 3.9%	+ 6.3%	= 4.5%	+ 6.2%	= 4.7%
	Ratio of Acquisition Price to Appraisal Value	101.8%	+ 88.5%	= 100.2%	+ 89.1%	= 97.1%	+ 82.1%	= 95.0%
	Portion Represented by Top Three Tenants	74.1%		61.7%		42.6%		35.5%
<b>Debt</b>	LTV	57.2%		54.9%		51.6%		51.3%
	Long-term Debt Ratio	79.8%		100.0%		100.0%		100.0%
	Fixed Debt Ratio	3.4%		46.9%		61.4%		80.9%
	Average Period Remaining until Maturity	2.1yrs		3.8yrs		4.2yrs		5.0yrs
	Average Debt Cost	1.37%		1.32%		1.31%		1.28%
<b>Equity</b>	DPU	¥10,102	22.5% up	¥12,377	6.5% up	¥13,176		as of Jun 2013 ¥15,567
	Appraisal NAV per Unit	¥427,593	5.6% up	¥451,656	3.5% up	¥467,421		as of Dec 2013 ¥16,029 Post-offering ¥509.261
	<Reference> Market Capitalization	¥31,100mn	J-REIT No.1 Market Cap Increase (+132.9%) <sup>(4)</sup>			¥72,425mn		
	Unit Price	¥393,500	J-REIT No.1 Investment Unit Price Increase (+30.9%) <sup>(4)</sup>			¥515,000		

Notes:

- (1) Including IIF Kawaguchi Logistics Center acquired on December 25, 2012
- (2) Based on stabilized NOI for 2013
- (3) We have obtained senior debts ratings from Japan Credit Rating Agency, Ltd.
- (4) Based on the information of Tokyo Stock Exchange from December 30, 2010 to June 29, 2012, IIF made calculation

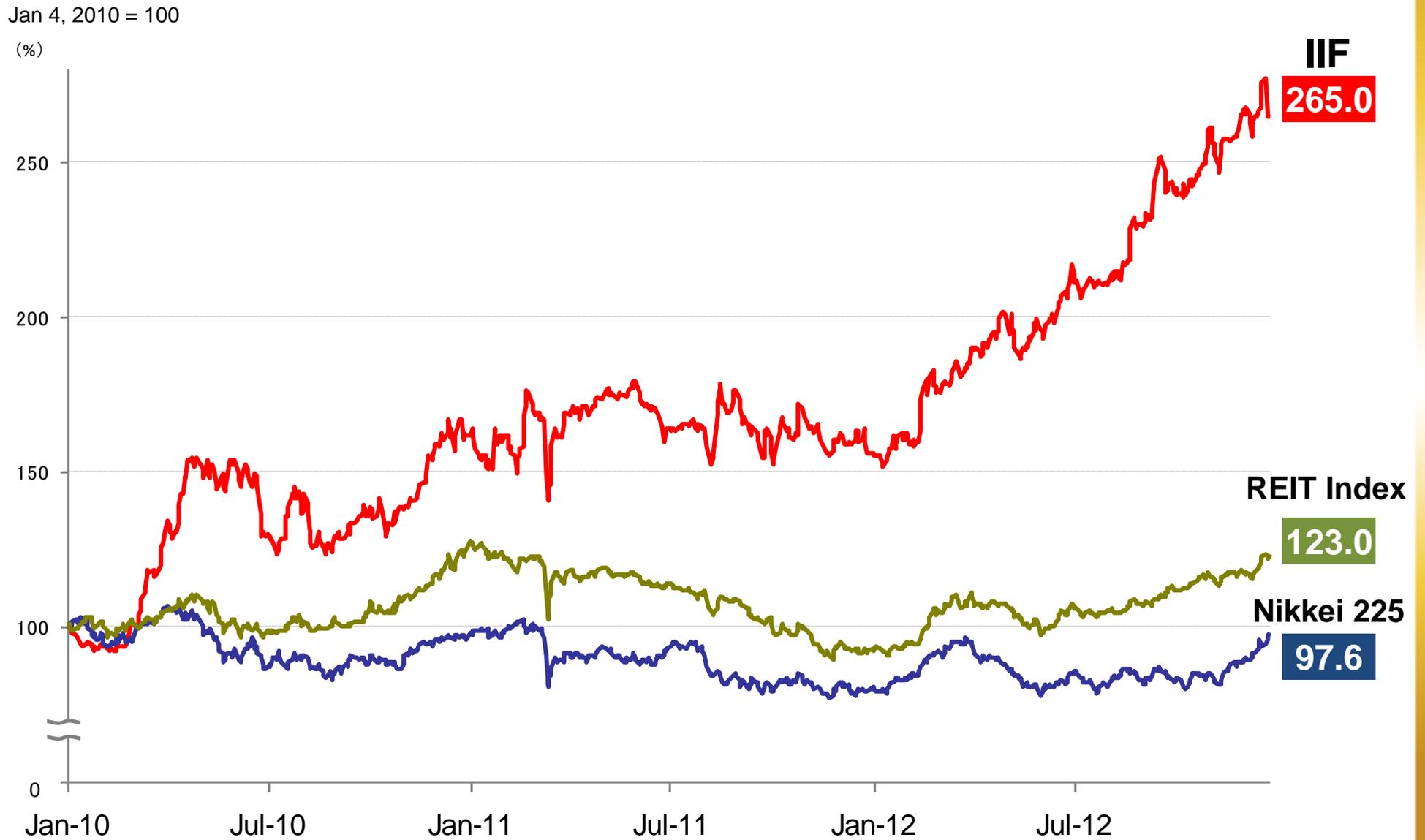
# Portfolio After Anticipated Acquisitions

## Portfolio after Anticipated Acquisitions



Greater Tokyo Area (22 properties)				
Logistics 13 Properties				
L-1 IIF Shinonome Logistics Center	L-4 IIF Noda Logistics Center	L-5 IIF Shinsuna Logistics Center	L-6 IIF Atsugi Logistics Center	L-7 IIF Koshigaya Logistics Center
L-9 IIF Narashino Logistics Center (land with leasehold interest)	L-10 IIF Narashino Logistics Center II (land with leasehold interest)	L-11 IIF Atsugi Logistics Center II	L-12 IIF Yokohama Tsuzuki Logistics Center	L-13 IIF Saitama Logistics Center
L-15 IIF Atsugi Logistics Center III	L-16 IIF Kawaguchi Logistics Center <b>New</b>	L-19 IIF Kashiwa Logistics Center <b>New</b>		
Manufacturing and R&D 6 Properties				
F-1 IIF Totsuka Technology Center (land with leasehold interest)	F-2 IIF Yokohama Tsuzuki Technology Center	F-3 IIF Mitaka Card Center		
F-4 IIF Shinonome R&D Center	F-5 IIF Kamata R&D Center	F-6 IIF Kawasaki Science Center (to be developed) <b>New</b>		
Greater Osaka Area (6 properties)				
Logistics 3 Properties				
L-8 IIF Nishinomiya Logistics Center	L-17 IIF Kobe Logistics Center <b>New</b>	L-18 IIF Higashi-Osaka Logistics Center <b>New</b>		
Infrastructure 3 Properties				
I-1 IIF Kobe District Heating and Cooling Center	I-5 IIF Osaka Nanko IT Solution Center <b>New</b>	I-6 IIF Osaka Toyonaka Data Center <b>New</b>		
Greater Nagoya Area (1 property)				
Logistics 1 Property				
L-14 IIF Nagoya Logistics Center				

# Historical Unit Price Trend



(Source) Bloomberg

# Historical Market Cap and Trading Volume of IIF (Jan. 4 2010 – Dec. 28, 2012)



(Source) Bloomberg

## Disclaimer

- ▶ This material may contain information such as data on future performances, plans, management targets and strategies. Such descriptions with regard to the future are based on current hypotheses and assumptions about future events and trends of the business environment, but these hypotheses and assumptions are not necessarily correct. Actual results may significantly vary due to various factors.
- ▶ This material is prepared based on the accounting policy in Japan unless otherwise noted.
- ▶ This material is to be used for analyzing the financial results of IIF and is not prepared for the purpose of soliciting the acquisition of IIF's investment securities or the signing of a financial instruments contract. When investing, we ask investors to invest at their own responsibility and by making their own judgment

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