

Translation

INDUSTRIAL & INFRASTRUCTURE FUND INVESTMENT CORPORATION SUMMARY OF FINANCIAL RESULTS FOR THE SIX MONTHS ENDED DECEMBER 31, 2013

February 19, 2014

Name of issuer: Industrial & Infrastructure Fund Investment Corporation
("the Investment Corporation")
Stock exchange listing: Tokyo Stock Exchange
Securities code: 3249
Website: <http://www.iif-reit.com/>
Representative of the Investment Corporation: Yasuyuki Kuratsu, Executive Director
Name of asset manager: Mitsubishi Corp.-UBS Realty Inc.
Representative of the asset manager: Toru Tsuji, President & CEO
Contact: Toshiaki Fukai, Head of Industrial Division
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Scheduled date for filing of securities report: March 27, 2014
Scheduled date for distributions payment: March 24, 2014
Supplementary materials for financial results: Otherwise prepared
Analyst meeting: Scheduled

(Amounts of less than one million yen are rounded down)

1. Financial results for the six months ended December 31, 2013 (July 1, 2013 to December 31, 2013)

(1) Operating results

(Percentages show period-on-period changes)

	Operating revenues		Operating income		Ordinary income		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
For the six months ended December 31, 2013	6,037	4.2	3,308	2.3	2,510	2.6	2,509	2.6
June 30, 2013	5,791	15.0	3,235	14.1	2,448	21.0	2,447	20.9

	Net income per unit	Return on unitholders' equity	Ratio of ordinary income to total assets	Ratio of ordinary income to operating revenues
	Yen	%	%	%
For the six months ended December 31, 2013	16,042	3.4	1.4	41.6
June 30, 2013	15,951	3.5	1.5	42.3

(2) Distributions

	Distributions (excluding distributions in excess of profit)		Distributions in excess of profit		Payout ratio	Ratio of distributions to net assets
	Per unit	Total	Per unit	Total		
	Yen	Millions of yen	Yen	Millions of yen	%	%
For the six months ended December 31, 2013	16,043	2,509	0	0	100.0	3.4
June 30, 2013	15,643	2,447	0	0	100.0	3.4

Note: Payout ratio for the six months ended June 30, 2013 is calculated by following formula as new investment units were issued during the period.

$$\text{Payout ratio} = \text{Total of distributions} \div \text{Net income} \times 100$$

(3) Financial position

	Total assets	Net assets	Ratio of net assets to total assets	Net asset value per unit
	Millions of yen	Millions of yen	%	Yen
As of December 31, 2013	175,150	74,827	42.7	478,341
June 30, 2013	175,196	74,860	42.7	478,552

(4) Cash flows

	Net cash provided by (used in)			Cash and cash equivalents at end of period
	Operating activities	Investing activities	Financing activities	
For the six months ended	Millions of yen	Millions of yen	Millions of yen	Millions of yen
December 31, 2013	3,656	(290)	(2,447)	9,653
June 30, 2013	2,962	(17,132)	17,321	8,736

2. Outlook for the six months ending June 30, 2014 (January 1, 2014 to June 30, 2014)

(Percentages show period-on-period changes)

	Operating revenues		Operating income		Ordinary income		Net income	
For the six months ending	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
June 30, 2014	6,620	9.7	3,577	8.1	2,680	6.8	2,679	6.8

	Net income per unit		Distributions per unit (excluding distributions in excess of profit)		Distributions in excess of profit per unit	
For the six months ending	Yen		Yen		Yen	
June 30, 2014	16,184		16,184		0	

3. Others

(1) Changes in accounting policies and accounting estimates or restatements

Changes in accounting policies due to accounting standards revision: None

Changes in accounting policies due to other reasons: None

Changes in accounting estimates: None

Restatements: None

(2) Number of units issued

Number of units issued at end of period (including treasury units):

As of December 31, 2013 156,432 units

As of June 30, 2013 156,432 units

Number of treasury units at end of period:

As of December 31, 2013 0 unit

As of June 30, 2013 0 unit

Note: For the number of unit as a basis of calculation of net income per unit, please refer to per unit information on page 24.

Forward-looking Statements and Other Notes

Forward-looking statements in this presentation are based on the information currently available and certain assumptions we believe reasonable. Actual results may differ materially from the forward-looking statements in this presentation due to various factors. Furthermore, those statements do not guarantee the amount of future distributions.

For further information and assumptions regarding the forward-looking statements, please refer to “2. Management policy and results of operation, (2) State of operation, B. Outlook for the next period” on page 9-10.

1. Summary of related corporations of the Investment Corporation

There have been no significant changes to the “structure of the investment corporation” since the most recent financial report (submitted September 26, 2013), and hence, description of these matters is omitted.

2. Management policy and results of operation

(1) Management policies

There have been no significant changes to the “investment policies”, “investment targets” and “distribution policies” in the most recent financial report (submitted September 26, 2013), and hence, description of these matters is omitted.

(2) Operations

A Operations during the period

i. Major developments and management performance of IIF

IIF was established on March 26, 2007 based on “Act on Investment Trust and Investment Corporation” (hereinafter referred to as “Investment Trust Law”) and became listed on the J-REIT market of the Tokyo Stock Exchange on October 18, 2007 (ticker code: 3249). Based on the principle of aiming to “invest in social infrastructure as a source of power for the Japanese economy and support Japan’s industrial activities from a perspective of real estate,” IIF invests and manages logistics facilities, manufacturing and research and development (R&D) facilities, and infrastructure facilities which play a vital role in various industrial activities as the only listed J-REIT specializing in industrial properties.

IIF has continued to mark steady growth since it began investment operations in 2007 when it acquired nine properties for the total acquisition price of 66,000 million yen. IIF owned 29 properties whose total acquisition price amounted to 163,843 million yen as of December 31, 2013.

ii. Investment environment and management performance

Japan’s economy is growing steadily, driven by a new government economic policy called Abe-nomics (started in December 2012), a quantitative and qualitative easing policy of the Bank of Japan (started in April 2013), and recoveries of overseas markets. Consumer spending is also growing steadily, supported by growing corporate earnings and recovering employment and income. We assume the scheduled increase of the consumption tax rate in April 2014 will affect the economic situation in the short term, but expect Japan’s economy to recover steadily in the long run.

The J-REIT market has grown steadily with strong demand mainly from mutual funds, and the TSE REIT Index surged about 35% during the year. Meanwhile, investor demand for J-REIT appears to be remaining firm, and equity financing by J-REIT remained at a high level of over 1 trillion yen during 2013.

Given such an environment, IIF has continued to pursue property-sourcing activities based on a Corporate Real Estate (CRE) proposal, an approach with which IIF has strengths. In December 2013, IIF acquired an equity interest in TK investments and preferential purchasing rights of Kyo-tanabe Logistics Center (Amount of contributions: 10 million yen).

As a result, the properties IIF owned as of December 31, 2013 consisted of 17 logistics facilities, six infrastructure facilities and six manufacturing and R&D facilities whose total acquisition price amounted to 163,843 million yen. The total leasable area as of December 31, 2013 was 596,992.75 m², and the average occupancy rate remained at 99.9%.

iii. Funding

IIF's fundamental policy is to plan and implement a stable and efficient financial strategy to secure a stable profit and achieve sustainable growth of the properties owned.

During the fiscal term, IIF took out new long-term borrowings of 7,500 million yen on October 18, 2013 (borrowing period: 10 years) and repaid an equivalent amount of long-term debt whose maturity was on the same day. With regard to the new borrowings, IIF concluded a postdated interest rate swap agreement to fix the interest rate on or after December 31, 2013. Furthermore, IIF took out new long-term debt of 2,000 million yen on December 30, 2013 (borrowing period: 10 years) and repaid an equivalent amount of long-term debt (average remaining term: one year) in advance of maturity on the same day. With regard to the new borrowings, IIF concluded an interest rate swap agreement to fix the interest rate on or after December 30, 2013.

IIF will continue to seek to achieve a stable financial condition by diversifying debt maturity dates and maintaining an appropriate mix of long-term, fixed-rate investments to achieve stable distributions.

As a result of the above, the balance of interest bearing debt as of December 31, 2013 amounted to 89,000 million yen, and included long-term borrowings (including current portion) of 79,000 million yen and investment corporation bonds of 10,000 million yen. IIF received an "AA- (outlook: Positive)" rating for Long Term Issuer Rating and Investment Corporation Rating by the Japan Credit Rating Agency, Ltd. (JCR), the rating was upgraded to "AA (outlook: Stable)," on August 6, 2013.

iv. Overview of financial results and distribution

As a result of the abovementioned management activities, IIF recorded operating revenue of 6,037 million yen, operating income of 3,308 million yen, ordinary income of 2,510 million yen and net income of 2,509 million yen for the current period. For distributions, IIF intended to include profit distributions in deductible expenses in accordance with Section 1 of Article 67-15 of the Act on Special Taxation Measures Law and determined to distribute the entire unappropriated retained earnings for the current period excluding fractions (distribution per unit = fractions less than one yen). Therefore, the distribution per unit was 16,043 yen.

B Outlook for the next period

i. Outlook for the overall management

The global economy is following a trend of steady improvement mainly in developed countries such as Japan and the United States, and Japan's economy is expected to experience short-term fluctuations due to the consumption tax hike in April 2014, but continue to recover gradually in the future.

In the real estate market, the investment environment for properties in Japan is improving on the strength of the financing ease and a bottoming out of the rental market.

As for logistics facilities, occupancy rates and rent levels are expected to remain high, given the diversification of consumer lifestyles in recent years and the increase in distribution flows associated with the change in distribution channels resulting primarily from IT advancement. In addition, more investors view logistics facilities as stable investment targets. Moreover, the market, which has been supported by new entrants and large-scale logistics facility construction projects, is expected to remain active for the time being. The properties managed by IIF are likely to see stable occupancy, given their high versatility and excellent locations. Also, considering that the necessity of the companies to sell their properties are diversifying by the improvement in the economy, IIF is expected to see a rise in investment opportunities through its property acquisition activities based on the CRE proposal, an approach in which IIF is strong.

As for manufacturing and R&D facilities, consolidation and overseas transfer of plants in particular have become prominent. Yet vital facilities are likely to be maintained and implemented in Japan as before, and the properties managed by IIF based on long-term lease contracts are expected to see continuous, stable usage given their importance. In the infrastructure facilities segment, sales of properties can be anticipated as moves to separate holding and management are likely to quicken in both the public and private sectors.

ii. Issues to be solved

Under the situation described above, IIF will seek to create and maintain a portfolio that generates stable income to achieve sustainable growth of unit holder value through the strategies described below.

a) External growth

IIF will continue to demonstrate its strength in proposal-based acquisition activities in the areas of both CRE and PRE (Public Real Estate), where growth potential is apparent, and pursue “stable” property acquisition opportunities that contribute to “improving profitability” and “unrealized gain”. In doing so, IIF will aim to further expand the size of its portfolio.

IIF will continue to acquire new asset category properties, while avoiding price competition using our experience, expertise, and networks in both CRE and PRE sectors. By aiming to further increase the acquisition of asset category properties and the development of CRE needs, we will evolve our unique CRE proposal-based business model.

IIF will strive to build up prime properties for expanding the portfolio by leveraging its unique strengths as the only listed J-REIT specializing in industrial properties and creating an agile property acquisition structure by collecting property information through its information channels including sponsor companies or by using bridge fund scheme.

b) Internal growth

As of December 31, 2013, the portfolio owned by IIF consisted of 29 properties for a total acquisition price of 163,843 million yen.

The average occupancy rate currently stands at 99.9%. The properties are managed under long-term lease contracts with an average remaining lease period of 9.7 years, and they generate stable cash flows.

IIF will work to maintain the quality of its portfolio and further improve profitability by implementing the required management tasks to maintain and improve the functionality, safety, and comfortableness of the buildings it manages and carry out suitable repair work as necessary. At the same time, IIF will continue to exert efforts in building favorable relationships with lessees based on close, on-going communication in order to maintain and improve the rent level and prevent cancellation.

Furthermore, in order to enhance the value of properties, IIF will make plans to increase floor space and expand the leasable space in properties where extra space is available and formulate renovation plans to improve earnings in the long term.

c) Financial strategy

In consideration of how IIF’s portfolio generates “stable cash flows based on long-term lease contracts,” IIF’s basic strategy in raising funds is to fix liabilities in the long term. In accordance with this policy, IIF will continue to pursue ALM (Asset Liability Management) of matching long-term stable cash flows of properties to long-term fixed-rate borrowings in the next fiscal year

and beyond.

IIF will also work to reduce fund-raising costs, lengthen borrowing periods, standardize repayment amounts and diversify repayment dates through effective refinancing of existing loans. Furthermore, IIF will continue to diversify lenders and procurement methods in the aim of enhancing its fund-raising base.

iii Prospects for results in the next period

IIF expects to record operating revenue of 6,620 million yen, operating income of 3,577 million yen, ordinary income of 2,680 million yen, net income of 2,679 million yen and distribution per unit of 16,184 yen for the 14th Period (Period ending June 30, 2014).

In the press release “Notice Concerning Forecasts of Operating Results and Distributions for the June 2014 (14th) and December 2014 (15th) Fiscal Periods” disclosed on January 15, 2014, IIF also expects to record operating revenue of 6,876 million yen, operating income of 3,663 million yen, ordinary income of 2,733 million yen and distribution per unit of 16,508 yen for the 15th Period (Period ending December 31, 2014) in associated with public offering.

For details of the assumptions made in this forecast, please see “Assumptions for earnings forecast for the 14th Period (Period ending June 30, 2014) and 15th Period (Period ending December 31, 2014)” below.

IIF assumes the following main factors will cause an increase or decrease in earnings for operating revenue and operating expense in the 14th Period (Period ending June 30, 2014) from the 13th Period (Period ended December 31, 2013).

(Operating revenue) (Increase of 583 million yen from the previous period)

- Full-period contribution of rental revenue from the IIF Kawasaki Science Center (to be developed) acquired in the 11th Period (the period ended December 31, 2012) and contribution of rental revenue from the eight properties acquired or to be acquired in the 14th Period (the period ending June 30, 2014)

(Operating expense) (Increase of 314 million yen from the previous period)

- Property-related taxes on six properties acquired in the 12th Period (the period ended in June 30, 2013)
- Generation of property management fees on the eight properties acquired or to be acquired in the 14th Period (the period ending June 30, 2014)

Note The forecast mentioned above is calculated at present based on certain assumptions. Actual net income and distribution may fluctuate due to changes in the circumstances. This forecast does not guarantee the amount of distribution.

As described “Assumptions made in the earnings forecast for the 14th Period (Period ending June 30, 2014) and 15th Period (Period ending December 31, 2014)” below, IIF issued or to be issued the new investment units, obtained a long-term borrowings and acquired the assets after the closing date of fiscal period ended December 31, 2013.

a) Issuance of new investment units

At its meetings of the Board of Directors held on January 15, 2014 and January 27, 2014, IIF resolved the issuance of new investment units as described below, and payments for the new investment units issued through public offerings were completed on February 3, 2014. Conditions for the issuance were as follows. As a result, the total amount of unitholders’ capital was 79,362,094,765 yen for a total number of issued investment units of 165,316 as of February 3, 2014.

If new investment units are to be issued through third-party allotment in conjunction with the secondary offering from over-allotment, the payment due date is set for March 4, 2014 (scheduled).

[Issuance of new investment units by public offering]

< Offering in Japan and overseas including US and Europe (for the US, offering is limited to qualified institutional investors based on Rule 144A of the Securities Act of 1933) >

Number of units issued	:8,884 units (Domestic: 4,334, Overseas: 4,550 (4,334 units for firm commitment underwriting by overseas underwriting firms and 216 units for the rights for given to overseas underwriting firms to purchase additional Units to be issued.))
Issue price (offer price)	:803,400 yen per unit
Total issue price (total offer price)	:7,137,405,600 yen
Amount to be paid in (issue value)	:775,384 yen per unit
Total amount to be paid in (total issue value)	:6,888,511,456 yen
Payment date	:February 3, 2014
Commencement of distribution	:January 1, 2014

[Issuance of new investment units by third party allotment]

Number of units issued	:216 units
Issue price (offer price)	:775,384 yen per unit
Total issue price (total offer price)	:167,482,944 yen
Payment date	:March 4, 2014
Commencement of distribution	:January 1, 2014
Allocated party	:Nomura Securities Co., Ltd.

There may be no subscription to all or part of the units to be issued by third party allotment. As a result, the final number of units issued may decrease within the limit by forfeiture or no unit may be issued at all.

b) Long-term borrowings

On February 6, 2014, IIF obtained long-term borrowings totaling 3,800 million yen to be appropriated partly as funds for newly acquiring eight properties, and to be obtained long-term borrowings totaling 3,600 million yen on March 3, 2014. IIF has secured long-term fixed-rate borrowings with an average term of 10.1 years to match the average remaining lease period of 16.6 years for newly acquired properties. These borrowings include a borrowing from THE NISHI-NIPPON CITYBANK, LTD., which is a new lender for IIF.

(For details, please refer the press release “Notice Concerning the Debt Financing” dated January 15, 2014)

c) Assets acquired

IIF acquired or will acquire real estate and trust beneficially interest in real estate with a) net amount obtained by issuance of new investment units and b) new borrowings. (For details, please refer to “IIF to Acquire Eight Properties in Japan” dated January 15, 2014.

Property name ^(Note)	Location	(Anticipated) Acquisition price	(Anticipated) Acquisition date
IIF Narashino Logistics Center II (<i>building with leasehold interest</i>)	Narashino-shi, Chiba Prefecture	¥1,200 million	February 7, 2014
IIF Misato Logistics Center	Misato-shi, Saitama Prefecture	¥3,550 million	
IIF Iruma Logistics Center	Iruma-shi, Saitama Prefecture	¥3,184 million	

IIF Tosu Logistics Center	Tosu-shi, Saga Prefecture	¥1,570 million	February 7, 2014
IIF Inzai Logistics Center	Inzai-shi, Chiba Prefecture	¥1,060 million	
IIF Morioka Logistics Center	Shiwa-gun, Iwate Prefecture	¥600 million	
IIF Nagoya Port Tank Terminal (land with leasehold interest)	Nagoya-shi, Aichi Prefecture	¥1,900 million	
IIF Hiroshima Logistics Center	Hiroshima-shi, Hiroshima Prefecture	¥3,540 million	March 14, 2014
Total		¥16,604 million	

(Note) "Property Name", we describe the name which we plan to use after we acquired.

Assumptions made in the earnings forecast for the 14th Period (January 1, 2014 to June 30, 2014) and the 15th Period (July 1, 2014 to December 31, 2014)

Item	Assumptions
Calculation period	14th Period January 1, 2014 to June 30, 2014 (181 days) 15th Period July 1, 2014 to December 31, 2014 (184 days)
Properties owned	<p>We assumed that we will acquire the 8 properties (including additional acquisition of the building for an existing property) listed below, in addition to the 29 properties we owned as of December 31, 2013. Additionally, we assumed we will acquire the building of IIF Kawasaki Science Center (<i>to be developed</i>) concurrently with the completion of its construction expected in May 2014.</p> <p>Our Asset Manager, Mitsubishi Corp.-UBS Realty, Inc. has entered into a memorandum of understanding with the seller regarding IIF Hiroshima Logistics Center, a tripartite memorandum of understanding with the seller (an SPC, undisclosed in accordance with the wishes of the seller) and a third party (with which the seller SPC has executed a sale and purchase agreement for the trust beneficiary rights in connection with IIF Hiroshima Logistics Center) which transfers the third party's status as buyer to IIF. By executing the Memorandums of Understanding, IIF has agreed with each of the sellers with respect to transfer of the respective properties.</p> <p><Acquired on February 7, 2014> IIF Narashino Logistics Center II (<i>building with leasehold interest</i>) IIF Misato Logistics Center IIF Iruma Logistics Center IIF Tosu Logistics Center IIF Inzai Logistics Center IIF Morioka Logistics Center IIF Nagoya Port Tank Terminal (<i>land with leasehold interest</i>) <Expected to be transferred on March 14, 2014> IIF Hiroshima Logistics Center</p> <p>While we assumed that we will not acquire other properties or dispose of any properties following the acquisition of the properties mentioned above during the fiscal periods ending June 30, 2014 and December 31, 2014, deviations from our forecasts may occur due to acquisitions, disposals or similar activities relating to other properties.</p>
Interest-bearing debt	<p>Interest-bearing debt as of December 31, 2013 amounted to 89,000 million yen, which consisted of long-term borrowings and investment corporate bonds.</p> <p>IIF obtained a long-term borrowing of 7,400 million yen in order to acquire the properties listed in the abovementioned "Properties owned." There is no interest-bearing debt that reaches its repayment date during the 14th Period. Interest-bearing debt that reaches its repayment date during the 15th Period amounts to 2,000 million yen, and IIF plans to refinance the same amount.</p>
Operating revenue	In the 14th and 15th Period, it is assumed that there will be no back rent or nonpayment by tenants based on the assumptions made for "Properties owned" above. We have also assumed that properties for which lease contracts will expire during the 14th and 15th fiscal periods shall continue to generate revenues at the same level currently generated.
Operating expense	Property tax, urban planning tax and depreciable property tax of approximately 511 million yen and a repair cost of approximately 57 million yen are assumed. Property tax and urban planning tax that will be settled when acquiring a new property based on the number of days a former owner owns such property will not be recognized as expenses since they will be included in acquisition cost. Property tax, urban planning tax and depreciable property tax of approximately 583 million yen and a repair cost of

	<p>approximately 61 million yen are assumed for the 15th Period.</p> <p>Depreciation expense (including ancillary expenses, etc.) is calculated by the straight-line method, and its assumed amount is approximately 963 million yen for 14th Period and approximately 1,006 million yen for 15th Period.</p> <p>Outsourcing expense (property management fee and building management commission fee, etc.) is calculated based on past expenses.</p>
Non-operating expense	<p>Interest expense and other borrowing-related expenses of approximately 802 million yen for 14th Period and approximately 835 million yen for 15th Period are assumed based on the assumptions made in “Interest-bearing debt” above.</p> <p>The amortization expense for the issuance cost of new investment units for 14th Period and 15th Period are expected to be approximately 91 million yen and approximately 93 million yen, respectively. The issuance cost of new investment units is planned to be amortized by the straight-line method over 36 months.</p>
Issuance of investment units	<p>The forecast assumes, in addition to a total number of outstanding investment units of 156,432 as of December 31, 2013, the full issuance of 9,100 new investment units as resolved at the meeting of the Board of Directors held on January 15, 2014, including new investment units of 8,884 (the maximum number of units) issued through public offerings (the number of new investment units to be underwritten and purchased by domestic and overseas underwriters in domestic and overseas public offerings and the number of investment units to be additionally issued, which are subject to the right to purchase granted to the overseas underwriters in the overseas offering) and new investment units of 216 (the maximum number of units) issued through third-party allotment.</p>
Distribution per unit	<p>It is assumed that the entire unappropriated retained earnings for the current period excluding fractions (distribution per unit = amounts less than one yen) will be distributed.</p>
Distribution of excess profit per unit	<p>There is no plan at present to distribute excess profit (distribution of excess profit per unit).</p>

3. Financial information

(1) Balance sheet

(Thousands of yen)

	As of	
	June 30, 2013	December 31, 2013
ASSETS		
Current assets:		
Cash and bank deposits	6,293,712	7,284,416
Cash and bank deposits in trust	2,442,343	2,369,289
Rental receivables	118,019	95,249
Prepaid expenses	729,888	435,023
Deferred tax assets	17	15
Consumption taxes refundable	248,159	-
Other	43	117
Total current assets	9,832,184	10,184,112
Noncurrent assets:		
Property, plant and equipment:		
Buildings, at cost	29,354,796	29,467,309
Less: Accumulated depreciation	(2,877,691)	(3,180,830)
Buildings, net	26,477,104	26,286,478
Structures, at cost	26,882	26,882
Less: Accumulated depreciation	(1,427)	(1,872)
Structures, net	25,455	25,010
Machinery and equipment, at cost	10,881	11,892
Less: Accumulated depreciation	(2,120)	(4,106)
Machinery and equipment, net	8,761	7,786
Tools, furniture and fixtures, at cost	1,919	1,919
Less: Accumulated depreciation	(70)	(149)
Tools, furniture and fixtures, net	1,849	1,769
Land	12,877,530	12,911,098
Construction in progress	33,979	539
Buildings in trust, at cost	41,711,426	41,927,857
Less: Accumulated depreciation	(3,844,437)	(4,380,585)
Buildings in trust, net	37,866,989	37,547,272
Structures in trust, at cost	378,387	378,387
Less: Accumulated depreciation	(233,961)	(255,054)
Structures in trust, net	144,425	123,333
Machinery and equipment in trust, at cost	—	1,229
Less: Accumulated depreciation	—	(20)
Machinery and equipment in trust, net	—	1,209
Tools, furniture and fixtures in trust, at cost	6,515	6,515
Less: Accumulated depreciation	(2,077)	(2,481)
Tools, furniture and fixtures in trust, net	4,437	4,033
Land in trust	66,704,757	66,736,180
Construction in progress in trust	73,973	73,973
Total net property, plant and equipment	144,219,265	143,718,684
Intangible assets:		
Leasehold right (Note 1)	19,833,966	19,833,966
Other	437	390
Total intangible assets	19,834,403	19,834,356
Investments and other assets:		
Investment securities	—	12,702
Lease and guarantee deposits	10,000	10,000
Long-term prepaid expenses	956,989	1,125,263
Total investments and other assets	966,989	1,147,966
Total noncurrent assets	165,020,659	164,701,007
Deferred assets:		
Investment unit issuance costs	290,878	217,229
Investment corporation bonds issuance costs	52,902	48,047
Total deferred assets	343,781	265,276
TOTAL ASSETS	175,196,624	175,150,396

The accompanying notes in sections (6), (7) and (8) below are an integral part of these statements.

(Thousands of yen)

	As of	
	June 30, 2013	December 31, 2013
LIABILITIES		
Current liabilities:		
Operating accounts payable	326,782	369,347
Current portion of long-term loans payable	7,500,000	2,000,000
Accounts payable – other	364,438	317,642
Accrued expenses	15,752	13,907
Income taxes payable	818	745
Accrued consumption taxes	—	205,844
Advances received	1,373,413	1,036,721
Other	69,190	10,977
Total current liabilities	9,650,395	3,955,186
Noncurrent liabilities:		
Investment corporation bonds – unsecured	10,000,000	10,000,000
Long-term loans payable	71,500,000	77,000,000
Tenant leasehold and security deposits	1,872,834	1,967,989
Tenant leasehold and security deposits in trust	7,222,898	7,222,346
Derivatives liabilities	23,754	119,275
Other	65,781	57,631
Total noncurrent liabilities	90,685,269	96,367,243
TOTAL LIABILITIES	100,335,665	100,322,429
NET ASSETS		
Unitholders' equity:		
Unitholders' capital	72,437,583	72,437,583
Surplus:		
Retained earnings	2,447,131	2,509,659
Total surplus	2,447,131	2,509,659
Total unitholders' equity	74,884,714	74,947,242
Valuation and translation adjustments:		
Deferred gains or (losses) on hedges	(23,754)	(119,275)
Total valuation and translation adjustments	(23,754)	(119,275)
TOTAL NET ASSETS (Note 2)	74,860,959	74,827,966
TOTAL LIABILITIES AND NET ASSETS	175,196,624	175,150,396

The accompanying notes in sections (6), (7) and (8) below are an integral part of these statements.

(2) Statement of income and retained earnings

(Thousands of yen)

	For the six months ended	
	June 30, 2013	December 31, 2013
Operating revenue		
Rent revenue—real estate (Note 3)	5,791,586	6,037,664
Total operating revenue	5,791,586	6,037,664
Operating expenses		
Expenses related to property rental business (Note 3)	1,934,410	2,100,349
Asset management fees	511,779	529,839
Directors' compensations	5,820	5,820
Asset custody fees	5,922	5,996
Administrative service fees	27,898	28,112
Other	70,389	58,718
Total operating expenses	2,556,220	2,728,836
Operating income	3,235,365	3,308,827
Non-operating income		
Interest income	687	889
Interest on refund	—	1,578
Reversal of distribution payable	856	876
Total non-operating income	1,544	3,343
Non-operating expenses		
Interest expenses	498,917	516,655
Interest expenses on investment corporation bonds	48,731	49,268
Amortization of investment corporation bonds issuance costs	4,855	4,855
Borrowing related expenses	165,237	155,990
Amortization of investment unit issuance costs	67,909	73,649
Other	3,224	1,230
Total non-operating expenses	788,876	801,650
Ordinary income	2,448,033	2,510,520
Income before income taxes	2,448,033	2,510,520
Income taxes		
Current	958	925
Deferred	0	1
Total income taxes	958	927
Net income	2,447,075	2,509,593
Retained earnings brought forward	56	65
Unappropriated retained earnings	2,447,131	2,509,659

The accompanying notes in sections (6), (7) and (8) below are an integral part of these statements.

(3) Statement of changes in net assets

(Thousands of yen)

For the six months ended June 30, 2013

	Unitholders' equity			Valuation and translation adjustments			
	Surplus				Total		
	Unitholders' capital	Retained earnings	Total surplus	Total unitholders' equity	Deferred gains or (losses) on hedges	valuation and translation adjustments	Total net assets
	(Note 2)						
Balance as of January 1, 2013	61,881,445	2,023,328	2,023,328	63,904,773	—	—	63,904,773
Changes during the period							
Issuance of new investment units	10,556,138	—	—	10,556,138	—	—	10,556,138
Dividends from surplus	—	(2,023,272)	(2,023,272)	(2,023,272)	—	—	(2,023,272)
Net income	—	2,447,075	2,447,075	2,447,075	—	—	2,447,075
Net changes of items other than unitholders' equity	—	—	—	—	(23,754)	(23,754)	(23,754)
Total changes during the period	10,556,138	423,802	423,802	10,979,940	(23,754)	(23,754)	10,956,185
Balance as of June 30, 2013	72,437,583	2,447,131	2,447,131	74,884,714	(23,754)	(23,754)	74,860,959

For the six months ended December 31, 2013

	Unitholders' equity			Valuation and translation adjustments			
	Surplus				Total		
	Unitholders' capital	Retained earnings	Total surplus	Total unitholders' equity	Deferred gains or (losses) on hedges	valuation and translation adjustments	Total net assets
	(Note 2)						
Balance as of July 1, 2013	72,437,583	2,447,131	2,447,131	74,884,714	(23,754)	(23,754)	74,860,959
Changes during the period							
Dividends from surplus	—	(2,447,065)	(2,447,065)	(2,447,065)	—	—	(2,447,065)
Net income	—	2,509,593	2,509,593	2,509,593	—	—	2,509,593
Net changes of items other than unitholders' equity	—	—	—	—	(95,520)	(95,520)	(95,520)
Total changes during the period	—	62,527	62,527	62,527	(95,520)	(95,520)	(32,993)
Balance as of December 31, 2013	72,437,583	2,509,659	2,509,659	74,947,242	(119,275)	(119,275)	74,827,966

The accompanying notes in sections (6), (7) and (8) below are an integral part of these statements.

(4) Statement of cash distributions

(Yen)

	For the six months ended	
	June 30, 2013	December 31, 2013
Unappropriated retained earnings	2,447,131,283	2,509,659,009
Cash distribution declared	2,447,065,776	2,509,638,576
(Cash distribution declared per unit)	(15,643)	(16,043)
Retained earnings carried forward	65,507	20,433

Note:

In accordance with the distribution policy in Article 25, Paragraph 1, Item 2 of the Investment Corporation's articles of incorporation which stipulates making distributions in excess of 90% of distributable profit as defined in Article 67-15, Paragraph 1 of the Special Taxation Measures Act of Japan for the fiscal period, cash distributions declared for the six months ended June 30, 2013 and December 31, 2013 were ¥2,447,065,776 and ¥2,509,638,576, respectively, which were all of retained earnings at the end of each period except for fractional distribution per unit less than one yen. The Investment Corporation generally does not make distribution in excess of profit prescribed in the article of incorporation 25, Paragraph 2.

(5) Statement of cash flows

(Thousands of yen)

	For the six months ended	
	June 30, 2013	December 31, 2013
Net cash provided by (used in) operating activities:		
Income before income taxes	2,448,033	2,510,520
Depreciation and amortization	842,578	863,316
Amortization of investment corporation bonds issuance costs	4,855	4,855
Amortization of investment unit issuance costs	67,909	73,649
Interest income	(687)	(889)
Interest expenses	547,649	565,924
Changes in assets and liabilities:		
Decrease (increase) in operating accounts receivable	(70,280)	22,770
Decrease (increase) in consumption taxes refundable	(242,209)	242,209
Decrease (increase) in prepaid expenses	(299,653)	294,864
Increase in long-term prepaid expenses	(201,108)	(168,273)
Increase (decrease) in operating accounts payable	75,445	(32,273)
Increase (decrease) in accounts payable - other	31,566	(5,812)
Increase (decrease) in accrued expenses	(43)	85
Increase (decrease) in accrued consumption taxes	(167,201)	216,238
Increase (decrease) in advances received	439,783	(336,691)
Decrease in other noncurrent liabilities	(8,074)	(8,150)
Other, net	43,826	(18,313)
Subtotal	3,512,389	4,224,031
Interest income received	687	889
Interest expenses paid	(549,532)	(567,854)
Income taxes paid	(988)	(998)
Net cash provided by operating activities	2,962,556	3,656,066
Net cash provided by (used in) investing activities:		
Purchases of property, plant and equipment	(4,939,864)	(158,354)
Purchases of property, plant and equipment in trust	(12,572,962)	(177,428)
Purchases of intangible assets	(286)	(188)
Proceeds from tenant leasehold and security deposits	78,458	56,181
Payments of tenant leasehold and security deposits	—	(180)
Proceeds from tenant leasehold and security deposits in trust	340,914	—
Payments of tenant leasehold and security deposits in trust	(38,566)	(552)
Purchase of investment securities	—	(10,000)
Net cash used in investing activities	(17,132,306)	(290,523)
Net cash provided by (used in) financing activities:		
Proceeds from long-term loans payable	16,500,000	9,500,000
Repayments of long-term loans payable	(7,500,000)	(9,500,000)
Payments of investment corporation bonds issuance costs	(4,249)	—
Proceeds from issuance of investment units	10,556,138	—
Payments for investment unit issuance expenses	(206,552)	(54)
Dividends paid	(2,023,432)	(2,447,838)
Net cash provided by (used in) financing activities	17,321,903	(2,447,893)
Net change in cash and cash equivalents	3,152,153	917,650
Cash and cash equivalents at beginning of period	5,583,902	8,736,055
Cash and cash equivalents at end of period (Note 4)	8,736,055	9,653,706

The accompanying notes in sections (6), (7) and (8) below are an integral part of these statements.

(6) Note relating to going concern assumption

Nothing to be noted.

(7) Summary of significant accounting policies

(a) Securities

Non-marketable securities held as available-for-sale are stated at cost determined by the moving average method. Investments in Tokumei Kumiai (anonymous association) agreements are accounted for using the equity method of accounting.

(b) Property, plant and equipment

Property, plant and equipment is recorded at cost. Depreciation of property, plant and equipment, except for land, is calculated on a straight-line basis over the estimated useful lives of the assets as stated below:

Buildings	13-63 years
Structures.....	7-20 years
Machinery and equipment	3-10 years
Tools, furniture and fixtures	6-15 years

(c) Other intangible assets

Other intangible assets are amortized on a straight-line basis.

(d) Long-term prepaid expenses

Long-term prepaid expenses are amortized on a straight-line basis.

(e) Investment unit issuance costs

Investment unit issuance costs are capitalized and amortized on a straight-line basis over three years.

(f) Investment corporation bonds issuance costs

Investment corporation bonds issuance costs are capitalized and amortized on a straight-line basis over the maturity period of the investment corporation bonds.

(g) Taxes on property, plant and equipment

Property, plant and equipment are annually subject to various taxes, such as property taxes and urban planning taxes. An owner of a property is registered in the record maintained by the local government in each jurisdiction, and such taxes are imposed on the owner registered in the record as of January 1 of each year based on the assessment made by the local government.

Under the above tax rules, a seller of a property at the time of disposal is liable for these taxes on the property from the date of disposal to the end of the calendar year in which the property is disposed. The seller, however, is reimbursed by the purchaser for these accrued tax liabilities and the amount of settlement reflects this adjustment. For the purchaser, a portion of such taxes calculated from the acquisition date to the end of the calendar year is capitalized as a cost of the property in accordance with accounting principles and practices generally accepted in Japan ("Japanese GAAP"). In subsequent calendar years, half of such taxes on property, plant and equipment for

each calendar year are charged as operating expenses in each fiscal period.

Taxes on property, plant and equipment capitalized as part of the acquisition cost of properties amounted to ¥222,974 thousand for the six months ended June 30, 2013. No taxes on property and equipment were capitalized for the six months period ended for December 31, 2013.

(h) Hedge accounting

In accordance with the Investment Corporation's risk management policy and its internal rules, the Investment Corporation uses derivative instruments for the purpose of hedging risks that are prescribed in the Investment Corporation's articles of incorporation. The Investment Corporation hedges fluctuations in interest rates of loans payable through the use of interest rate swaps as hedging instruments and deferred hedge accounting is generally applied. The hedge effectiveness of the interest rate swaps is assessed by comparing the cumulative changes in the cash flows of the hedging instruments with those of the hedged items. The Investment Corporation applies, however, the special treatment provided under Japanese GAAP for the interest rate swaps which qualify for hedge accounting and meet specific criteria, under which only the interest received or paid under such swap contracts can be recognized and added to or reduced from any interest earned or incurred on the hedged asset or liability, as appropriate, and the fair value of the interest rate swap is not required to be evaluated separately. An assessment of hedge effectiveness is not performed when the interest rate swaps meet the specific criteria required for such special treatment.

(i) Cash and cash equivalents

Cash and cash equivalents consist of cash, demand deposits, and short-term investments which are highly liquid and readily convertible to cash, have a low risk of price fluctuation, and mature within three months from the date of acquisition.

(j) Accounting treatment of trust beneficiary interests in real estate trusts

For the trust beneficiary interests in real estate trusts, which are commonly utilized to obtain ownership in investment properties in Japan and through which the Investment Corporation holds all of its real estate, all assets and liabilities with respect to assets in trust, as well as all income generated and expenses incurred with respect to assets in trust, are recorded in the relevant balance sheet and income statement accounts of the Investment Corporation in proportion to the percentage interest that such trust beneficiary interest represents. Certain material accounts with respect to assets and liabilities in trust are presented separately from other accounts in the balance sheet of the Investment Corporation.

(k) Consumption taxes

Consumption taxes withheld and consumption taxes paid are not included in the statement of income and retained earnings. The consumption taxes paid are generally offset against the balance of consumption taxes withheld. As such, the excess of payments over amounts withheld are included in current assets and the excess of amounts withheld over payments are included in current liabilities as the case may be.

(8) Notes to financial information

Note 1 – Leasehold right

Leasehold right is right to use nationally-owned land on which IIF Haneda Airport Maintenance Center is located with approval of the authorities under Article 18-6 and 19 of the National Property Act of Japan.

Note 2 – Unitholders' equity

(1) Number of units

	As of	
	June 30, 2013	December 31, 2013
Authorized	4,000,000 units	4,000,000 units
Issued and outstanding	156,432 units	156,432 units

(2) The Investment Corporation is required to maintain net assets of at least ¥50,000 thousand as required by Article 67-4 of the Act on Investment Trusts and Investment Corporations of Japan.

Note 3 – Rent revenue—real estate and expenses related to property rental business

Rent revenue—real estate and expenses related to property rental business for the six months ended June 30, 2013 and December 31, 2013 consist of the following:

	(Thousands of yen)	
	For the six months ended	
	June 30, 2013	December 31, 2013
Rent revenue—real estate:		
Rental and parking revenue	5,554,478	5,730,408
Common area charges	218,725	288,856
Other	18,382	18,400
Total rent revenue—real estate	5,791,586	6,037,664
Expenses related to property rental business:		
Property management fees	27,123	27,554
Facility management fees	71,949	82,446
Utilities	207,618	283,612
Property-related taxes	358,374	439,934
Insurance	16,421	17,017
Repair and maintenance	77,833	54,753
Depreciation	842,578	863,316
Trust fees	10,588	10,805
Leasehold rents	321,594	320,479
Other	328	429
Total expenses related to property rental business	1,934,410	2,100,349
Operating income from property leasing activities	3,857,176	3,937,314

Note 4 – Cash and cash equivalents

Cash and cash equivalents shown in the statement of cash flows consist of the following balance sheet items:

	As of	
	June 30, 2013	December 31, 2013
Cash and bank deposits	6,293,712	7,284,416
Cash and bank deposits in trust	2,442,343	2,369,289
Cash and cash equivalents	8,736,055	9,653,706

(Thousands of yen)

Note 5 – Lease rental revenues

The Investment Corporation leases its properties mainly to corporate tenants. Future minimum rental revenues pursuant to existing rental contracts as of June 30, 2013 and December 31, 2013 (exclusive of the recovery of utility and other charges) scheduled to be received are summarized as follows:

	As of	
	June 30, 2013	December 31, 2013
Due within one year	10,401,845	9,774,574
Due after one year	74,800,742	70,655,487
Total	85,202,587	80,430,062

(Thousands of yen)

Note 6 – Financial instruments

(a) Qualitative information for financial instruments

(i) Policy for financial instrument transactions

The Investment Corporation raises funds through loans payable, the issuance of investment corporation bonds or investment units for the acquisition of real estate properties, expenditures on property maintenance and/or repayment of existing debt. Surplus funds are managed carefully through investment in financial instruments taking into account liquidity and safety in light of the current financial market condition. Derivative instruments are used only for hedging purposes and not for speculation.

(ii) Nature and extent of risks arising from financial instruments and risk management

The funds raised through loans payable or issuance of investment corporation bonds are mainly used to acquire real estate properties or properties in trust, and for the repayment of existing loans payable or investment corporation bonds. Tenant leasehold and security deposits are deposits from tenants. Although loans payable with floating interest rates are subject to fluctuations in market interest rates, the asset manager manages interest fluctuation risk by monitoring market interest rates and measuring the effect on the results of operation of the Investment Corporation. In addition, a certain portion of loans payable with floating interest rates is hedged by derivative instruments (interest rate swaps) as hedging instruments. The hedge effectiveness of the interest rate swaps is assessed by comparing the cumulative changes in the cash flows of the hedging instruments and the hedged items. When the interest rate swaps meet specific criteria required for the special treatment provided under Japanese GAAP, the assessment of hedge effectiveness is not performed. The Investment Corporation uses derivative instruments in accordance with its risk management policy and internal rules.

Liquidity risks relating to loans payable, investment corporation bonds or tenant leasehold and security deposits are managed by preparing monthly plans for funds, maintaining high liquidity and entering into commitment line agreements with banks.

(iii) Supplemental information on fair value of financial instruments

The fair value of financial instruments is based on quoted market prices, if available. When quoted market prices are not available, fair value is estimated using valuation techniques which contain various assumptions. If other valuation models or assumptions were used, the estimated fair value may differ.

(b) Quantitative information for financial instruments

The following table shows the carrying amounts, fair value and valuation differences of financial instruments for which fair value is available as of June 30, 2013 and December 31, 2013.

(Thousands of yen)

	As of					
	June 30, 2013			December 31, 2013		
	Carrying amounts	Fair value	Difference	Carrying amounts	Fair value	Difference
(1) Cash and bank deposits	6,293,712	6,293,712	—	7,284,416	7,284,416	—
(2) Cash and bank deposits in trust	2,442,343	2,442,343	—	2,369,289	2,369,289	—
Total assets	8,736,055	8,736,055	—	9,653,706	9,653,706	—
(1) Current portion of long-term loans payable	7,500,000	7,500,000	—	2,000,000	2,028,553	28,553
(2) Investment corporation bonds—unsecured	10,000,000	9,954,100	(45,900)	10,000,000	10,066,800	66,800
(3) Long-term loans payable	71,500,000	73,242,448	1,742,448	77,000,000	79,126,810	2,126,810
(4) Tenant leasehold and security deposits	48,000	47,882	(117)	48,000	47,947	(52)
(5) Tenant leasehold and security deposits in trust	987,923	886,681	(101,242)	987,833	903,722	(84,110)
Total liabilities	90,035,923	91,631,112	1,595,189	90,035,833	92,173,833	2,138,000
Derivatives (derivatives liabilities), net	(23,754)	(23,754)	—	(119,275)	(119,275)	—

Note (i): The methods and assumption used to estimate fair value are as follows:

Assets

(1) Cash and bank deposits and (2) Cash and bank deposits in trust

Because of their short maturities, the carrying amounts approximate their fair value.

Liabilities

(1) Current portion of long-term loans payable and (3) Long-term loans payable

Long-term loans payable with floating interest rates reflecting changes in market rates within a short term period are stated at their carrying amounts as their carrying amounts approximate their fair values. When long-term loans payable with floating interest rates are hedged by interest rate swaps which qualify for hedge accounting and meet special criteria, the fair value of the hedged long-term loans payable is determined based on the present value of contractual cash flows in conjunction with the hedging interest rate swaps discounted at current market interest rates which would be applicable to new loans payable under the same conditions and terms. The fair value of long-term loans payable with fixed interest rates is determined based on the present value of contractual cash flows discounted at current market interest rates which would be applicable to new loans payable under the same conditions and terms.

(2) Investment corporation bonds—unsecured

The fair value is the quoted price provided by financial market information provider.

(4) Tenant leasehold and security deposits and (5) Tenant leasehold and security deposits in trust

The fair value is determined based on the present value of contractual cash flows discounted at current interest rates which would be applicable to contracts with similar terms and credit risk.

Derivative instruments

Please refer to “Note 7 - Derivative instruments.”

Note (ii): Financial instruments for which fair value is difficult to determine are as follows:

(Thousands of yen)

	As of	
	June 30, 2013	December 31, 2013
Investment securities	—	12,702
Total assets	—	12,702
Tenant leasehold and security deposits	1,824,834	1,919,989
Tenant leasehold and security deposits in trust	6,234,975	6,234,513
Total liabilities	8,059,810	8,154,502

The investment securities (equity interests in anonymous association) are not traded in markets, and it is difficult to estimate reasonable future cash flow.

Also, the above carrying amounts of tenant lease hold and security deposits are not publicly traded, and it is difficult to determine their fair value based on estimated future cash flows because the repayment dates of those deposits are not certain. Therefore, these financial instruments are not included in the above quantitative information.

Note (iii): Cash flows schedule of financial assets after the balance sheet date

(Thousands of yen)						
As of June 30, 2013	Up to 1 year	1-2 years	2-3 years	3-4 years	4-5 years	Over 5 years
Cash and bank deposits	6,293,712	-	-	-	-	-
Cash and bank deposits in trust	2,442,343	-	-	-	-	-
Total	8,736,055	-	-	-	-	-

(Thousands of yen)						
As of December 31, 2013	Up to 1 year	1-2 years	2-3 years	3-4 years	4-5 years	Over 5 years
Cash and bank deposits	7,284,416	-	-	-	-	-
Cash and bank deposits in trust	2,369,289	-	-	-	-	-
Total	9,653,706	-	-	-	-	-

Note (iv): Cash flows schedule of interest-bearing financial liabilities after the balance sheet date

(Thousands of yen)						
As of June 30, 2013	Up to 1 year	1-2 years	2-3 years	3-4 years	4-5 years	Over 5 years
Investment corporation bonds—unsecured	-	-	-	5,000,000	-	5,000,000
Long-term loans payable	7,500,000	4,000,000	-	11,000,000	25,100,000	31,400,000
Total	7,500,000	4,000,000	-	16,000,000	25,100,000	36,400,000

(Thousands of yen)						
As of December 31, 2013	Up to 1 year	1-2 years	2-3 years	3-4 years	4-5 years	Over 5 years
Investment corporation bonds—unsecured	-	-	5,000,000	-	-	5,000,000
Long-term loans payable	2,000,000	-	2,000,000	20,600,000	13,500,000	40,900,000
Total	2,000,000	-	7,000,000	20,600,000	13,500,000	45,900,000

Note 7 – Derivative instruments

Derivative instruments are used only for hedging purpose and are subject to hedge accounting as following tables show.

As of June 30, 2013

(Thousands of yen)						
Method of hedge accounting	Derivative instruments	Hedged item	Notional contract amount of derivative instruments		Fair value	Method used to estimate fair value
				Over 1 year		
Deferred hedge accounting (Note (ii))	Interest rate swaps (Floating-rate to fixed-rate interest)	Long-term loans payable	5,500,000	5,500,000	(23,754)	Note (iii)
Special treatment for hedge accounting of interest rate swaps (Note (i))	Interest rate swaps (Floating-rate to fixed-rate interest)	Long-term loans payable	48,500,000	48,500,000	Note (i)	-

As of December 31, 2013

(Thousands of yen)						
Method of hedge accounting	Derivative instruments	Hedged item	Notional contract amount of derivative instruments		Fair value	Method used to estimate fair value
				Over 1 year		
Deferred hedge accounting	Interest rate swaps (Floating-rate to fixed-rate interest)	Long-term loans payable	5,500,000	5,500,000	(119,275)	Note (iii)
Special treatment for hedge accounting of interest rate swaps (Note (i))	Interest rate swaps (Floating-rate to fixed-rate interest)	Long-term loans payable	58,000,000	58,000,000	Note (i)	-

Note:

- As disclosed in “(7) Summary of significant accounting policies (h) Hedge accounting”, the Investment Corporation applies the special treatment provided under Japanese GAAP for the interest rate swaps which qualify for hedge accounting and meet specific criteria, under which only the interest received or paid under swap contracts, and not the fair value of the derivative, can be determined separately from the hedged asset or liability. Consequently, the fair value of the interest rate swaps as the hedging instruments and the long-term loans payable as the hedged items is calculated together as one and disclosed as such under Note (i) in “Note 6 - Financial instruments (b) Quantitative information for financial instruments”.
- The interest rate swaps contracts totaling of ¥5,500,000 thousand in notional amounts entered into on June 26, 2013 are designated as hedging instruments for specific long-term loans payable funded on June 28, 2013. The contract terms of the interest rate swaps are from December 31, 2013 to each maturity date of the hedged long-term loans payable.
- The fair value is estimated by the counterparty to the interest rate swaps contracts using market interest rates and other assumptions.

Note 8 – Related-party transactions

There were no related-party transactions to be disclosed for the six months ended June 30, 2013 and December 31, 2013.

Note 9 – Income taxes

Deferred tax assets consist of the following:

	(Thousands of yen)	
	As of	
	June 30, 2013	December 31, 2013
Deferred tax assets, current:		
Enterprise tax payable	17	15
Total	17	15
Net deferred tax assets, current	17	15
Deferred tax assets, noncurrent:		
Deferred losses on hedges	8,114	40,744
Subtotal	8,114	40,744
Valuation allowance	(8,114)	(40,744)
Total	—	—
Net deferred tax assets, noncurrent	—	—

A reconciliation of the Investment Corporation's effective tax rates and statutory tax rates is as follows:

	For the six months ended	
	June 30, 2013	December 31, 2013
Statutory tax rates	36.59%	36.59%
Deductible cash distributions	(36.58)	(36.58)
Other	0.03	0.03
Effective tax rates	0.04%	0.04%

Note 10 – Asset retirement obligations

As the Investment Corporation owns IIF Haneda Airport Maintenance Center with the permission for use of the underlying land granted by the Secretary of Tokyo Regional Civil Aviation Bureau under the National Property Act of Japan, the Investment Corporation is obliged to demolish the building and restore the land if the permission is not extended or is revoked. The Investment Corporation, however, expects that, unless exceptional circumstances arise, the permission will continue to be granted until the Investment Corporation voluntarily demolishes the property in light of the past practice relating to the extension and revocation of permission under the National Property Act and the importance of the property as public infrastructure. As the Investment Corporation intends to keep the property for the foreseeable future, it is difficult to determine when the asset retirement obligation may need to be performed, and as such it is impossible to reasonably foresee the amount of the asset retirement obligation. Therefore, the Investment Corporation does not recognize such obligation as a liability.

Note 11 – Fair value of investment and rental property

The Investment Corporation has mainly industrial and infrastructure facilities as investment and rental properties which are located mainly in three major metropolitan areas in Japan. The following table shows the net book value and the fair value of the investment and rental properties in the aggregate for the six months ended June 30, 2013 and December 31, 2013.

(Thousands of yen)

	As of / For the six months ended	
	June 30, 2013	December 31, 2013
Net book value⁽ⁱ⁾		
Balance at the beginning of the period	147,464,375	164,053,231
Net increase (decrease) during the period ⁽ⁱⁱ⁾	16,588,856	(500,581)
Balance at the end of the period	164,053,231	163,552,650
Fair value⁽ⁱⁱⁱ⁾	175,289,000	177,119,000

Note:

(i) The net book value includes leasehold right.

(ii) For the six months ended June 30, 2013:

Changes in the net book value are mainly due to the following acquisitions offset by depreciation.

Acquisitions:	Increase (decrease) in net book value (Thousands of yen)
IIF Kashiwa Logistics Center	1,882,149
IIF Kobe Logistics Center	5,440,594
IIF Kawasaki Science Center(to be developed)	540,593
IIF Osaka Toyonaka Data Center	5,704,190
IIF Osaka Nanko IT Solution Center	1,328,034
IIF Higashi-Osaka Logistics Center	2,373,193

For the six months ended December 31, 2013:

Decrease in the net book value is mainly due to depreciation.

(iii) Fair value has been determined based on the appraisal or researched value provided by independent real estate appraisers.

For rental revenues and expenses for the six months ended June 30, 2013 and December 31, 2013, please refer to “Note 3 - Rent revenue — real estate and expenses related to property rental business.”

Note 12 – Segment information

Segment information for the six months ended June 30, 2013 and December 31, 2013 is as follows:

(a) Operating segment information

Disclosure is omitted as the Investment Corporation is comprised of a single reportable segment engaged in the property rental business.

(b) Enterprise-wide disclosures

(i) Information about products and services

Disclosure is not required as revenues from external customers for the single segment are in excess of 90% of total revenues.

(ii) Information about geographic areas

Revenues from overseas customers:

Disclosure is not required as revenues from external customers attributable to Japan are in excess of 90% of total revenues.

Tangible fixed assets:

Disclosure is not required as tangible fixed assets located in Japan are in excess of 90% of total tangible fixed assets.

(c) Information about major customers

(Thousands of yen)

Name of customer	Revenues for the six months ended June 30, 2013	Relating segment
Japan Airlines Co., Ltd.	1,338,711	Property rental business

(Thousands of yen)

Name of customer	Revenues for the six months ended December 31, 2013	Relating segment
Japan Airlines Co., Ltd.	1,337,409	Property rental business

Note 13 – Per unit information

The net asset value per unit as of June 30, 2013 and December 31, 2013 was ¥478,552 and ¥478,341, respectively. Net income per unit for the six months ended June 30, 2013 and December 31, 2013 was ¥15,951 and ¥16,042, respectively.

Net income per unit is calculated by dividing the net income attributable to unitholders by the weighted average number of units outstanding during the six-month period. The Investment Corporation has no potentially dilutive units.

A basis of calculation of net income per unit is as follows:

(Thousands of yen)

	For the six months ended	
	June 30, 2013	December 31, 2013
Net income	2,447,075	2,509,593
Effect of dilutive unit	-	-
Net income available to common unitholders	2,447,075	2,509,593
Weighted-average number of units outstanding for the period	153,403 units	156,432 units

Note 14 – Subsequent events

Issuance of new investment units

The Board of Directors of the Investment Corporation, at its meeting held on January 15, 2014 and January 27, 2014, resolved to issue new investment units as follows:

(a) Issuance of new investment units through public offering

Investment units shall be offered through a public offering in Japan (“Domestic Public Offering”) and in overseas markets, consisting mainly of the U.S. and European markets (provided, however, that offering in the U.S. market shall be restricted to qualified institutional buyers pursuant to Rule 144A under the U.S. Securities Act of 1933) (referred to as “Overseas Offering” and collectively with the Domestic Public Offering, the “Offerings”).

(i) Number of new investment units to be offered:

8,884 investment units, out of which 4,334 new units to be offered through the Domestic Public Offering and 4,550 new units to be offered through the Overseas Offering consisting of 4,334 new units to be underwritten and purchased by overseas underwriters and an option to purchase up to an aggregate of 216 additional new units granted to the overseas underwriters.

(ii) Issue price (Offer price): ¥803,400 per unit

(iii) Total issue price (Total offer price): ¥7,137,405,600

(iv) Issue value (Amount to be paid in): ¥775,384 per unit

(v) Total issue value (Total amount to be paid in): ¥6,888,511,456

(vi) Payment date: February 3, 2014

(vii) Distribution:

The units to be issued will first be entitled to distributions, if any, for the six months commencing on January 1, 2014 and ending on June 30, 2014.

(b) Issuance of new investment units through third-party allotment

(i) Number of new investment units: 216 investment units

(ii) Issue value (Amount to be paid in): ¥775,384 per unit

(iii) Total issue value (Total amount to be paid in): ¥167,482,944

(iv) Payment date: Scheduled on March 4, 2014

(v) Distribution:

The units to be issued will first be entitled to distributions, if any, for the six months commencing on January 1, 2014 and ending on June 30, 2014.

(iv) Allottee: Nomura Securities Co., Ltd.

There may be cases where there will be no subscription for the investment units offered in the third-party allotment in whole or in part, and the final number of investment units placed under the third-party allotment may accordingly decrease to that extent due to forfeiture, or such allotment itself may not take place at all.

(c) Use of proceeds

The Investment Corporation will use the net proceeds from the Offerings and the third-party allotment for acquisition of additional specified assets.

As a result of the Offerings, unitholders' capital increased to ¥79,326,094,765 and number of investment units issued and outstanding increased to 165,316 units on February 3, 2014.

[Omission of disclosure]

Notes relating to investment securities and retirement benefits are omitted as immaterial.

(9) Changes in unit issued and outstanding

There was no change in unitholders' capital for the six months ended December 31, 2013. The outline of changes in unitholders' capital for the previous periods was as follows:

Date	Capital transaction	Number of units issued and outstanding		Unitholders' capital (Millions of yen)		Note
		Increase	Balance	Increase	Balance	
March 26, 2007	Private placement for incorporation	400	400	200	200	Note 1
October 17, 2007	Public offering	76,000	76,400	35,112	35,312	Note 2
November 19, 2007	Allocation of investment units to a third party	2,635	79,035	1,217	36,529	Note 3
March 8, 2011	Public offering	14,200	93,235	5,556	42,085	Note 4
March 24, 2011	Allocation of investment units to a third party	397	93,632	155	42,241	Note 5
March 5, 2012	Public offering	44,762	138,394	18,705	60,946	Note 6
March 26, 2012	Allocation of investment units to a third party	2,238	140,632	935	61,881	Note 7
February 4, 2013	Public offering	15,424	156,056	10,304	72,186	Note 8
March 5, 2013	Allocation of investment units to a third party	376	156,432	251	72,437	Note 9

Note 1 The Investment Corporation was incorporated through private placement at a price of ¥500,000 per unit.

Note 2 New investment units were issued at a price of ¥480,000 per unit (subscription price of ¥462,000 per unit) through a public offering in order to raise funds for acquiring new real property.

Note 3 New investment units were issued at a price of ¥462,000 per unit through the allocation of investment units to a third-party in order to raise funds for acquiring new real property.

Note 4 New investment units were issued at a price of ¥405,945 per unit (subscription price of ¥391,297 per unit) through a public offering in order to raise funds for acquiring new real property.

Note 5 New investment units were issued at a price of ¥391,297 per unit through the allocation of investment units to a third-party in order to raise funds for acquiring new real property.

Note 6 New investment units were issued at a price of ¥432,135 per unit (subscription price of ¥417,879 per unit) through a public offering in order to raise funds for acquiring new real property.

Note 7 New investment units were issued at a price of ¥417,879 per unit through the allocation of investment units to a third-party in order to raise funds for acquiring new real property.

Note 8 New investment units were issued at a price of ¥692,250 per unit (subscription price of ¥668,110 per unit) through a public offering in order to raise funds for acquiring new real property.

Note 9 New investment units were issued at a price of ¥668,110 per unit through the allocation of investment units to a third-party in order to raise funds for acquiring new real property.

Note 10 All investment units are common investment units.

4. Changes in officers

Changes in officers had been otherwise disclosed under the rule of timely disclosure.

5. Additional information

(1) Composition of assets

Classification of assets	Asset category	Location category (Note 1)	Region	As of June 30, 2013		As of December 31, 2013	
				Total of net book value (Millions of yen)	Composition ratio (Note 2) (%)	Total of net book value (Millions of yen)	Composition ratio (Note 2) (%)
Real property	Logistics facilities or Manufacturing and R&D facilities, etc. (Industrial properties)	Urban and suburban or Industrial-area	Tokyo metropolitan area	10,043	5.7	10,061	5.8
			Osaka and Nagoya metropolitan areas	3,525	2.0	3,554	2.0
			Other area	—	—	—	—
		Other	Tokyo metropolitan area	—	—	—	—
			Osaka and Nagoya metropolitan areas	—	—	—	—
			Other area	—	—	—	—
	Infrastructure facilities (Infrastructure properties)	Urban and suburban or Industrial-area	Tokyo metropolitan area	45,688	26.1	45,451	25.9
			Osaka and Nagoya metropolitan areas	—	—	—	—
			Other area	—	—	—	—
		Other	Tokyo metropolitan area	—	—	—	—
			Osaka and Nagoya metropolitan areas	—	—	—	—
			Other area	—	—	—	—
Trust beneficial interest in real property	Logistics facilities or Manufacturing and R&D facilities, etc. (Industrial properties)	Urban and suburban or Industrial-area	Tokyo metropolitan area	68,282	39.0	68,173	38.9
			Osaka and Nagoya metropolitan areas	6,649	3.8	6,635	3.8
			Other area	—	—	—	—
		Other	Tokyo metropolitan area	—	—	—	—
			Osaka and Nagoya metropolitan areas	—	—	—	—
			Other area	—	—	—	—
	Infrastructure facilities (Infrastructure properties)	Urban and suburban or Industrial-area	Tokyo metropolitan area	5,472	3.1	5,436	3.1
			Osaka and Nagoya metropolitan areas	24,390	13.9	24,240	13.9
			Other area	—	—	—	—
		Other	Tokyo metropolitan area	—	—	—	—
			Osaka and Nagoya metropolitan areas	—	—	—	—
			Other area	—	—	—	—
Sub-total				164,053	93.6	163,552	93.4
Investments in Tokumei Kumiai agreement (Note 3)				—	—	12	0.0
Bank deposits and other assets				11,143	6.4	11,585	6.6
Total assets				175,196	100.0	175,150	100.0
Total liabilities				100,335	57.3	100,322	57.3
Total net assets				74,860	42.7	74,827	42.7

Note 1 “Location category” is classified as below.

Location category	Description
Urban and suburban properties	Properties located in Japan's three major urban areas ⁽ⁱ⁾ , cities designated by government ordinance, or similar areas
Industrial-area properties	Generally, properties located in industrial zones ⁽ⁱⁱ⁾ that generate more than ¥1 trillion in manufactured product shipments
Other properties	Properties that do not fall within either of the above categories but have an expected risk/return profile suitable for investment

(i) Japan's three major urban areas are the greater Tokyo, Osaka and Nagoya areas. The greater Tokyo area consists of Tokyo, Kanagawa, Chiba and Saitama prefectures; the greater Osaka area consists of Shiga, Kyoto, Osaka, Hyogo, Nara and Wakayama prefectures; and the greater Nagoya area consists of Aichi, Mie and Gifu prefectures.

(ii) Industrial zones means industrial zones as defined in the Report on Industry Statistics issued by Ministry of Economy, Trade and Industry of Japan.

Note 2 “Composition ratio” is calculated by rounding to the nearest first decimal place.

Note 3 Investments in Tokumei Kumiai agreement is an equity interest of an anonymous association managed by Limited Liability Company SBS Logi Fund 1 whose investment asset is Kyo-tanabe Logistics Center held in the form of trust beneficiary interest.

(2) Outline of portfolio properties

The principal properties (top ten properties in net book value) as of December 31, 2013 were as follows:

Name of property	Net book value (Millions of yen)	Leasable area (Note 1) (m ²)	Leased area (Note 2) (m ²)	Occupancy ratio (Note 3) (%)	Ratio of rental revenue to total rental revenues (Note 3) (%)	Major use
IIF Haneda Airport Maintenance Center	40,257	81,995.81	81,995.81	100.0	22.2	Infrastructure facility
IIF Kobe District Heating and Cooling Center	17,260	11,275.39	11,275.39	100.0	5.5	Infrastructure facility
IIF Shinonome Logistics Center (Note 4)	13,304	27,493.29	27,493.29	100.0	6.6	Logistics facility
IIF Mitaka Card Center	9,266	21,615.01	21,615.01	100.0	6.0	Manufacturing and R&D facility, etc.
IIF Shinonome R&D Center (Note 5)	9,008	17,045.30	17,045.30	100.0	—	Manufacturing and R&D facility, etc.
IIF Kamata R&D Center (Note 5)	7,508	21,896.56	21,896.56	100.0	—	Manufacturing and R&D facility, etc.
IIF Noda Logistics Center	5,836	38,828.10	38,828.10	100.0	4.0	Logistics facility
IIF Osaka Toyonaka Data Center (Note 5)	5,668	20,027.14	20,027.14	100.0	—	Infrastructure facility
IIF Zama IT Solution Center (Note 5)	5,436	10,931.89	10,931.89	100.0	—	Infrastructure facility
IIF Kobe Logistics Center (Note 5)	5,406	39,567.74	39,567.74	100.0	—	Logistics facility
Total	118,955	290,676.23	290,676.23	100.0	71.0	

Note 1 “Leasable area” means the leasable area of the building or land of each property indicated in the lease agreement.

Note 2 “Leased area” means the leased area of the building or land of each property indicated in the lease agreement.

Note 3 “Occupancy ratio” (percentage of leased area against the leasable area at the end of accounting period) and “Ratio of rental revenue to total rental revenues” are calculated by rounding to the nearest first decimal place.

Note 4 The Investment Corporation owns 53% of the trust beneficial interest in the property. The leasable area and leased area of the property show 53% of the total leasable area or leased area as the share of quasi-co-ownership.

Note 5 “Ratio of rental revenue to total rental revenues” of the properties are not disclosed because the consent from the tenants has not been obtained.

The details of logistics facilities, manufacturing and R&D facilities, etc. or infrastructure facilities held by the Investment Corporation as of December 31, 2013 were as follows:

Name of property	Location (Note 1)	Form of ownership	Leasable area (Note 2) (m ²)	Appraisal value at end of period (Note 3) (Millions of yen)	Net book value (Millions of yen)
IIF Shinonome Logistics Center (Note 4)	19-4, Shinonome 2-chome, Koto-ku, Tokyo, etc.	Trust beneficial interest	27,493.29	15,200	13,304
IIF Noda Logistics Center	340-13, Aza Tamedai, Nishi-sangao, Noda-shi, Chiba, etc.	Trust beneficial interest	38,828.10	7,410	5,836
IIF Shinsuna Logistics Center	2458-5, Shinsuna 3-chome, Koto-ku, Tokyo	Trust beneficial interest	5,741.75	6,400	5,269
IIF Atsugi Logistics Center	6-19, Aza Ikoda, Hase, Atsugi-shi, Kanagawa, etc.	Trust beneficial interest	10,959.68	2,000	1,803
IIF Koshigaya Logistics Center	1-1, Ryutsudanchi 4-chome, Koshigaya-shi, Saitama	Trust beneficial interest	10,113.50	2,420	1,907
IIF Nishinomiya Logistics Center	2, Nishinomiyahama 1-chome, Nishinomiya-shi, Hyogo	Trust beneficial interest	10,608.00	1,620	1,228
IIF Narashino Logistics Center (land with leasehold interest)	34-9, Akanehama 3-chome, Narashino-shi, Chiba	Real property	19,834.71	2,240	1,223
IIF Narashino Logistics Center II (land with leasehold interest)	34-1, Akanehama 3-chome, Narashino-shi, Chiba	Trust beneficial interest	58,070.00	4,220	3,435
IIF Atsugi Logistics Center II	602-9, Aza Kitaya, Funako, Atsugi-shi, Kanagawa	Real property	20,661.13	3,480	3,340
IIF Yokohama Tsuzuki Logistics Center	747-1, Aza Minamikochi, Kawamukou-cho, Tsuzuki-ku Yokohama-shi, Kanagawa, etc.	Trust beneficial interest	9,464.03	2,840	2,384
IIF Saitama Logistics Center	398-3, Yoshino-cho 1-chome, Kita-ku, Saitama-shi, Saitama, etc.	Trust beneficial interest	8,995.00	1,820	1,530
IIF Nagoya Logistics Center	34, Yanagida-cho 2-chome, Nakagawa-ku, Nagoya-shi, Aichi, etc.	Real property	8,721.01	1,160	1,150
IIF Atsugi Logistics Center III	3007-7, Kamiechi Aza Uenohara, Atsugi-shi, Kanagawa	Trust beneficial interest	16,584.64	2,690	2,362
IIF Kawaguchi Logistics Center	4829 Midori-cho, Kawaguchi-shi, Saitama, etc.	Real property	11,705.02	2,900	1,898
IIF Kobe Logistics Center	2-10, Maya-futo, Nada-ku, Kobe-shi, Hyogo, etc.	Trust beneficial interest	39,567.74	6,030	5,406
IIF Higashi-Osaka Logistics Center	701-2, Wakae-higashi-machi 6-chome, Higashi Osaka-shi, Osaka, etc.	Real property	20,461.73	2,670	2,403
IIF Kashiwa Logistics Center	1027-1, Aza Miyagohara, Wasinoya, Kashiwa-shi, Chiba, etc.	Real property	17,373.53	2,400	1,876
IIF Totsuka Technology Center (land with leasehold interest)	334-1, Aza Uchikune, Nase-cho, Totsuka-ku, Yokohama-shi, Kanagawa, etc.	Trust beneficial interest	31,442.47	4,900	4,553
IIF Yokohama Tsuzuki Technology Center	25-2, Kitayamada 4-chome, Tsuzuki-ku, Yokohama-shi, Kanagawa	Real property	4,655.48	1,270	1,174
IIF Mitaka Card Center	444-2, Shimo-Renjaku 7-chome, Mitaka-shi, Tokyo, etc.	Trust beneficial interest	21,615.01	9,320	9,266
IIF Shinonome R&D Center	14-5, Shinonome 1-chome, Koto-ku, Tokyo	Trust beneficial interest	17,045.30	11,100	9,008

Name of property	Location (Note 1)	Form of ownership	Leasable area (Note 2) (m ²)	Appraisal value at end of period (Note 3) (Millions of yen)	Net book value (Millions of yen)
IIF Kamata R&D Center	31-1, Minami-Kamata 2-chome, Ota-ku, Tokyo	Trust beneficial interest	21,896.56	7,750	7,508
IIF Kawasaki Science Center (to be developed)	25-19, Tono-machi 3-chome, Kawasaki-ku, Kawasaki-shi, Kanagawa	Real property	2,941.80	849	546
IIF Kobe District Heating and Cooling Center	77-1, Higashikawasaki-cho 1-chome, Chuo-ku, Kobe-shi, Hyogo	Trust beneficial interest	11,275.39	14,700	17,260
IIF Haneda Airport Maintenance Center	5-1 and 2, Haneda Airport 3-chome, Ota-ku, Tokyo	Real property	81,995.81	39,500	40,257
IIF Zama IT Solution Center	5505-7, Higashihara 5-chome, Zama-shi, Kanagawa	Trust beneficial interest	10,931.89	5,540	5,436
IIF Shinagawa Data Center	521-1, Futaba 2-chome, Shinagawa-ku, Tokyo, etc.	Real property	19,547.11	6,580	5,193
IIF Osaka Toyonaka Data Center	1-38, Shin-senri-nishi-machi 1-chome, Toyonaka-shi, Osaka	Trust beneficial interest	20,027.14	6,040	5,668
IIF Osaka Nanko IT Solution Center	21, Nanko-kita 1-chome, Suminoe-ku, Osaka-shi, Osaka, etc.	Trust beneficial interest	18,435.93	2,070	1,311
Total			596,992.75	177,119	163,552

Note 1 “Location” means the location indicated in the land registry book or the residence indication.

Note 2 “Leasable area” means the leasable area of the building or land of each property indicated in the lease agreement, except for IIF Shinsuna Logistics Center of which leasable area shows a total area of the building indicated in the registry book.

Note 3 “Appraisal value at end of period” shows the value researched by the real estate appraiser in accordance with the methods and standard of assets valuation as stipulated in the Articles of Incorporation of the Investment Corporation as well as the regulations as stipulated by The Investment Trusts Association, Japan.

Note 4 The Investment Corporation owns 53% of the trust beneficial interest in the property. The leasable area of the property shows 53% of the total leasable area as the share of quasi-co-ownership.

Operating results of each property for the six months ended June 30, 2013 and December 31, 2013 were as follows:

Name of property	For the six months ended							
	June 30, 2013				December 31, 2013			
	Number of tenants (Note 1)	Occupancy ratio (Note 2) (%)	Rental revenues (Millions of yen)	Ratio of rental revenue to total rental revenues (Note 2) (%)	Number of tenants (Note 1)	Occupancy ratio (Note 2) (%)	Rental revenues (Millions of yen)	Ratio of rental revenue to total rental revenues (Note 2) (%)
IIF Shinonome Logistics Center	1	100.0	397	6.9	1	100.0	397	6.6
IIF Noda Logistics Center	2	100.0	245	4.2	2	100.0	244	4.0
IIF Shinsuna Logistics Center	1	100.0	168	2.9	1	100.0	173	2.9
IIF Atsugi Logistics Center (Note 3)	1	100.0	—	—	1	100.0	—	—
IIF Koshigaya Logistics Center	1	100.0	75	1.3	1	100.0	75	1.2
IIF Nishinomiya Logistics Center	1	100.0	60	1.0	1	100.0	60	1.0
IIF Narashino Logistics Center (land with leasehold interest) (Note 3)	1	100.0	—	—	1	100.0	—	—
IIF Narashino Logistics Center II (land with leasehold interest)	1	100.0	115	2.0	1	100.0	115	1.9
IIF Atsugi Logistics Center II (Note 3)	1	100.0	—	—	1	100.0	—	—
IIF Yokohama Tsuzuki Logistics Center (Note 3)	1	100.0	—	—	1	100.0	—	—
IIF Saitama Logistics Center	1	100.0	66	1.1	1	100.0	67	1.1
IIF Nagoya Logistics Center	1	100.0	48	0.8	1	100.0	48	0.8
IIF Atsugi Logistics Center III (Note 3)	1	100.0	—	—	1	100.0	—	—
IIF Kawaguchi Logistics Center (Note 3)	1	100.0	—	—	1	100.0	—	—
IIF Kobe Logistics Center (Note 3)	1	100.0	—	—	1	100.0	—	—
IIF Higashi-Osaka Logistics Center (Note 3)	2	96.2	—	—	3	97.1	—	—
IIF Kashiwa Logistics Center (Note 3)	1	100.0	—	—	1	100.0	—	—
IIF Totsuka Technology Center (land with leasehold interest)	1	100.0	154	2.7	1	100.0	154	2.6
IIF Yokohama Tsuzuki Technology Center	1	100.0	57	1.0	1	100.0	57	1.0
IIF Mitaka Card Center	1	100.0	364	6.3	1	100.0	364	6.0

Name of property	For the six months ended							
	June 30, 2013				December 31, 2013			
	Number of tenants (Note 1)	Occupancy ratio (Note 2) (%)	Rental revenues (Millions of yen)	Ratio of rental revenue to total rental revenues (Note 2) (%)	Number of tenants (Note 1)	Occupancy ratio (Note 2) (%)	Rental revenues (Millions of yen)	Ratio of rental revenue to total rental revenues (Note 2) (%)
IIF Shinonome R&D Center (Note 3)	1	100.0	—	—	1	100.0	—	—
IIF Kamata R&D Center (Note 3)	1	100.0	—	—	1	100.0	—	—
IIF Kawasaki Science Center (to be developed) (Note 3)	1	100.0	—	—	1	100.0	—	—
IIF Kobe District Heating and Cooling Center	1	100.0	330	5.7	2	100.0	330	5.5
IIF Haneda Airport Maintenance Center	1	100.0	1,339	23.1	1	100.0	1,337	22.2
IIF Zama IT Solution Center (Note 3)	1	100.0	—	—	1	100.0	—	—
IIF Shinagawa Data Center (Note 3)	1	100.0	—	—	1	100.0	—	—
IIF Osaka Toyonaka Data Center (Note 3)	1	100.0	—	—	1	100.0	—	—
IIF Osaka Nanko IT Solution Center (Note 3)	1	100.0	—	—	1	100.0	—	—
Total (Note 4)	31	99.9	5,791	100.0	33	99.9	6,037	100.0

Note 1 “Number of tenants” shows the number of lessee for the properties. The total column of “Number of tenants” shows the simple sum for the number of lessee.

Note 2 “Occupancy ratio” (percentage of leased area against the leasable area at the end of accounting period) and “Ratio of rental revenue to total rental revenues” are calculated by rounding to the nearest first decimal place.

Note 3 “Ratio of rental revenue to total rental revenues” of the properties are not disclosed because the consent from the tenants has not been obtained.

Note 4 The total column of “Occupancy ratio” shows percentage of total leased area against total leasable area at the end of accounting period. Figures are rounded to the nearest first decimal place.