



Industrial & Infrastructure Fund  
Investment Corporation

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Investor Presentation for the December 2014 (15th) Period～Appendix～



Mitsubishi Corp UBS Realty

Ticker 3249

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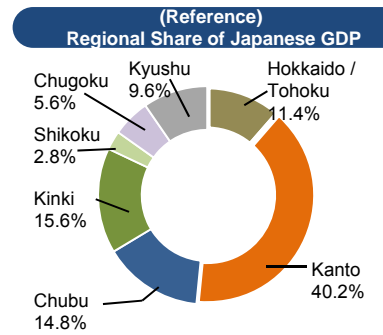
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- A) Portfolio Data and Other Materials
- B) Overview of the PO in March 2015

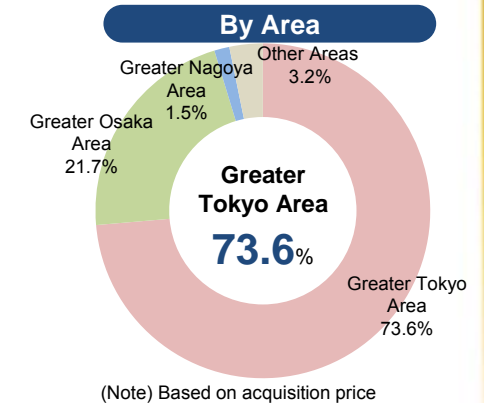
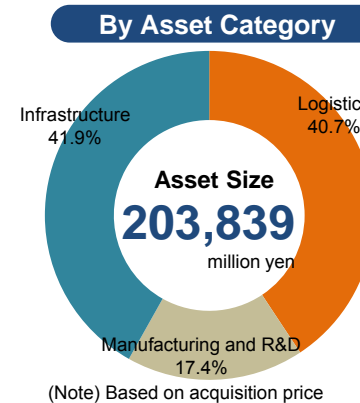
## A) Portfolio Data and Other Materials

# Portfolio Summary (After Anticipated Acquisitions)

## Portfolio after Anticipated Acquisitions



(Note) Cabinet Office, Japan, Annual Report on Prefectural Accounts for FY 2011 (released on June 25, 2014)



(Note) Ministry of Land, Infrastructure, Transport and Tourism, Japan, "Recommendation Paper from the Council of Advisers for Revitalization of Metropolitan Expressways" (Sep 2012)



# Portfolio Summary (After Anticipated Acquisitions)

## Greater Tokyo Area (27 properties)

### Logistics (16 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



**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



**L-19** IIF Kashiwa Logistics Center



**L-20** IIF Misato Logistics Center



**L-21** IIF Iruma Logistics Center



**L-23** IIF Inzai Logistics Center

### Manufacturing / R&D (7 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



**F-7** IIF Sagamiara R&D Center

### Infrastructure (4 properties)



**I-2** IIF Haneda Air Port Maintenance Center



**I-3** IIF Zama IT Solution Center



**I-4** IIF Shinagawa Data Center



**I-8** IIF Shinagawa IT Solution Center

## Greater Osaka Area (9 properties)

### Logistics (6 properties)



**L-8** IIF Nishinomiya Logistics Center



**L-17** IIF Kobe Logistics Center



**L-18** IIF Higashi-Osaka Logistics Center



**L-26** IIF Izumiotsu e-shop Logistics Center  
(land with leasehold interest)



**L-27** IIF Izumisano Food Processing and Logistics Center



**L-28** IIF Kyotanabe Logistics Center

### Infrastructure (3 properties)



**I-1** IIF Kobe District Heating and Cooling Center



**I-5** IIF Osaka Toyonaka Data Center



**I-6** IIF Osaka Nanko IT Solution Center

## Greater Nagoya Area (2 properties)

### Logistics



**L-14** IIF Nagoya Logistics Center

### Infrastructure



**I-7** IIF Nagoya Port Tank Terminal  
(land with leasehold interest)

## Other Areas (4 properties)

### Logistics (4 properties)



**L-22** IIF Tosu Logistics Center



**L-24** IIF Morioka Logistics Center



**L-25** IIF Hiroshima Logistics Center



**L-29** IIF Fukuoka Koga Vehicle Logistics Center  
(land with leasehold interest)

# Our Portfolio (1)

## Logistics Centers and Manufacturing R&D Facilities

Property Number	Name of Property	Location	Date Completed (Note 1)	Acquisition Price (million yen)	Percentage	Appraisal Value as of the End of Period (million yen) (Note 2)	Percentage	Total Leasable Area (Note 3)	Percentage	Occupancy Rate (Note 4)	PML (Note 5)
L-1	IIF Shinonome Logistics Center <sup>(Note 6)</sup>	Koto-ku, Tokyo	Feb 2006	13,700	6.7%	15,741	6.9%	27,493.29㎡	3.0%	100.0%	4.6%
L-4	IIF Noda Logistics Center	Noda-shi, Chiba	Mar 2006	6,500	3.2%	7,700	3.4%	38,828.10㎡	4.3%	100.0%	0.3%
L-5	IIF Shinsuna Logistics Center	Koto-ku, Tokyo	Jun 1998	5,300	2.6%	6,660	2.9%	5,741.75㎡	0.6%	100.0%	6.4%
L-6	IIF Atsugi Logistics Center	Atsugi-shi, Kanagawa	Jan 2005	2,100	1.0%	2,070	0.9%	10,959.68㎡	1.2%	100.0%	8.7%
L-7	IIF Koshigaya Logistics Center	Koshigaya-shi, Saitama	Sep 1985	2,000	1.0%	2,510	1.1%	10,113.50㎡	1.1%	100.0%	2.6%
L-8	IIF Nishinomiya Logistics Center	Nishinomiya-shi, Hyogo	May 1997	1,300	0.6%	1,650	0.7%	10,608.00㎡	1.2%	100.0%	9.9%
L-9	IIF Narashino Logistics Center (land with leasehold)	Narashino-shi, Chiba	—	1,190	0.6%	2,390	1.0%	19,834.71㎡	2.2%	100.0%	—
L-10	IIF Narashino Logistics Center II (land with leasehold) (building with leasehold)	Narashino-shi, Chiba	—	3,350	1.6%	5,940	2.6%	58,070.00㎡	6.4%	100.0%	—
			Apr 1991	1,200	0.6%	0	0.0%	25,835.16㎡	2.8%	100.0%	9.2%
L-11	IIF Atsugi Logistics Center II	Atsugi-shi, Kanagawa	Oct 1992	3,100	1.5%	3,610	1.6%	20,661.13㎡	2.3%	100.0%	7.6%
L-12	IIF Yokohama Tsuduki Logistics Center	Yokohama-shi, Kanagawa	Sep 1998	2,350	1.2%	2,970	1.3%	9,464.03㎡	1.0%	100.0%	8.7%
L-13	IIF Saitama Logistics Center	Saitama-shi, Saitama	Dec 1989	1,490	0.7%	1,950	0.9%	8,995.00㎡	1.0%	100.0%	4.2%
L-14	IIF Nagoya Logistics Center	Nagoya-shi, Aichi	Apr 1990	1,050	0.5%	1,300	0.6%	8,721.01㎡	1.0%	100.0%	9.1%
L-15	IIF Atsugi Logistics Center III	Atsugi-shi, Kanagawa	Oct 1981	2,290	1.1%	2,780	1.2%	16,584.64㎡	1.8%	100.0%	7.3%
L-16	IIF Kawaguchi Logistics Center	Kawaguchi-shi, Saitama	Apr 2002	1,770	0.9%	3,560	1.6%	11,705.02㎡	1.3%	100.0%	10.7%
L-17	IIF Kobe Logistics Center	Kobeshi, Hyogo	Jan 2001	5,193	2.5%	6,500	2.8%	39,567.74㎡	4.3%	100.0%	5.5%
L-18	IIF Higashi Osaka Logistics Center	Higashi Osaka-shi, Osaka	Nov 1991	2,280	1.1%	2,810	1.2%	20,461.73㎡	2.2%	97.1%	9.0%
L-19	IIF Kashiwa Logistics Center	Kashiwa-shi, Chiba	Nov 1990	1,810	0.9%	2,540	1.1%	17,373.53㎡	1.9%	100.0%	4.4%
L-20	IIF Misato Logistics Center	Misato-shi, Saitama	Feb 2007	3,550	1.7%	4,400	1.9%	19,019.71㎡	2.1%	100.0%	4.0%
L-21	IIF Iruma Logistics Center	Iruma-shi, Saitama	Dec 2010	3,184	1.6%	3,840	1.7%	17,881.65㎡	2.0%	100.0%	5.8%
L-22	IIF Tosu Logistics Center	Tosu-shi, Saga	Feb 2007	1,570	0.8%	1,790	0.8%	13,862.05㎡	1.5%	100.0%	0.8%
L-23	IIF Inzai Logistics Center	Inzai-shi, Chiba	Feb 2007	1,060	0.5%	1,180	0.5%	5,490.00㎡	0.6%	100.0%	4.7%
L-24	IIF Morioka Logistics Center	Shiwa-gun, Iwate	Aug 2005	600	0.3%	1,110	0.5%	8,001.57㎡	0.9%	100.0%	1.9%
L-25	IIF Hiroshima Logistics Center	Hiroshima-shi, Hiroshima	Dec 2013	3,540	1.7%	4,090	1.8%	22,768.24㎡	2.5%	100.0%	4.8%
L-26	IIF Izumiotsu e-shop Logistics Center(land with leasehold interest)	Izumiotsu-shi, Osaka	—	4,000	2.0%	4,220	1.8%	48,932.00㎡	5.4%	100.0%	---
L-27	IIF Izumisano Food Processing and Logistics Center	Izumisano-shi, Osaka	Oct 1996	860	0.4%	999	0.4%	13,947.83㎡	1.5%	100.0%	12.3%
L-28	IIF Kyotanabe Logistics Center	Kyotanabe-shi, Kyoto	Mar 2007	5,730	2.8%	6,350	2.8%	33,243.99㎡	3.6%	100.0%	5.6%
L-29	IIF Fukuoka Koga Vehicle Logistics Center(land with leasehold interest)	Koga-shi, Fukuoka	—	860	0.4%	959	0.4%	30,880.41㎡	3.4%	100.0%	---
Logistics Centers Total				82,927	40.7%	101,619	44.4%	575,045.47㎡	63.1%	99.9%	—
F-1	IIF Totsuka Technology Center (land with leasehold)	Yokohama-shi, Kanagawa	—	4,500	2.2%	5,030	2.2%	31,442.47㎡	3.4%	100.0%	—
F-2	IIF Yokohama Tsuduki Technology Center	Yokohama-shi, Kanagawa	Feb 1996	1,100	0.5%	1,290	0.6%	4,655.48㎡	0.5%	100.0%	3.3%
F-3	IIF Mitaka Card Center	Mitaka-shi, Tokyo	Apr 1994	8,700	4.3%	9,620	4.2%	21,615.01㎡	2.4%	100.0%	6.7%
F-4	IIF Shinonome R&D Center	Koto-ku, Tokyo	Mar 1989	8,800	4.3%	11,600	5.1%	17,045.30㎡	1.9%	100.0%	4.5%
F-5	IIF Kamata R&D Center	Ohta-ku, Tokyo	Jun 1988	7,200	3.5%	8,020	3.5%	21,896.56㎡	2.4%	100.0%	7.7%
F-6	IIF Kawasaki Science Center	Kawasaki-shi, Kanagawa	May 2014	2,168	1.1%	2,780	1.2%	4,857.73㎡	0.5%	100.0%	9.7%
F-7	IIF Sagami-hara R&D Center	Sagami-hara-shi, Kanagawa	Jul 1989	3,100	1.5%	3,460	1.5%	14,304.37㎡	1.6%	100.0%	8.5%
Manufacturing and R&D Facilities Total (Excluding <Reference>)				35,568	17.4%	41,800	18.3%	115,816.92㎡	12.7%	100.0%	—

## Our Portfolio (2)

### Infrastructure and Portfolio Total

Property Number	Name of Property	Location	Date Completed (Note 1)	Acquisition Price		Appraisal Value as of the End of Period		Total Leasable Area		Occupancy Rate (Note 4)	PML (Note 5)
				(million yen)	Percentage	(million yen)	Percentage	(Note 3)	Percentage		
I-1	IIF Kobe District Heating and Cooling Center	Kobe-shi, Hyogo	Apr 1990	18,100	8.9%	14,700	6.4%	11,275.39㎡	1.2%	100.0%	4.7%
I-2	IIF Haneda Airport Maintenance Center	Ohta-ku, Tokyo	Jun 1993	41,110	20.2%	40,400	17.6%	81,995.81㎡	9.0%	100.0%	M1: 4.3% M2: 3.2%
I-3	IIF Zama IT Solution Center	Zama-shi, Kanagawa	Nov 1988	5,384	2.6%	5,540	2.4%	10,931.89㎡	1.2%	100.0%	7.3%
I-4	IIF Shinagawa Data Center	Shinagawa-ku, Tokyo	Aug 1989	4,900	2.4%	6,910	3.0%	19,547.11㎡	2.1%	100.0%	8.9%
I-5	IIF Osaka Toyonaka Data Center	Toyonaka-shi, Osaka	Sep 1991	5,600	2.7%	5,980	2.6%	20,027.14㎡	2.2%	100.0%	3.8%
I-6	IIF Osaka Nanko IT Solution Center	Osaka-shi, Osaka	Mar 1992	1,150	0.6%	2,270	1.0%	18,435.93㎡	2.0%	100.0%	5.4%
I-7	IIF Nagoya Port Tank Terminal (land with leasehold)	Nagoya-shi, Aichi	—	1,900	0.9%	2,180	1.0%	51,583.70㎡	5.7%	100.0%	—
I-8	IIF Shinagawa IT Solution Center	NEW Shinagawa-ku, Tokyo	Feb 1993	7,200	3.5%	7,520	3.3%	7,089.62㎡	0.8%	82.5%	7.7%
Infrastructure Facilities Total				85,344	41.9%	85,500	37.3%	220,886.59㎡	24.2%	99.4%	—
Portfolio Total				203,839	100.0%	228,919	100.0%	911,748.98㎡	100.0%	99.8%	3.4%

(Note 1) "Date Completed" refers to the date the property was completed as provided in the registry.

(Note 2) "Appraisal Value as of the End of Period" refers to the appraisal value as of December 31, 2014 for existing portfolio and January 1<sup>st</sup>, 2015 for anticipated assets.

(Note 3) "Total Leasable Area" refers to aggregate leasable area of the building or land (in the case of leasehold interest) as provided in the relevant lease agreements. With respect to IIF Shinsuna Logistics Center, the value refers to gross floor area as provided in the registry.

(Note 4) "Occupancy rate" is based on the lease contracts which are effective as of May 29, 2014.

(Note 5) "PML" is based on surveys carried out in January 2015. PML figures for IIF Haneda Airport Maintenance Center are for M1 and M2 earthquakes.

(Note 6) Total Leasable Area and Appraisal Value for IIF Shinonome Logistics Center is in regards to the 53% of quasi-co-ownership interest of the trust beneficiary interests.

# Lease Contracts (1)

## Logistics Centers and Manufacturing R&D Facilities

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 (Note 4)	Lease Term Remaining (Note 5)
L-1	IIF Shinonome Logistics Center	Sagawa Express Co., Ltd.	795	5.7%	Fixed-Term Lease	2006/2/21 ~ 2026/2/20	20.0 years	10.7 years
L-4	IIF Noda Logistics Center	Mitsubishi Corporation LT, Inc.	Not Disclosed	-	Fixed-Term Lease	2006/4/10 ~ 2016/4/10	10.0 years	0.9 years
		Mitsubishi Electric Logistics Corporation	Not Disclosed	-	Fixed-Term Lease	2011/5/1 ~ 2016/4/30	5.0 years	0.9 years
L-5	IIF Shinsuna Logistics Center	Sagawa Express Co., Ltd.	348	2.5%	Ordinary Lease	1998/7/15 ~ 2018/7/14	20.0 years	3.1 years
L-6	IIF Atsugi Logistics Center	Fuji Logitech Next Co., Ltd.	Not Disclosed	-	Fixed-Term Lease	2012/7/1 ~ 2017/6/30	5.0 years	2.1 years
L-7	IIF Koshigaya Logistics Center	Kabushikigaisya Tsukasa	151	1.1%	Fixed-Term Lease	2011/1/1 ~ 2020/12/31	10.0 years	5.6 years
L-8	IIF Nishinomiya Logistics Center	Suzuyo Corporation	119	0.9%	Fixed-Term Lease	2005/8/25 ~ 2025/8/31	20.0 years	10.3 years
L-9	IIF Narashino Logistics Center (land with leasehold)	Kajima Leasing Corporation/JA Mitsui Leasing, Ltd.	Not Disclosed	-	Fixed-Term Lease	2001/9/1 ~ 2021/8/31	20.0 years	6.3 years
L-10	IIF Narashino Logistics Center II	Mitsubishi UFJ Trust and Banking Corporation	232	1.7%	Fixed-Term Lease	2011/4/28 ~ 2021/4/26	50.0 years	45.9 years
		Sapporo Breweries Ltd.	Not Disclosed	-	Fixed-Term Lease	2014/2/8 ~ 2029/2/7	15.0 years	13.7 years
L-11	IIF Atsugi Logistics Center II	Sun Toshi Tatemono Co., Ltd.	Not Disclosed	-	Ordinary Lease	2012/9/1 ~ 2022/8/31	10.0 years	7.3 years
L-12	IIF Yokohama Tsuduki Logistics Center	Tokyo Logistics Factory Co., Ltd.	Not Disclosed	-	Fixed-Term Lease	2009/4/1 ~ 2024/3/31	15.0 years	8.8 years
L-13	IIF Saitama Logistics Center	MM Corporation	134	1.0%	Fixed-Term Lease	2014/12/1 ~ 2019/11/30	5.0 years	4.5 years
L-14	IIF Nagoya Logistics Center	Japan Airways Co., Ltd.	Not Disclosed	-	Fixed-Term Lease	2015/2/1 ~ 2020/1/31	5.0 years	4.7 years
L-15	IIF Atsugi Logistics Center III	Tokyo Logistics Factory Co., Ltd.	Not Disclosed	-	Fixed-Term Lease	2011/10/27 ~ 2017/1/31	5.3 years	1.7 years
L-16	IIF Kawaguchi Logistics Center	Meiji Logitech Co., Ltd.	Not Disclosed	-	Fixed-Term Lease	2014/7/1 ~ 2024/6/30	10.0 years	9.1 years
L-17	IIF Kobe Logistics Center	Nissan Corporation	Not Disclosed	-	Ordinary Lease	2013/2/7 ~ 2024/9/30	11.7 years	9.4 years
		Settsu Warehouse Co., Ltd.	Not Disclosed	-	Fixed-Term Lease	2011/4/1 ~ 2023/3/31	12.0 years	7.8 years
L-18	IIF Higashi Osaka Logistics Center	Settsu Warehouse Co., Ltd.	Not Disclosed	-	Fixed-Term Lease	2014/1/1 ~ 2015/10/31	1.0 years	0.4 years
		Sega Logistics Service Co., Ltd.	Not Disclosed	-	Ordinary Lease	2015/4/1 ~ 2017/3/31	2.0 years	1.8 years
L-19	IIF Kashiwa Logistics Center	Nippon Express Co., Ltd.	Not Disclosed	-	Fixed-Term Lease	2012/12/1 ~ 2017/11/30	5.0 years	2.5 years
L-20	IIF Misato Logistics Center	Takuyo Co., Ltd.	Not Disclosed	-	Ordinary Lease	2007/3/9 ~ 2022/3/31	15.1 years	6.8 years
L-21	IIF Inuma Logistics Center	Daiichi Freight System Inc.	Not Disclosed	-	Fixed-Term Lease	2011/1/15 ~ 2041/1/14	30.0 years	25.7 years
		Sagawa Express Co., Ltd.	Not Disclosed	-	Ordinary Lease	2010/10/1 ~ 2015/9/30	5.0 years	0.3 years
L-22	IIF Tosu Logistics Center	Hinode Corporation	Not Disclosed	-	Ordinary Lease	2007/9/27 ~ 2021/6/30	13.8 years	6.1 years
L-23	IIF Inzai Logistics Center	Sun Logistics Co., Ltd.	Not Disclosed	-	Fixed-Term Lease	2007/4/1 ~ 2022/3/31	15.0 years	6.8 years
L-24	IIF Morioka Logistics Center	Kao System Logistics Co., Ltd.	Not Disclosed	-	Fixed-Term Lease	2012/8/10 ~ 2015/9/15	3.1 years	0.3 years
L-25	IIF Hiroshima Logistics Center	Muroo Co., Ltd.	Not Disclosed	-	Fixed-Term Lease	2014/1/9 ~ 2029/1/8	15.0 years	13.6 years
L-26	IIF Izumiotsu e-shop Logistics Center(land with leasehold interest)	<b>NEW</b> Kohnan Shoji Co., Ltd.	Not Disclosed	-	Fixed-Term Lease	2004/10/1 ~ 2024/9/30	20.0 years	9.4 years
L-27	IIF Izumisano Food Processing and Logistics Center	<b>NEW</b> Nakano Shokai Co., Ltd.	Not Disclosed	-	Fixed-Term Lease	2015/3/24 ~ 2025/3/23	10.0 years	9.8 years
L-28	IIF Kyotanabe Logistics Center	<b>NEW</b> Takara Butsuryu Inc.	Not Disclosed	-	Ordinary Lease	2007/3/30 ~ 2017/12/31	10.8 years	2.6 years
L-29	IIF Fukuoka Koga Vehicle Logistics Center(land with leasehold interest)	<b>NEW</b> ORIX Auto Corporation	Not Disclosed	-	Fixed-Term Lease	2015/5/29 ~ 2035/5/28	20.0 years	20.0 years
F-1	IIF Totsuka Technology Center (land with leasehold)	Taisei Corporation	276	2.0%	Fixed-Term Lease	2010/3/31 ~ 2040/3/30	30.0 years	24.9 years
F-2	IIF Yokohama Tsuduki Technology Center	TÜV Rheinland Japan Ltd.	117	0.8%	Fixed-Term Lease	2008/10/1 ~ 2030/9/30	22.0 years	15.4 years
F-3	IIF Mitaka Card Center	JCB Co., Ltd.	730	5.2%	Ordinary Lease	2002/8/30 ~ 2019/2/28	16.5 years	3.8 years
F-4	IIF Shinonome R&D Center	Nihon Unisys, Ltd.	Not Disclosed	-	Ordinary Lease	2013/4/1 ~ 2017/3/31	4.0 years	1.8 years
F-5	IIF Kamata R&D Center	Tokyo KEIKI Inc.	Not Disclosed	-	Fixed-Term Lease	2011/5/1 ~ 2026/3/31	14.9 years	10.8 years
F-6	IIF Kawasaki Science Center	Johnson & Johnson K.K. Medical Company	Not Disclosed	-	Fixed-Term Lease	2014/5/16 ~ 2029/5/15	15.0 years	14.0 years
		Micron Memory Japan Inc.	Not Disclosed	-	Ordinary Lease	2015/4/1 ~ 2016/3/31	1.0 years	0.8 years
		Micron Memory Japan Inc.	Not Disclosed	-	Ordinary Lease	2015/4/1 ~ 2016/3/31	1.0 years	0.8 years
		Tera Probe, Inc.	Not Disclosed	-	Ordinary Lease	2014/10/1 ~ 2015/9/30	1.0 years	0.3 years
F-7	IIF Sagami R&D Center	<b>NEW</b> NEC Informatec Systems, Ltd.	Not Disclosed	-	Ordinary Lease	2015/4/1 ~ 2016/3/31	1.0 years	0.8 years
		SINCERE Corporation	Not Disclosed	-	Ordinary Lease	2015/4/1 ~ 2016/3/31	1.0 years	0.8 years
		Nittsu NEC Logistics, Ltd.	Not Disclosed	-	Ordinary Lease	2015/4/1 ~ 2016/3/31	1.0 years	0.8 years
		NEC Corporation	Not Disclosed	-	Loan for use	2015/3/20 ~ 2016/3/19	1.0 years	0.8 years



## Lease Contracts (2)

### Infrastructure Facilities and Portfolio Total

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 (Note 4)	Lease Term Remaining (Note 5)	
I-1	IIF Kobe District Heating and Cooling Center	Osaka Gas Co., Ltd.	640	4.6%	Fixed-Term Lease	2012/6/7	~ 2024/6/6	12.0 years	9.0 years	
		Osaka Gas Co., Ltd.	20	0.1%	Fixed-Term Lease	2012/6/7	~ 2024/6/6	12.0 years	9.0 years	
I-2	IIF Haneda Airport Maintenance Center	Japan Airlines Co., Ltd.	1,849	13.3%	Fixed-Term Lease	2010/8/10	~ 2025/12/31	15.4 years	10.6 years	
I-3	IIF Zama IT Solution Center	IBM Japan, Ltd.	Not Disclosed	-	Fixed-Term Lease	2011/7/26	~ 2021/7/25	10.0 years	6.2 years	
I-4	IIF Shinagawa Data Center	XYMAX PROPERTIES Corporation	Not Disclosed	-	Fixed-Term Lease	2012/3/7	~ 2022/3/6	10.0 years	6.8 years	
I-5	IIF Osaka Toyonaka Data Center	Nomura Building Management Co.,Ltd.	Not Disclosed	-	Fixed-Term Lease	2013/2/7	~ 2023/2/6	10.0 years	7.7 years	
I-6	IIF Osaka Nanko IT Solution Center	Nomura Research Institute, Ltd.	Not Disclosed	-	Fixed-Term Lease	2013/2/7	~ 2023/2/28	10.1 years	7.8 years	
I-7	IIF Nagoya Port Tank Terminal (land with leasehold)	Chemical Logitec Co., Ltd.	Not Disclosed	-	Fixed-Term Lease	2014/2/7	~ 2064/1/6	49.9 years	48.6 years	
I-8	IIF Shinagawa IT Solution Center	NEW	Not Disclosed	Not Disclosed	-	Ordinary Lease	2013/9/1	~ 2015/8/31	2.0 years	0.3 years
			Not Disclosed	Not Disclosed	-	Ordinary Lease	2013/9/1	~ 2015/8/31	2.0 years	0.3 years
			Hitachi Systems,Ltd.	Not Disclosed	-	Ordinary Lease	Not Disclosed			
			Hitachi Systems,Ltd.	Not Disclosed	-	Ordinary Lease	Not Disclosed			
			Koankeiso Co., Ltd.	Not Disclosed	-	Ordinary Lease	2015/4/1	~ 2017/3/31	2.0 years	1.8 years
				Portfolio Average Lease Term				13.8 years	8.8 years	

(Note 1) "Annual Rent" is the monthly rent described the respective lease agreements annualized by multiplying by 12, rounded up to the nearest million.

(Note 2) "Lease Term" and "Annual Rent" is based on lease agreements executed with tenants prior to May 29, 2015. With respect to renewed lease agreements renewed Lease Term and Annual Rent is provided.

(Note 3) "Percentage" is the annual rent relating to each tenant as a proportion of the annual rent from all tenants.

(Note 4) "Lease term remaining" is computed from May 29, 2015, to the expiry date on the lease contract. The lease term remaining is calculated based on a weighted average of the annual rent.

(Note 5) With respect to IIF Narashino Logistics Center II (Land), in accordance with acquiring the building with leasehold interest on Feb 7, 2014, the name was changed to "IIF Narashino Logistics Center II" and both the land and the building with leasehold interest are going to be managed in an integrated manner. IIF owns the trust beneficiary interests with respect to the land and the building with leasehold interest.

(Note 6) With respect to IIF Morioka Logistics Center, as is disclosed in the press release dated March 17, 2015, we have entered into the new fixed-term building lease contract ("new lease contract") which will take effective from October 21, 2015 and at the same time we have extended the lease term of existing contract to October 20, 2015.

# Appraisal Values (1)

## Logistics Centers and Manufacturing and R&D Facilities

Property Number	Name of Property	Book Value (JPY MM)	Appraisal Value as of the End of Period (JPY MM)				Applied Rate					
			End of 14th Period	End of 15th Period			Direct Capitalization Method	DCF Method		Period-rarlier 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	Terminal Capitalization Rate by DCF Method
L-1	IIF Shinonome Logistics Center <sup>(Note 2)</sup>	13,209	15,476	15,741	+265	+ 1.7%	4.7%	4.3%	4.9%	(0.1p)	(0.1p)	(0.1p)
L-4	IIF Noda Logistics Center	5,720	7,560	7,700	+140	+ 1.9%	5.0%	4.8%	5.2%	(0.1p)	(0.1p)	(0.1p)
L-5	IIF Shinsuna Logistics Center	5,244	6,530	6,660	+130	+ 2.0%	4.7%	4.4%	4.7%	(0.1p)	(0.1p)	(0.1p)
L-6	IIF Atsugi Logistics Center	1,744	2,030	2,070	+40	+ 2.0%	5.4%	5.0%	5.5%	(0.1p)	(0.1p)	(0.1p)
L-7	IIF Koshigaya Logistics Center	1,862	2,460	2,510	+50	+ 2.0%	5.3%	5.0%	5.4%	(0.1p)	(0.1p)	(0.1p)
L-8	IIF Nishinomiya Logistics Center	1,208	1,630	1,650	+20	+ 1.2%	5.8%	5.5%	6.0%	(0.1p)	(0.1p)	(0.1p)
L-9	IIF Narashino Logistics Center (land with leasehold)	1,224	2,340	2,390	+50	+ 2.1%	---	4.7%	---	---	(0.1p)	---
L-10	IIF Narashino Logistics Center II	4,656	5,830	5,940	+110	+ 1.9%	5.3%	5.1%	5.5%	(0.1p)	(0.1p)	(0.1p)
L-11	IIF Atsugi Logistics Center II	3,313	3,550	3,610	+60	+ 1.7%	5.2%	4.9%	5.5%	(0.1p)	(0.1p)	(0.1p)
L-12	IIF Yokohama Tsuduki Logistics Center	2,374	2,910	2,970	+60	+ 2.1%	5.0%	4.8%	5.2%	(0.1p)	(0.1p)	(0.1p)
L-13	IIF Saitama Logistics Center	1,528	1,880	1,950	+70	+ 3.7%	5.5%	5.2%	5.7%	(0.2p)	(0.2p)	(0.3p)
L-14	IIF Nagoya Logistics Center	1,152	1,180	1,300	+120	+ 10.2%	6.2%	5.7%	6.3%	(0.1p)	(0.1p)	(0.1p)
L-15	IIF Atsugi Logistics Center III	2,347	2,740	2,780	+40	+ 1.5%	5.4%	5.1%	5.6%	(0.1p)	(0.1p)	(0.1p)
L-16	IIF Kawaguchi Logistics Center	2,044	3,500	3,560	+60	+ 1.7%	5.3%	5.1%	5.4%	(0.1p)	(0.1p)	(0.1p)
L-17	IIF Kobe Logistics Center	5,338	6,200	6,500	+300	+ 4.8%	5.3%	5.1%	5.5%	(0.1p)	(0.1p)	(0.1p)
L-18	IIF Higashi Osaka Logistics Center	2,402	2,730	2,810	+80	+ 2.9%	5.9%	5.3%	5.7%	+ 0.2p	(0.1p)	(0.1p)
L-19	IIF Kashiwa Logistics Center	1,874	2,450	2,540	+90	+ 3.7%	5.5%	5.0%	5.6%	(0.2p)	(0.2p)	(0.2p)
L-20	IIF Misato Logistics Center	3,572	4,320	4,400	+80	+ 1.9%	5.2%	5.0%	5.3%	(0.1p)	(0.1p)	(0.1p)
L-21	IIF Iruma Logistics Center	3,258	3,710	3,840	+130	+ 3.5%	5.5%	5.0%	5.9%	(0.2p)	(0.2p)	(0.2p)
L-22	IIF Tosu Logistics Center	1,583	1,790	1,790	---	---	5.7%	5.5%	5.8%	0.0p	0.0p	0.0p
L-23	IIF Inzai Logistics Center	1,070	1,160	1,180	+20	+ 1.7%	6.3%	6.1%	6.4%	(0.1p)	(0.1p)	(0.1p)
L-24	IIF Morioka Logistics Center	608	1,100	1,110	+10	+ 0.9%	6.6%	6.4%	6.7%	(0.1p)	(0.1p)	(0.1p)
L-25	IIF Hiroshima Logistics Center	3,571	4,030	4,090	+60	+ 1.5%	5.8%	5.6%	5.9%	(0.1p)	(0.1p)	(0.1p)
Logistics Centers Total		70,902	87,106	89,091	+1,985	+ 2.3%						
F-1	IIF Totsuka Technology Center (land with leasehold)	4,553	4,960	5,030	+70	+ 1.4%	---	5.6%	---	---	(0.1p)	---
F-2	IIF Yokohama Tsuduki Technology Center	1,171	1,290	1,290	---	---	5.8%	5.7%	6.1%	+ 0.1p	0.0p	0.0p
F-3	IIF Mitaka Card Center	9,258	9,480	9,620	+140	+ 1.5%	5.8%	5.6%	6.0%	(0.1p)	(0.1p)	(0.1p)
F-4	IIF Shinonome R&D Center	9,112	11,400	11,600	+200	+ 1.8%	5.5%	5.3%	5.7%	(0.1p)	(0.1p)	(0.1p)
F-5	IIF Kamata R&D Center	7,472	7,890	8,020	+130	+ 1.6%	5.7%	5.4%	5.9%	(0.1p)	(0.1p)	(0.1p)
F-6	IIF Kawasaki Science Center	2,213	2,730	2,780	+50	+ 1.8%	5.6%	5.4%	5.8%	(0.1p)	(0.1p)	(0.1p)
Manufacturing and R&D Facilities Total		33,781	37,750	38,340	+590	+ 1.6%						

## Appraisal Values (2)

### Infrastructure Facilities and Portfolio Total

Property Number	Name of Property	Book Value (JPY MM)	Appraisal Value as of the End of Period (JPY MM)				Applied Rate					
			End of 14th Period	End of 15th Period			Direct Capitalization Method	DCF Method		Period-rarlier 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	Terminal Capitalization Rate by DCF Method
I-1	IIF Kobe District Heating and Cooling Center	17,009	14,700	14,700	---	---	4.5%	3.7%	4.7%	0.0p	0.0p	0.0p
I-2	IIF Haneda Airport Maintenance Ceter	39,792	39,600	40,400	+800	+ 2.0%	4.4%	3.5%	4.9%	(0.1p)	(0.1p)	(0.1p)
I-3	IIF Zama IT Solution Center	5,365	5,540	5,540	---	---	7.2%	5.8%	7.8%	0.0p	0.0p	0.0p
I-4	IIF Shinagawa Data Center	5,175	6,760	6,910	+150	+ 2.2%	4.6%	4.9%	5.3%	+ 0.1p	(0.1p)	(0.1p)
I-5	IIF Osaka Toyonaka Data Center	5,681	6,050	5,980	(70)	(1.2%)	6.4%	5.4%	5.9%	0.0p	(0.1p)	(0.1p)
I-6	IIF Osaka Nanko IT Solution Center	1,290	2,270	2,270	---	---	6.3%	5.9%	7.0%	0.0p	0.0p	0.0p
I-7	IIF Nagoya Port Tank Terminal	1,998	2,180	2,180	---	---	5.8%	5.0%	6.5%	0.0p	0.0p	0.0p
Infrastructure Facilities Total		76,312	77,100	77,980	+880	+ 1.1%						
Portfolio Total		180,996	201,956	205,411	+3,455	+ 1.7%						

(Note 1) "Appraisal Value as of the End of Period", "Capitalization Rate (Direct Capitalization Method)" and "Terminal Capitalization Rate (DCF Method)" refer to figures provided in the respective appraisal reports.

(Note 2) "Appraisal Value as of the End of Period" for IIF Shinonome Logistics Center applies only to 53% quasi-co-ownership interests of the trust beneficiary interests.

(Note 3) "End of 13th Period" and "period over period" refer to figures provided in the respective appraisal reports as of Nov 30 2013 or 1 Dec 2013.

(Note 4) As we have obtained Appraisal Value separately for the land and the building with leasehold interest, there is no figures of "Applied Rate" which could be used for comparison

### Appraisal Report Overview of Additional Properties in the June 2015 (16th) Period

Property Number	Name of Property	Appraisal Value (JPY MM)	Capitalization Rate by Direct Capitalization Method	Discount Rate by DCF Method	Terminal Capitalization Rate by DCF Method	Date of Appraisal Value
L-26	IIF Izumiotsu e-shop Logistics Center (land with leasehold interest)	4,220	---	5.3%	---	Jan. 1, 2015
L-27	IIF Izumisano Food Processing and Logistics Center	999	5.4%	5.0%	5.5%	Jan. 1, 2015
L-28	IIF Kyotanabe Logistics Center	6,350	5.4%	5.2%	5.6%	Dec. 31, 2014
L-29	IIF Fukuoka Koga Vehicle Logistics Center (land with leasehold interest)	959	---	5.7%	---	Jan. 1, 2015
Logistics Facilities		12,528				
F-7	IIF Sagamihara R&D Center	3,460	6.0%	5.7%	6.1%	Jan. 1, 2015
Manufacturing and R&D Facilities Total		3,460				
I-8	IIF Shinagawa IT Solution Center	7,520	5.0%	4.6%	5.1%	Jan. 1, 2015
Infrastructure Facilities		7,520				
Total Additional Properties		23,508				

(Note 1) 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 at each point of time.

# Cash Flow from Our Portfolio (1)

Item	L1 (Shinonome)		L4 (Noda)		L5 (Shinsuna)		L6 (Atsugi)		L7 (Koshigaya)		L8 (Nishinomiya)		L9 (Narashino)		L10 (NarashinoII)		L11 (Atsugill)	
	14th 181days	15th 184days	14th 181days	15th 184days	14th 181days	15th 184days	14th 181days	15th 184days	14th 181days	15th 184days	14th 181days	15th 184days	14th 181days	15th 184days	14th 181days	15th 184days	14th 181days	15th 184days
	Days																	
Rent	397	397			173	173			75	75	59	59						
Others	0	0			-	-			0	0	0	0						
Total rental business income	397	397			173	173			75	75	60	60						
Taxes and public dues	30	30	Not Disclosed	Not Disclosed	15	15	Not Disclosed	Not Disclosed	4	4	8	8	Not Disclosed	Not Disclosed	Not Disclosed	Not Disclosed	Not Disclosed	Not Disclosed
Management expenses	0	0			0	0			0	0	0	0						
Repair expenses	0	0			-	0			0	0	0	0						
Insurance cost and trust fee	1	1			1	1			0	0	1	1						
Others	0	0			0	0			0	0	0	0						
Total rental business expenses	33	32			18	19			6	6	11	10						
NO I	364	364	91	114	155	154	46	46	69	69	48	49	38	38	170	183	110	111
Depreciation and amortization	47	47	19	23	14	12	33	31	22	22	10	10	0	0	5	6	17	17
Rental business profit	316	317	71	91	141	142	13	14	46	46	38	38	38	38	165	177	93	94
Total deposits (Ending balance)	1,457	1,457	Not Disclosed	Not Disclosed	238	238	Not Disclosed	Not Disclosed	37	37	89	89	Not Disclosed	Not Disclosed	Not Disclosed	Not Disclosed	Not Disclosed	Not Disclosed

Item	L12 (Yokohama Tsuzuki)		L13 (Saitama)		L14 (Nagoya)		L15 (Atsugill)		L16 (Kawaguchi)		L17 (Kobe)		L18 (Higashi Osaka)		L19 (Kashiwa)		L20 (Misato)	
	14th 181days	15th 184days	14th 181days	15th 184days	14th 181days	15th 184days	14th 181days	15th 184days	14th 181days	15th 184days	14th 181days	15th 184days	14th 181days	15th 184days	14th 181days	15th 184days	14th 144days	15th 184days
	Days																	
Rent			66	66	19	-												
Others			0	0	48	-												
Total rental business income			66	66	68	-												
Taxes and public dues	Not Disclosed	Not Disclosed	3	3	5	5	Not Disclosed	Not Disclosed	Not Disclosed	Not Disclosed	Not Disclosed	Not Disclosed	Not Disclosed	Not Disclosed	Not Disclosed	Not Disclosed	Not Disclosed	Not Disclosed
Management expenses			0	0	0	1												
Repair expenses			0	0	-	4												
Insurance cost and trust fee			0	0	0	0												
Others			1	1	0	3												
Total rental business expenses			5	5	7	15												
NO I	74	77	61	61	60	(15)	79	79	31	101	187	173	87	82	68	63	100	126
Depreciation and amortization	12	13	10	10	4	4	10	10	7	9	36	36	6	6	8	8	14	17
Rental business profit	61	64	50	50	56	(20)	69	69	24	92	151	137	81	75	60	55	86	109
Total deposits (Ending balance)	Not Disclosed	Not Disclosed	33	33	-	-	Not Disclosed	Not Disclosed	Not Disclosed	Not Disclosed	Not Disclosed	Not Disclosed	Not Disclosed	Not Disclosed	Not Disclosed	Not Disclosed	Not Disclosed	Not Disclosed

Item	L21 (Iruma)		L22 (Tosu)		L23 (Inzai)		L24 (Morioka)		L25 (Hiroshima)	
	14th 144days	15th 184days	14th 144days	15th 184days	14th 144days	15th 184days	14th 144days	15th 184days	14th 109days	15th 184days
	Days									
Rent										
Others										
Total rental business income										
Taxes and public dues	Not Disclosed	Not Disclosed	Not Disclosed	Not Disclosed	Not Disclosed	Not Disclosed	Not Disclosed	Not Disclosed	Not Disclosed	Not Disclosed
Management expenses										
Repair expenses										
Insurance cost and trust fee										
Others										
Total rental business expenses										
NO I	91	114	46	58	32	40	32	40	79	133
Depreciation and amortization	19	23	8	9	4	5	4	5	16	25
Rental business profit	71	91	38	48	27	34	27	35	62	107
Total deposits (Ending balance)	Not Disclosed	Not Disclosed	Not Disclosed	Not Disclosed	Not Disclosed	Not Disclosed	Not Disclosed	Not Disclosed	Not Disclosed	Not Disclosed

## Cash Flow from Our Portfolio (2)

Item	F1 (Totsuka)		F2 (Yokohama Tsuzuki)		F3 (Mitaka)		F4 (Shinonome R&D)		F5 (Kamata)		F6 (Kawasaki)	
	14th 181days	15th 184days	14th 181days	15th 184days	14th 181days	15th 184days	14th 184days	15th 181days	14th 184days	15th 181days	14th 184days	15th 181days
Days												
Rent	154	154	57	58	364	364						
Others	0	0	-	-	0	0						
Total rental business income	154	154	57	58	364	364						
Taxes and public dues	16	16	8	8	46	46						
Management expenses	-	-	6	6	4	4	Not Disclosed	Not Disclosed	Not Disclosed	Not Disclosed	Not Disclosed	Not Disclosed
Repair expenses	-	-	0	0	-	4						
Insurance cost and trust fee	0	0	0	0	1	1						
Others	0	0	0	0	0	0						
Total rental business expenses	17	17	16	15	52	57						
N O I	137	137	41	42	311	307	330	340	234	235	34	81
Depreciation and amortization	-	-	4	4	37	38	55	58	24	24	7	23
Rental business profit	137	137	37	37	274	268	274	282	210	211	26	58
Total deposits (Ending balance)	276	276	92	92	182	182	Not Disclosed	Not Disclosed	Not Disclosed	Not Disclosed	Not Disclosed	Not Disclosed

Item	I1 (Kobe)		I2 (Haneda)		I3 (Zama)		I4 (Shinagawa)		I5 (Osaka Toyonaka)		I6 (Osaka Nanko)		I7 (Nagoya Port)		14th (Actual)	15th (Actual)
	14th 181days	15th 184days	14th 181days	15th 184days	14th 181days	15th 184days	14th 181days	15th 184days	14th 181days	15th 184days	14th 181days	15th 184days	14th 144days	15th 184days		
Days																
Rent	330	330	1,341	1,345											6,232	6,474
Others	0	0	0	0											343	300
Total rental business income	330	330	1,341	1,346											6,575	6,775
Taxes and public dues	11	11	92	91											498	557
Management expenses	0	0	0	0	Not Disclosed	Not Disclosed	Not Disclosed	Not Disclosed	Not Disclosed	Not Disclosed	Not Disclosed	Not Disclosed	Not Disclosed	Not Disclosed	83	86
Repair expenses	0	4	-	-											55	58
Insurance cost and trust fee	1	1	5	6											30	33
Others	0	0	326	330											635	639
Total rental business expenses	14	18	423	428											1,303	1,375
N O I	315	312	918	917	201	201	163	159	208	177	85	66	52	65	5,272	5,400
Depreciation and amortization	126	126	232	232	35	35	25	25	23	23	9	9	-	0	955	996
Rental business profit	189	185	685	684	165	165	138	133	185	154	76	56	52	65	4,316	4,404
Total deposits (Ending balance)	2,154	2,154	974	974	Not Disclosed	Not Disclosed	Not Disclosed	Not Disclosed	Not Disclosed	Not Disclosed	Not Disclosed	Not Disclosed	Not Disclosed	Not Disclosed	9,815	9,816



# Debt Stability

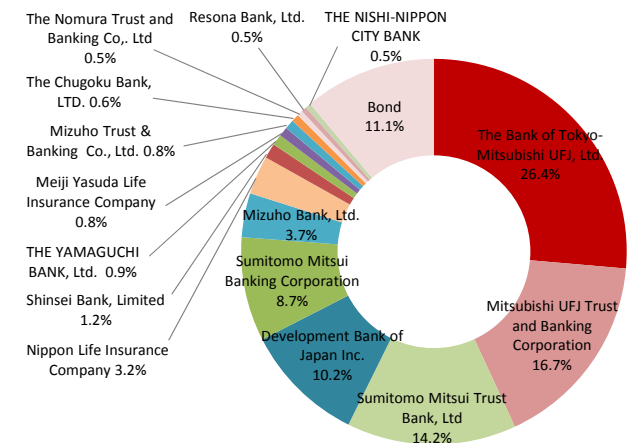
## Lender Status

	Classification	Outstanding Balance (million yen)(Note 1)(Note 2)		Date of Borrowing	Interest Rate (Note 3) (%)	Maturity date	Fixed/ Variable	Borrowing term	Remaining period (Note 5)
	Lender	Breakdown	Total						
Long-term borrowing	Development Bank of Japan Inc.	5,000	5,000	Feb. 28, 2011	1.70000	Feb. 27, 2018	Fixed	7 years	2.8 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 4)	7 years	2.8 years
	Sumitomo Mitsui 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 4)	5 years	1.3 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. 29, 2017	Fixed (Note 4)	6 years	2.3 years
	Sumitomo Mitsui 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 4)	5 years	1.8 years
	Sumitomo Mitsui Trust Bank, Limited	2,074							
	Sumitomo Mitsui Banking Corporation	1,500	1,500		0.94500	Mar. 6, 2017	Fixed (Note 4)	5 years	1.8 years
	Development Bank of Japan Inc.	1,000	1,000		2.22000	Mar. 29, 2024	Fixed	12 years	8.8 years
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	1,000	1,000		1.90500	Mar. 30, 2022	Fixed (Note 4)	10 years	6.8 years
	Sumitomo Mitsui Banking Corporation	500	500		1.90500	Mar. 31, 2022	Fixed (Note 4)	10 years	6.8 years
	Development Bank of Japan Inc.	2,000	2,000		1.90000	Mar. 29, 2022	Fixed	10 years	6.8 years
	Mizuho Bank, Ltd.	1,500	1,500	Mar. 30, 2012	1.56100	Mar. 31, 2020	Fixed (Note 4)	8 years	4.8 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 4)	7 years	3.8 years
	Sumitomo Mitsui Trust Bank, Limited	415							
	Sumitomo Mitsui Banking Corporation	1,500	1,500		1.32375	Mar. 29, 2019	Fixed (Note 4)	7 years	3.8 years
	Nippon Life Insurance Company	1,000	1,000		1.42000	Jun. 30, 2020	Fixed	8 years	5.1 years
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	583	583	Jun. 29, 2012	1.17500	Jun. 28, 2019	Fixed (Note 4)	7 years	4.1 years
	Sumitomo Mitsui Banking Corporation	417	417		1.17500	Jun. 28, 2019	Fixed (Note 4)	7 years	4.1 years
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	2,274	2,274	Sep. 28, 2012	1.15750	Sep. 30, 2019	Fixed (Note 4)	7 years	4.3 years
	Sumitomo Mitsui Banking Corporation	1,626	1,626		1.15750	Sep. 30, 2019	Fixed (Note 4)	7 years	4.3 years
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	1,000	1,000		1.29000	Feb. 6, 2023	Fixed	10 years	7.7 years
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	1,316							
	Mitsubishi UFJ Trust and Banking Corporation	1,218	3,500		1.38980	Feb. 6, 2023	Fixed (Note 4)	10 years	7.7 years
	Sumitomo Mitsui Trust Bank, Limited	966							
	Sumitomo Mitsui Banking Corporation	500	500		1.38980	Feb. 6, 2023	Fixed (Note 4)	10 years	7.7 years
	Nippon Life Insurance Company	500	500		1.55000	Feb. 6, 2023	Fixed	10 years	7.7 years
	Mizuho Bank, Ltd.	1,000	1,000	Feb. 6, 2013	1.48980	Feb. 6, 2023	Fixed (Note 4)	10 years	7.7 years
	Shinsei Bank, Ltd.	500	500		1.38980	Feb. 6, 2023	Fixed (Note 4)	10 years	7.7 years
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	188							
	Mitsubishi UFJ Trust and Banking Corporation	174	500		1.22750	Feb. 4, 2022	Fixed (Note 4)	9 years	6.7 years
	Sumitomo Mitsui Trust Bank, Limited	138							
	Sumitomo Mitsui Banking Corporation	500	500		1.22750	Feb. 4, 2022	Fixed (Note 4)	9 years	6.7 years
	Development Bank of Japan Inc.	1,000	1,000		1.83000	Feb. 5, 2025	Fixed	12 years	9.7 years
	Sumitomo Mitsui Trust Bank, Limited	2,500	2,500		1.68475	Jun. 30, 2023	Fixed (Note 4)	10 years	8.1 years
	Nomura Trust and Banking Co., Ltd.	500							
	Resona Bank, Ltd.	500	1,500	Jun. 28, 2013	1.24050	Jun. 30, 2020	Fixed (Note 4)	7 years	5.1 years
	THE YAMAGUCHI BANK, Ltd.	500							
	Nippon Life Insurance Company	2,000	2,000		1.75000	Jun. 28, 2024	Fixed	11 years	9.1 years
	Mizuho Bank, Ltd.	1,500	1,500		1.64650	Jun. 30, 2022	Fixed (Note 4)	9 years	7.1 years
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	3,900	7,500	Oct. 18, 2013	1.40200	Oct. 18, 2023	Fixed (Note 4)	10 years	8.4 years
	Mitsubishi UFJ Trust and Banking Corporation	3,600							
	Sumitomo Mitsui Banking Corporation	2,000	2,000	Dec. 30, 2013	1.38025	Dec. 29, 2023	Fixed (Note 4)	10 years	8.6 years

(Note 1) Outstanding balance as of May 29, 2015, is described  
 (Note 2) The yen amounts are rounded down to the nearest million yen  
 (Note 3) The applicable rate is based on the interest rate as May 29, 2014. The average is calculated by weighting the rate for each borrowing according to the borrowing amount  
 (Note 4) IIF signed an interest rate swap contract to fix the interest rate  
 (Note 5) The remaining term for the existing borrowing is calculated with the base date as of May 29, 2015. The average is calculated by weighting the remaining term of each borrowing according to the borrowing amount  
 (Note 6) Long term borrowing includes a current portion of long term borrowing

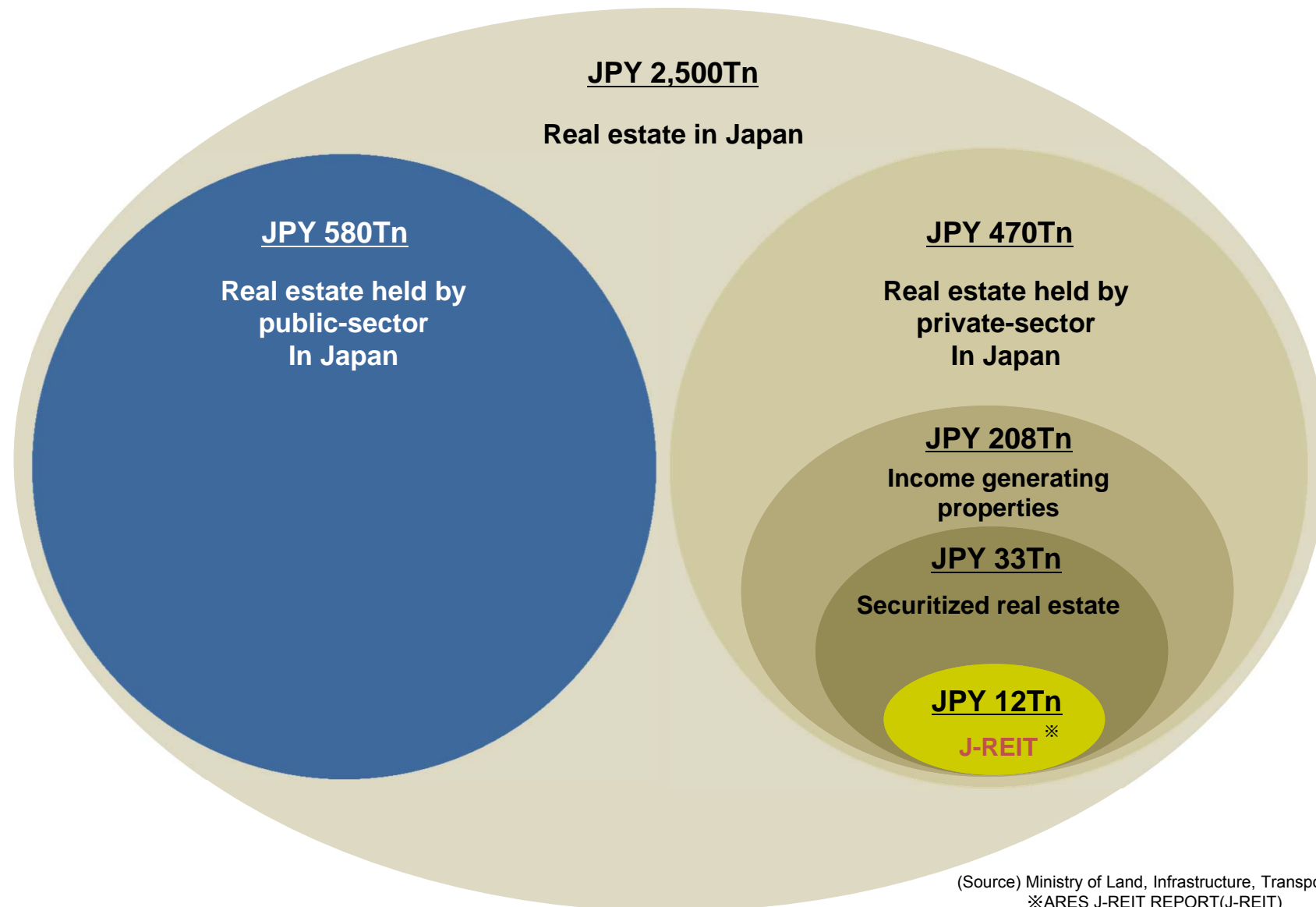
Classification	Outstanding Balance (million yen)(Note 1)(Note 2)		Date of Borrowing	Interest Rate (Note 3) (%)	Maturity date	Fixed/ Variable	Borrowing term	Remaining period (Note 5)	
	Lender	Breakdown							Total
Long-term borrowing	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	700	700		1.31000	Aug. 6, 2024	Fixed	10.5 years	9.2 years
	Sumitomo Mitsui Banking Corporation	900	900		1.24100	Feb. 6, 2024	Fixed (Note 4)	10 years	8.7 years
	THE YAMAGUCHI BANK, Ltd.	500	500		1.14000	Aug. 4, 2023	Fixed	9.5 years	8.2 years
	THE NISHI-NIPPON CHITIBANK, LTD.	500	500	Feb. 6, 2014	1.03150	Aug. 5, 2022	Fixed (Note 4)	8.5 years	7.2 years
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	451	1,200		0.92790	Feb. 4, 2022	Fixed (Note 4)	8 years	6.7 years
	Mitsubishi UFJ Trust and Banking Corporation	417							
	Sumitomo Mitsui Trust Bank, Limited	331							
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	601							
	Mitsubishi UFJ Trust and Banking Corporation	556	1,600	Mar. 13, 2014	1.27175	Mar. 13, 2024	Fixed (Note 4)	10 years	8.8 years
	Sumitomo Mitsui Trust Bank, Limited	441							
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	376							
	Mitsubishi UFJ Trust and Banking Corporation	348	1,000	Mar. 13, 2014	1.68675	Mar. 13, 2026	Fixed (Note 4)	12 years	10.8 years
	Sumitomo Mitsui Trust Bank, Limited	276							
	Development Bank of Japan Inc.	1,000	1,000	Mar. 13, 2014	1.67000	Mar. 13, 2026	Fixed	12 years	10.8 years
	Development Bank of Japan Inc.	1,000	1,000	Mar. 31, 2015	1.32500	Mar. 31, 2027	Fixed	12 years	11.8 years
	Meiji Yasuda Life Insurance Company	850	850	Mar. 31, 2015	1.22485	Mar. 31, 2026	Fixed	11 years	10.8 years
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	1,350	1,350	Mar. 16, 2015	0.98000	Mar. 14, 2025	Fixed	10 years	9.8 years
	Sumitomo Mitsui Trust Bank, Limited	1,500	1,500	Mar. 31, 2015	1.04599	Mar. 31, 2025	Fixed	10 years	9.8 years
	Shinsei Bank, Ltd.	850	850	Mar. 16, 2015	1.01740	Mar. 14, 2025	Fixed (Note 4)	10 years	9.8 years
	Mizuho Trust & Banking Co., Ltd.	850	850	Mar. 16, 2015	1.01740	Mar. 14, 2025	Fixed (Note 4)	10 years	9.8 years
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	1,335							
	Mitsubishi UFJ Trust and Banking Corporation	1,235	3,550	Mar. 16, 2015	0.92990	Sep. 13, 2024	Fixed (Note 4)	9.5 years	9.3 years
	Sumitomo Mitsui Trust Bank, Limited	980							
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	432							
	Mitsubishi UFJ Trust and Banking Corporation	400	1,150	Mar. 31, 2015	1.11095	Sep. 30, 2024	Fixed (Note 4)	9.5 years	9.3 years
	Sumitomo Mitsui Trust Bank, Limited	317							
	The Chugoku Bank, Limited.	700	700	Mar. 16, 2015	0.66090	Sep. 15, 2022	Fixed (Note 4)	7.5 years	7.3 years
Investment corporation bonds	First series unsecured investment corporation bonds	5,000	5,000	Dec. 27, 2012	0.56000	Dec. 27, 2016	Fixed	4 years	1.6 years
	Second series unsecured investment corporation bonds	5,000	5,000		1.40000	Dec. 27, 2022	Fixed	10 years	7.6 years
	Third series unsecured investment corporation bonds	2,000	2,000	Jun. 26, 2014	0.89000	Jun. 27, 2024	Fixed	10 years	9.1 years
	Total / Average	108,200	108,200		1.32			8.1 years	5.7 years

## Breakdown of Lender Formation



## Prodigious Growth Potential with Less Acquisition Competition

Opportunities in private sector are still huge for J-REIT; but opportunities in public sector are even huge.

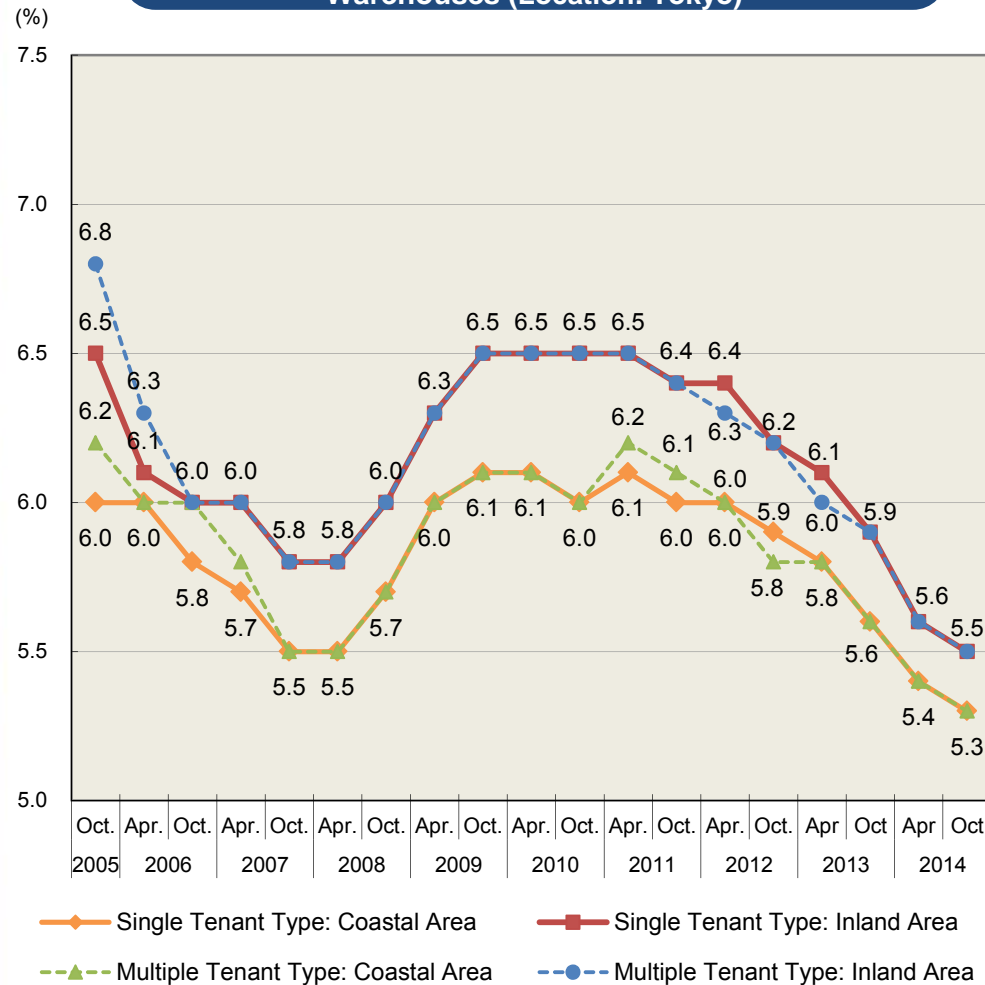


(Source) Ministry of Land, Infrastructure, Transport and Tourism  
※ARES J-REIT REPORT(J-REIT)

# Overview of the Logistics Market (1)

Expected cap rate declines through active supply and demand of logistics properties

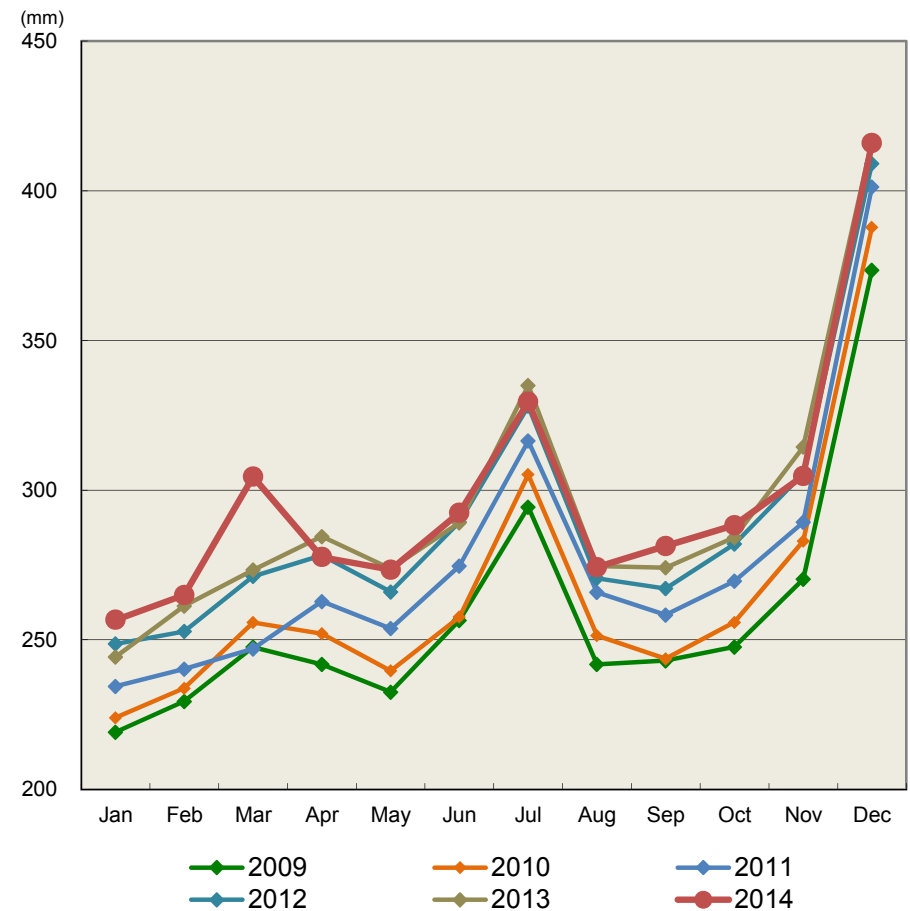
Expected Cap Rate of Logistics Properties and Warehouses (Location: Tokyo)



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

Number of parcels for home delivery service is increasing because of expanding mail-order business

Historical Number of Parcels for Home Delivery Service

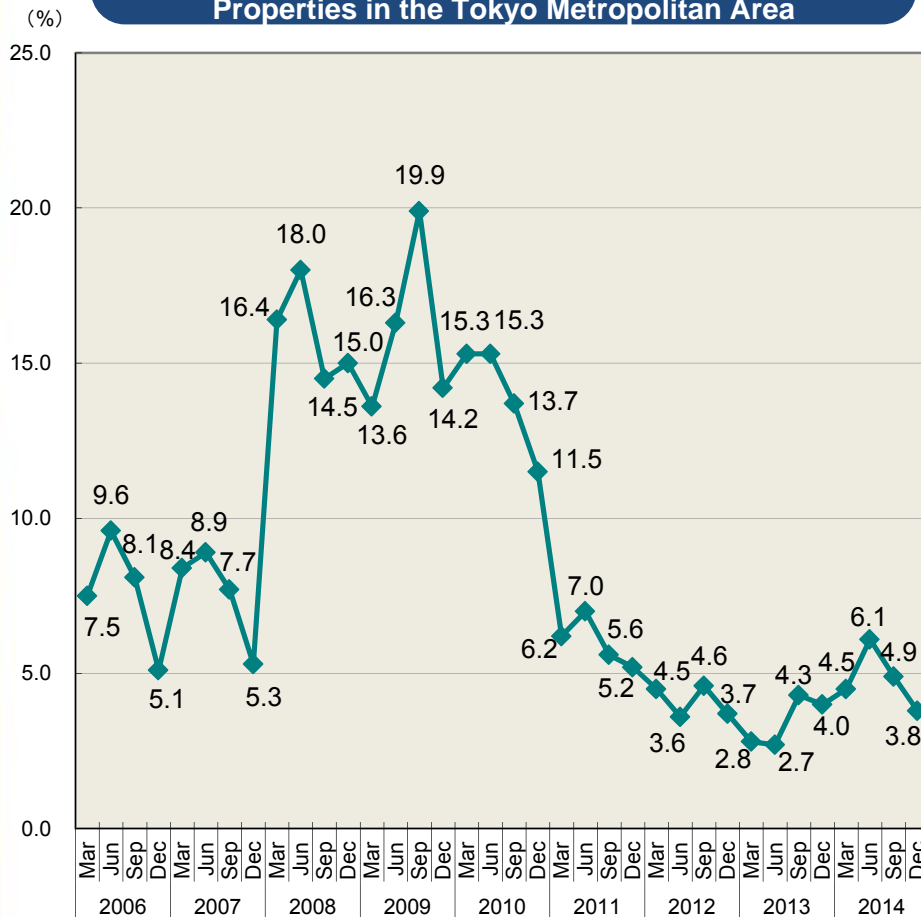


(Source) Ministry of Land, infrastructure, Transport and Tourism

## Overview of the Logistics Market (2)

- While supply of properties increasing, demand is still strong and vacancy rate remains at a low level

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

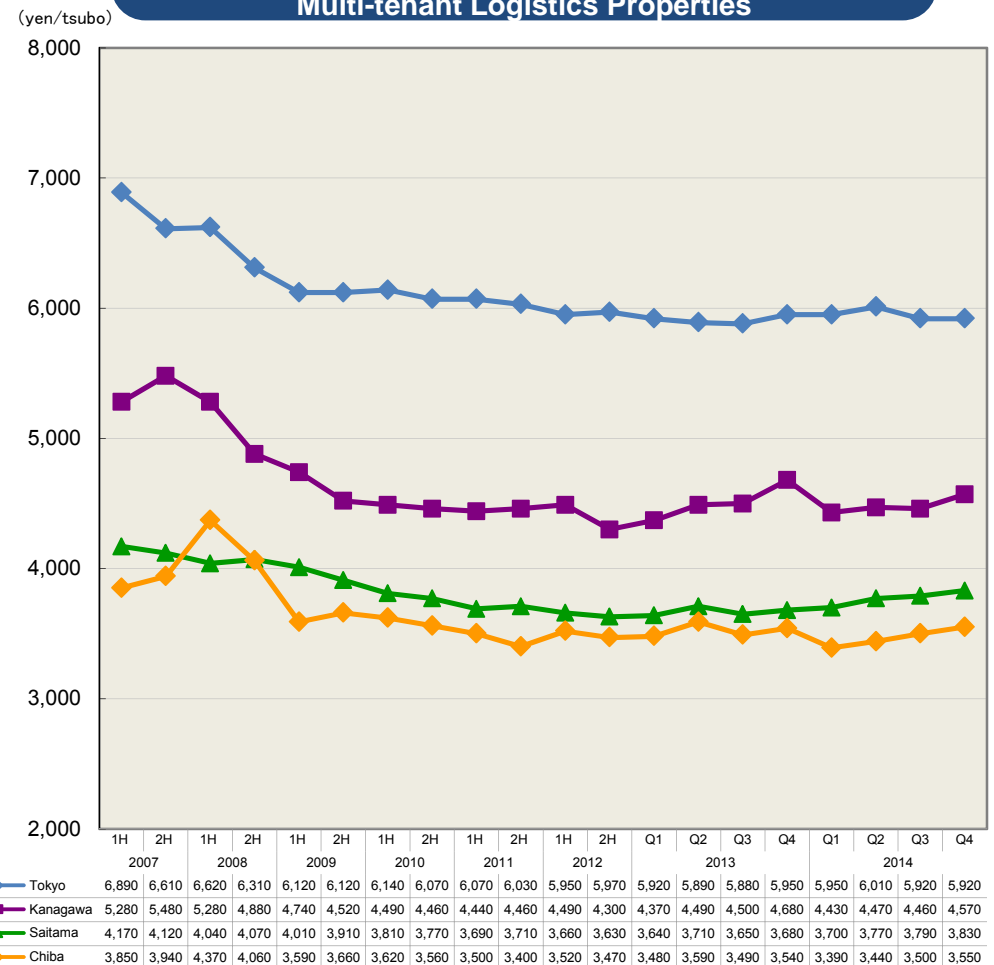


\*Vacancy rate covers 76 multi-type facilities with floor area of 10,000 tsubo and more in the Tokyo metropolitan area (Tokyo, Kanagawa, Chiba and Saitama)

(Source) CBRE: Industrial Market Report

- Asking rents of new properties raise because of soaring construction costs, but the high cost-consciousness of the tenants keep the rents flat overall

**Average Monthly Asking Rent for Large-scale Multi-tenant Logistics Properties**



(Note) Based on CBRE Data

# Unit Price Performance (Jan 4, 2010 ~ Mar 25, 2015)



(Note 1) Indices are based on closing prices

(Note 2) Y-axis indicates indexed unit price trend using Jan 4, 2010 as the base date with index value equal to 100

(Note 3) Effective as of January 1, 2015, we made a two-for-one split of our units. The information in the charts above retroactively reflects the unit split.

(Source) Bloomberg



# Historical Market Capitalization Exceeds and Trading Volume (Jan 4, 2010 ~ Mar 25, 2015)



(Note 1) Based on closing prices

(Note 2) Y-axis indicates unit price trend (Tokyo Stock Exchange) using Jan 4, 2010 as the base date with index value equal to 100

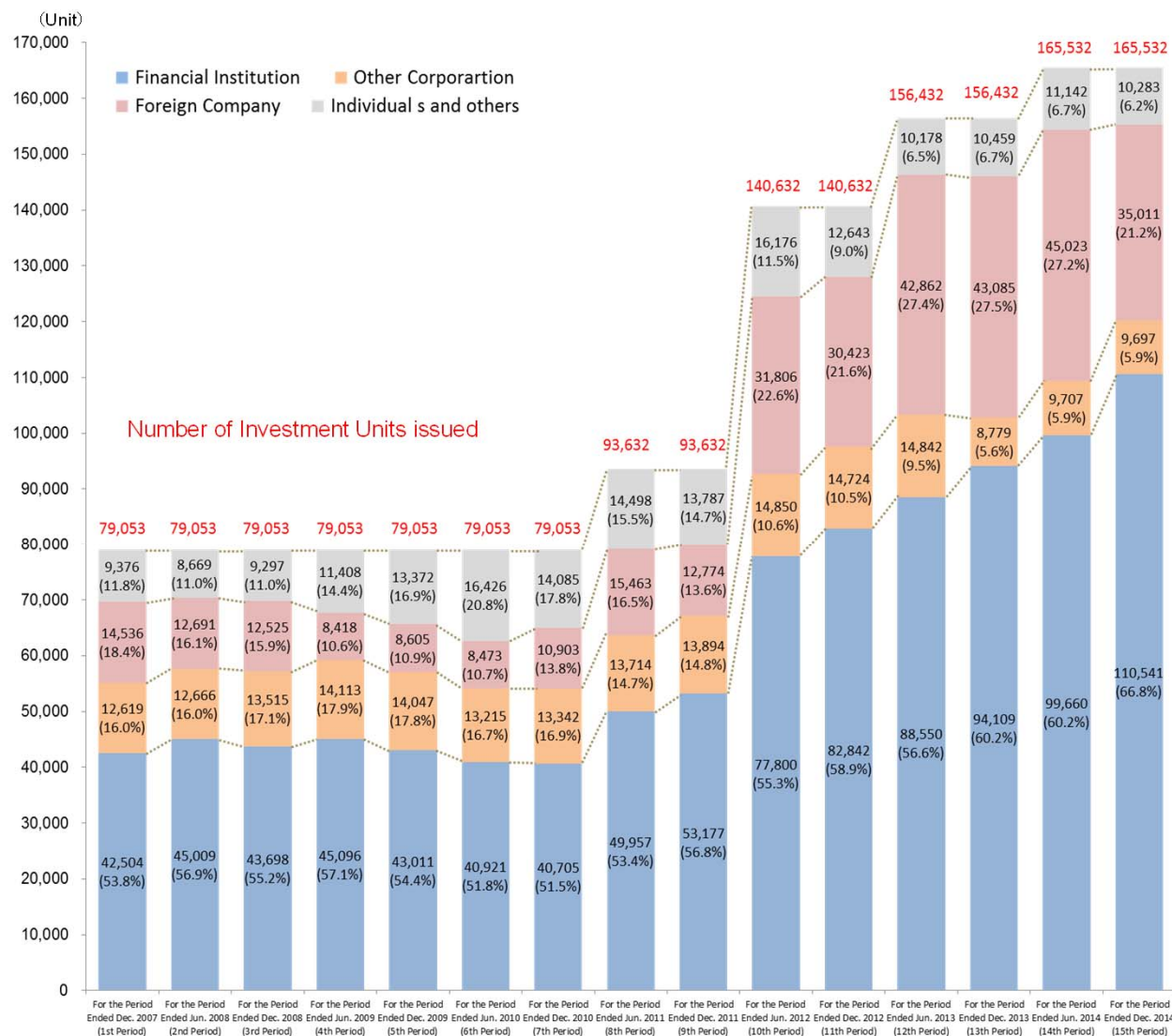
(Source) Bloomberg

# Investors' Attributes

## Top 20 Investors as of the End of Dec 2014

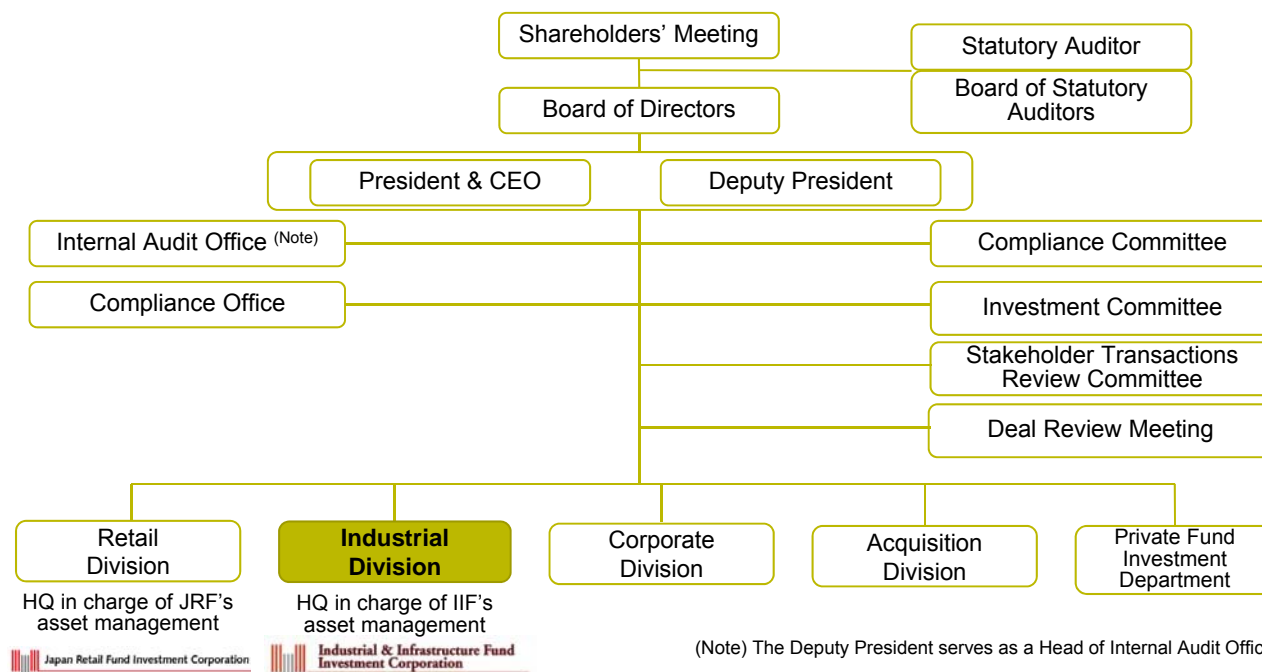
Rank	Name	Number of Units Held	Ownership Ratio (%)
1	Japan Trustee Services Bank, Ltd. (Trust Account)	26,525	16.02
2	Master Trust Bank of Japan, Ltd. (Trust Account)	16,730	10.10
3	Trust & Custody Services Bank, Ltd. (Securities Investment Trust Account)	13,343	8.06
4	Nomura Trust and Banking Co., Ltd. (Trust Account)	7,293	4.40
5	NOMURA BANK (LUXEMBOURG) S.A.	7,103	4.29
6	The Chugoku Bank	3,836	2.31
7	Mitsubishi Corporation	3,200	1.93
8	JP MORGAN CHASE BANK 385174	2,651	1.60
9	Mizuho Trust & Banking Co., Ltd.	2,580	1.55
10	Joyo Bank, Ltd.	2,519	1.52
11	Development Bank of Japan Inc.	2,500	1.51
12	The Chukyo Bank, Ltd.	2,303	1.39
13	The Hachijuni Bank, Ltd.	1,877	1.13
14	Trust & Custody Services Bank, Ltd. (Cash in Trust Taxable Account)	1,873	1.13
15	The Bank of Kyoto, Ltd.	1,789	1.08
16	The Fukui Bank, Ltd.	1,739	1.05
17	Nippon Tosho Fukyu Co., Ltd.	1,557	0.94
18	BARCLAYS CAPITAL SECURITIES LIMITED	1,521	0.91
19	STATE STREET BANK-WEST PENSION FUND CLIENTS-EXEMPT	1,419	0.85
20	The Taiko Bank, Ltd.	1,289	0.77
Total of Top 20		103,647	62.61

## Unit holder Composition



# Overview of the Asset Management Company

## Organizational Structure



Asset Management Company:  
Number of Directors and Employees 112  
(excluding part-time directors and employees)

### Number of Licensed Persons Out of the Above

• Licensed Real Estate Agents	45
• First-class Architects	9
• Real Estate Appraisers	6
• Chartered Financial Analyst	1
• Certified Member of Security Analysts Association of Japan	5
• Certified Tax Accountants	2
• MBA (including US and UK)	2

(Note) As of Mar. 1, 2015

## 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	51.0
UBS AG	4,900	49.0

(Note) As of Dec. 31, 2014

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## B) Overview of the PO in March 2015





## Industrial & Infrastructure Fund Investment Corporation Our Basic Investment Principle

To target investments in industrial and infrastructure properties that play an important role in Japanese economy

Anticipated Acquisitions: **6 properties** **¥21.7 bn**



# Offering Highlights

Offering Highlight

1

## Further Growth through Accretive Equity Offerings

***Increase DPU and NAV per unit to enhance our unitholders' value over the long term***

Offering Highlight

2

## Robust First-Mover Advantage

***Acquisitions leveraging accumulated know-how and expertise***

Offering Highlight

3

## Growing opportunities through CRE Solution Strategy

***Capture acquisition opportunities through unique CRE solutions and taking advantage of growing awareness of ROE***

Offering Highlight

1

## Further Growth through Accretive Equity Offerings

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Offering Highlight

3

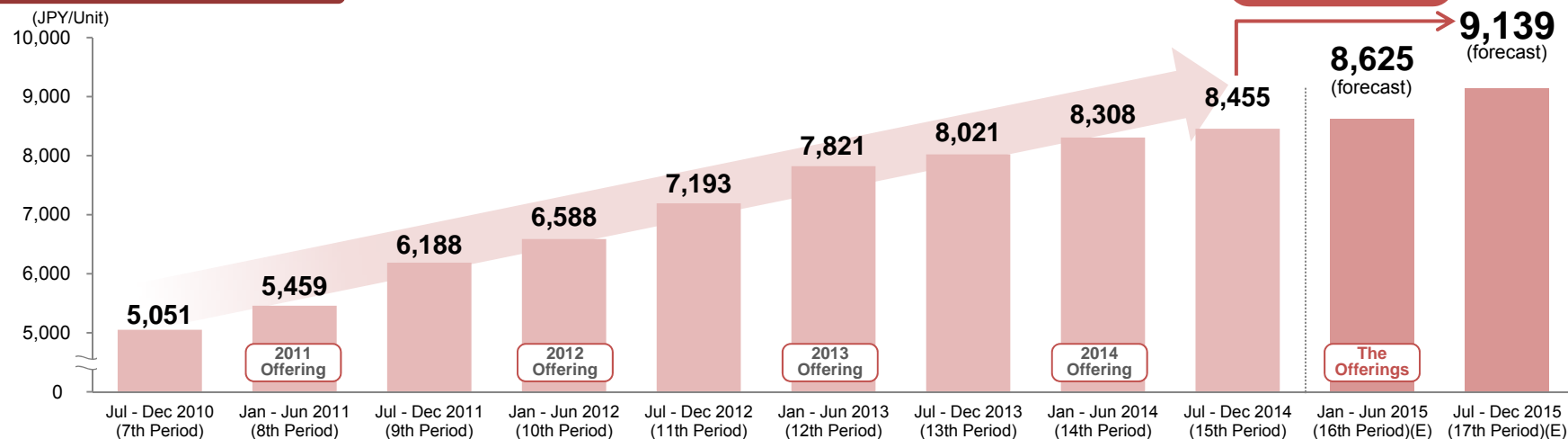
## Growing opportunities through CRE Solution Strategy

***Capture acquisition opportunities through unique CRE solutions and taking advantage of growing awareness of ROE***

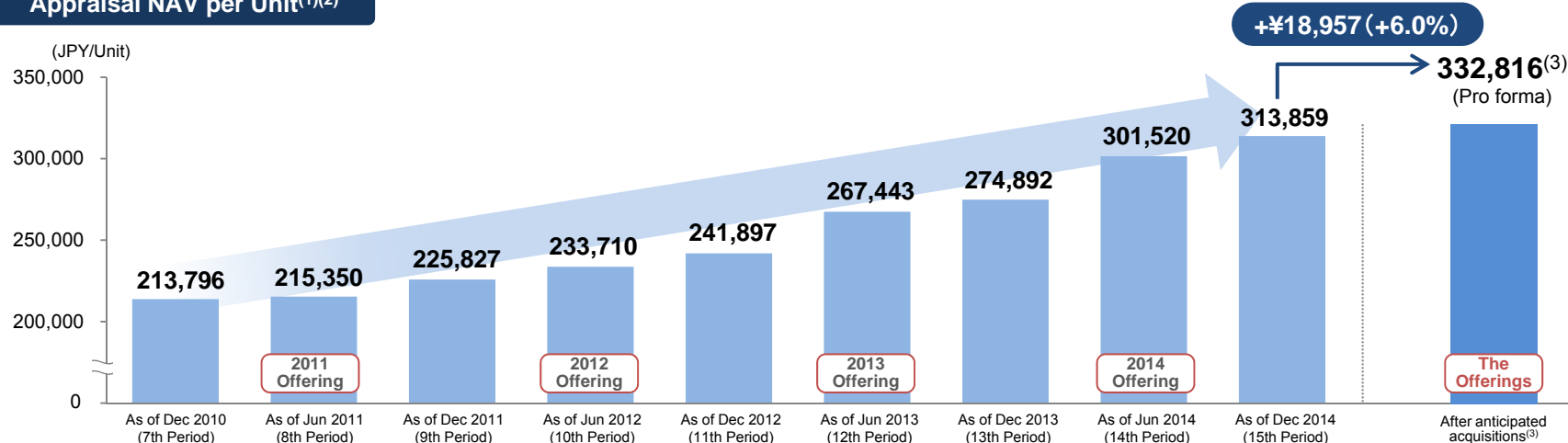
# Further pursuing creation of unitholders' value

- Aim to continue to grow and enhance unitholders' value through acquiring properties that we expect to contribute to improved profitability, increased differences between acquisition prices and appraisal values and portfolio income stability

## Distributions per Unit<sup>(1)</sup>



## Appraisal NAV per Unit<sup>(1)(2)</sup>



(Note 1) Effective as of January 1, 2015, we made a two-for-one split of our units. The information in the charts above retroactively reflects the unit split.

(Note 2) We define appraisal NAV per unit as the sum of unitholders' capital and the difference of the total appraisal value of properties in our portfolio as indicated in the most recently available appraisal report as of the end of the relevant fiscal period and the book value of such properties as of the same date, divided by the number of units outstanding as of the end of the relevant fiscal period.

(Note 3) Based on appraisal NAV per unit as of December 31, 2014, as adjusted to reflect the difference of appraisal values of the six anticipated acquisitions as indicated in the appraisal reports obtained in connection with the anticipated acquisitions and the anticipated acquisition prices for such properties, as well as the unit split and the issuance of 21,500 units (assuming full exercise of the over-allotment options) in the offerings at an assumed offer price of ¥562,575 per unit.

(Note 4) The forecast and pro forma figures shown above are subject to a number of important assumptions and actual results may differ materially. See "Forecasts for the Fiscal Periods Ending June 30, 2015 and December 31, 2015" in the offering circular.

Offering Highlight

1

## Further Growth through Accretive Equity Offerings

*Increase DPU and NAV per unit to enhance our unitholders' value over the long term*

Offering Highlight

2

## Robust First-Mover Advantage

***Acquisitions leveraging accumulated know-how and expertise***

Offering Highlight







3

## Growing opportunities through CRE Solution Strategy

*Capture acquisition opportunities through unique CRE solutions and taking advantage of growing awareness of ROE*



# Acquisitions through ever-evolving CRE solution strategy

			CRE Solution Strategy			Enhanced NOI Yield <sup>(a)</sup>			Acquisition Price below Appraisal Value <sup>(b)</sup>			
	Property (Anticipated Acquisitions)		Seller/ Transaction Counterparty	Type of CRE Solution	Acquisition Process	Stabilized Forecast NOI Yield (before depreciation) <sup>(1)</sup>	Stabilized Forecast NOI Yield (after depreciation) <sup>(1)</sup>	Occupancy Rate	Anticipated Acquisition Price (¥ million)(A) <sup>(2)</sup>	Appraisal Value (¥ million)(B) <sup>(3)</sup>		
									Difference(anticipated) (¥ million)((B)-(A))			
Manufacturing / R&D	IIF Sagamihara R&D Center <sup>(4)</sup>		NEC Corporation	Sell-off of noncore assets	1-on-1 Negotiation <sup>(5)</sup>	8.0%	7.2%	100.0%	3,100	3,460		
									+360 (+11.6%)			
									Total / Average		8.0%	7.2%
										+360 (+11.6%)		
Infrastructure	IIF Shinagawa IT Solution Center		SPC (Not disclosed)	Cash needs	1-on-1 Negotiation	Leasing potential		76.1%	7,200	7,520		
						(Reference) Hypothetical NOI yield assuming 95.2% occupancy is achieved and other factors			+320 (+4.4%)			
						5.4% <sup>(7)</sup>			4.7% <sup>(7)</sup>		Total / Average	
										+320 (+4.4%)		
Logistics	IIF Izumisano Food Processing and Logistics Center		Marubeni Logistics Corporation	Off-balance sheet financing	1-on-1 Negotiation	6.6%	5.0%	100.0%	860	999		
									+139 (+16.2%)			
	IIF Kyotanabe Logistics Center		Structured acquisition scheme SBS Holdings, Inc.	Cash needs for new investment	1-on-1 Negotiation	6.1%	4.9%	100.0%	5,730	6,350		
									+620 (+10.8%)			
	IIF Izumiotsu e-shop Logistics Center (land with leasehold interest)		SPC (Not disclosed)	Cash needs	1-on-1 Negotiation	5.6%	5.6%	100.0%	4,000	4,220		
									+220 (+5.5%)			
	IIF Fukuoka Koga Vehicle Logistics Center (land with leasehold interest)		Fukuda Corporation	Off-B/S development Off-B/S development by the tenant, ORIX Auto Corporation	Collaboration with the Tenant <sup>(6)</sup>	6.3%	6.3%	100.0%	860	959		
+99 (+11.5%)												
						Total / Average		5.9%	5.3%	100.0%	11,450	12,528
										+1,078 (+9.4%)		
						Total / Average		5.7%	5.1%	98.9%	21,750	23,508
						(Reference) Hypothetical average NOI yield*				+1,758 (+8.1%)		
						6.1% <sup>(8)</sup>		5.4% <sup>(8)</sup>				

(Note a)

Stabilized forecast for CY2015

(Note b)

An acquisition price of a property that is lower than its appraisal value does not imply that we may be able to capture the difference between the acquisition price and appraisal value upon its disposition.

\* For other footnotes, see page 48.

(Note a) Stabilized forecast for CY2015

(Note b) An acquisition price of a property that is lower than its appraisal value does not imply that we may be able to capture the difference between the acquisition price and appraisal value upon its disposition.

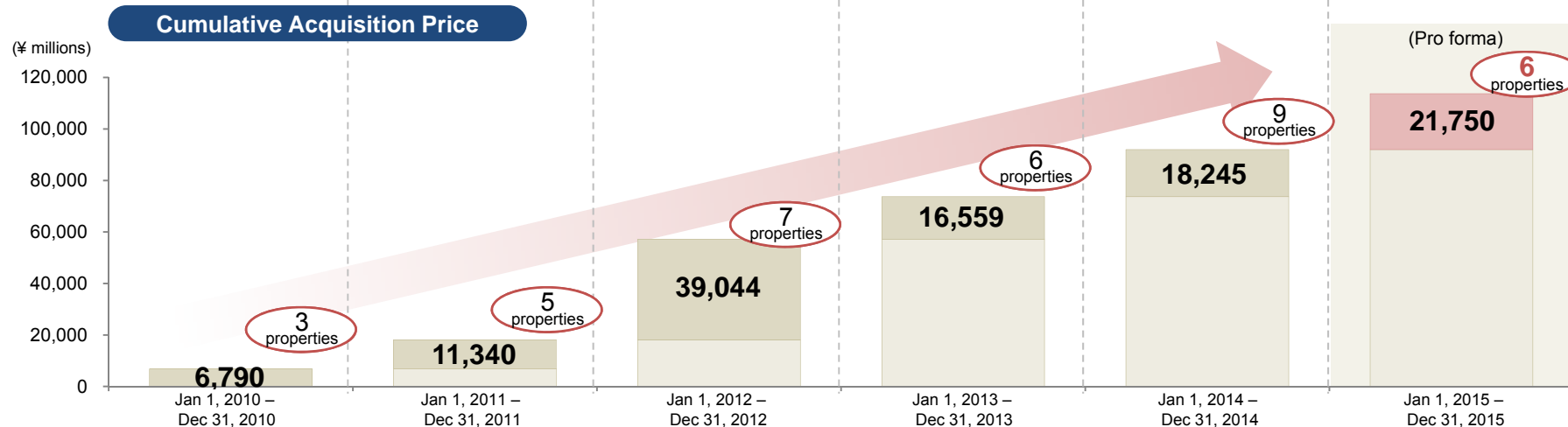
\* For other footnotes, see page 48.

\* Hypothetical average calculation substituting hypothetical NOI yield for IIF Shinagawa ITSC assuming 95.2% occupancy is achieved

# Accumulated acquisition track record as a first-mover

## ► Our Track Record of Property Acquisitions

	Jan – Dec 2010	Jan – Dec 2011	Jan – Dec 2012	Jan – Dec 2013	Jan – Dec 2014	(Anticipated Acquisitions)
<b>Manufacturing and R&amp;D facilities</b>	<b>Acquisitions of R&amp;D facilities</b> <ul style="list-style-type: none"> <li>IIF Totsuka TC (land with leasehold interest)</li> <li>IIF Yokohama Tsuzuki TC</li> </ul>		<ul style="list-style-type: none"> <li>IIF Shinonome R&amp;DC</li> <li>IIF Kamata R&amp;DC</li> <li>IIF Mitaka CC</li> </ul>	<b>Off-B/S development</b> <ul style="list-style-type: none"> <li>IIF Kawasaki SC (land)</li> </ul>	<ul style="list-style-type: none"> <li>IIF Kawasaki SC (Building)</li> </ul>	<ul style="list-style-type: none"> <li>IIF Sagamihara R&amp;DC</li> </ul>
<b>Infrastructure facilities</b>			<b>Acquisitions of Data Centers</b> <ul style="list-style-type: none"> <li>IIF Shinagawa DC</li> <li>IIF Zama ITSC</li> </ul>	<ul style="list-style-type: none"> <li>IIF Osaka Nanko ITSC</li> <li>IIF Osaka Toyonaka DC</li> </ul>		<ul style="list-style-type: none"> <li>IIF Shinagawa ITSC</li> </ul>
			<b>Accumulating a track record for acquisitions and management of data centers from earlier stage than other J-REITs</b>		<b>Acquisition of Port Infrastructure</b> <ul style="list-style-type: none"> <li>IIF Nagoya Port TT (land with leasehold interest)</li> </ul>	
<b>Logistics facilities</b>	<ul style="list-style-type: none"> <li>IIF Narashino LC (land with leasehold interest)</li> </ul>	<ul style="list-style-type: none"> <li>IIF Narashino LC II (land with leasehold interest)</li> <li>IIF Atsugi LC II I</li> <li>IIF Yokohama Tsuzuki LC</li> <li>IIF Saitama LC</li> <li>IIF Nagoya LC</li> </ul>	<ul style="list-style-type: none"> <li>IIF Atsugi LC III</li> <li>IIF Kawaguchi LC</li> </ul>	<ul style="list-style-type: none"> <li>IIF Kobe LC PRE</li> <li>IIF Higashi Osaka LC</li> <li>IIF Kashiwa LC</li> </ul>	<ul style="list-style-type: none"> <li>IIF Hiroshima LC PRE</li> <li>IIF Misato LC</li> <li>IIF Iruma LC</li> <li>IIF Tosu LC</li> <li>IIF Narashino LC II (building with leasehold interest)</li> <li>IIF Inzai LC</li> <li>IIF Morioka LC</li> </ul>	<ul style="list-style-type: none"> <li>IIF Izumisano LC</li> <li>IIF Kyotanabe LC</li> <li>IIF Izumiotsu LC (land with leasehold interest)</li> <li>IIF Fukuoka Koga Vehicle LC (land with leasehold interest)</li> </ul>
	<b>Our track record in logistics facility acquisitions commencing with our TSE listing in 2007</b>					



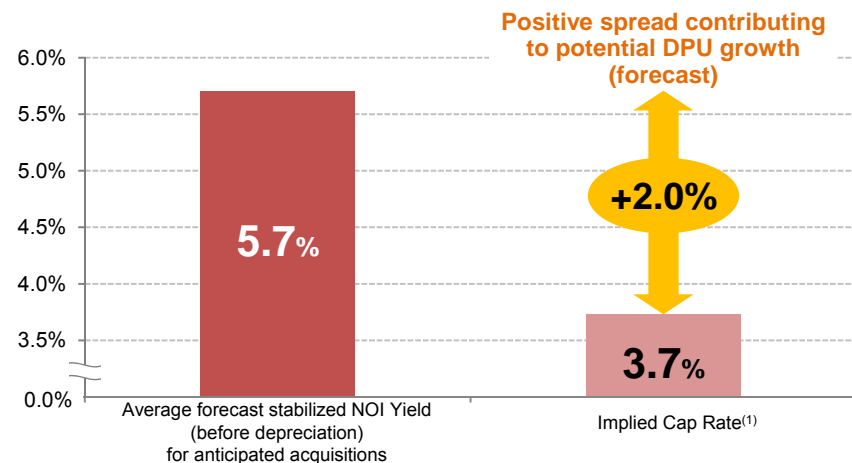
(Note) The properties shown above are examples only and do not reflect all of the properties we currently own or plan to acquire in connection with this offering.



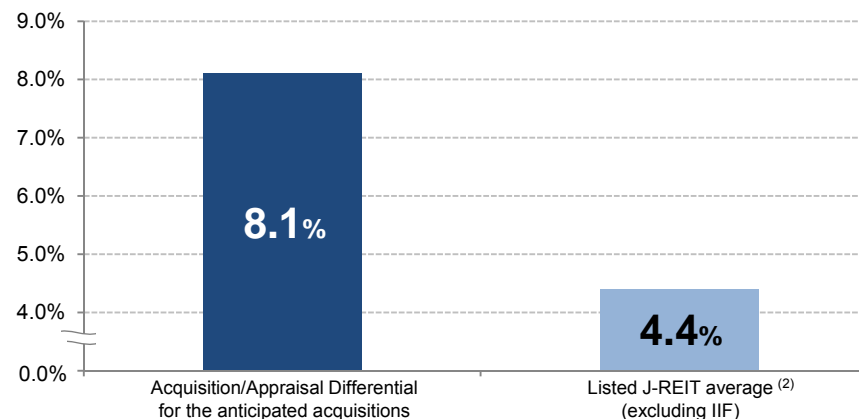
# First-mover advantage accrete portfolio value

## First-mover advantage (i): Attractive yield spread against implied cap rate and differential between acquisition prices and appraisal values

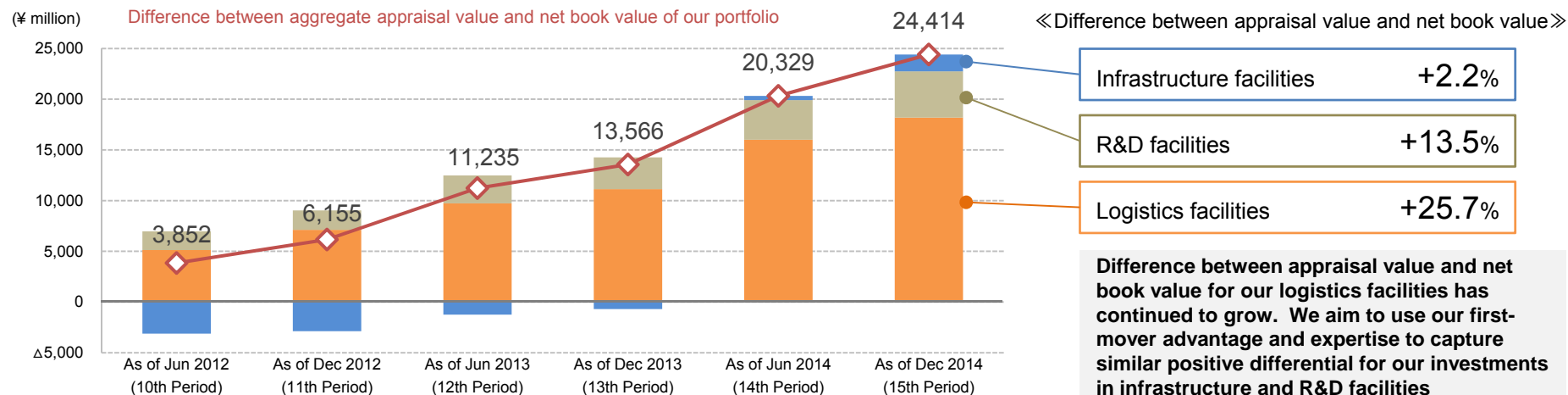
### ► Attractive NOI Yield for New Properties



### ► Targeting Acquisitions below Appraisal Value



## First-mover advantage (ii): Growing difference between appraisal and book value of our portfolio



(Note 1) Implied Cap Rate = NOI / (Mkt Cap + Int-bearing Debt + Deposit-Cash). Market price per unit is an important factor in the calculation of implied cap rates. As a result, implied cap rates may fluctuate significantly. Implied Cap Rate of this material is based on the market price per unit as of February 5, 2015.

(Note 2) Average ratio of acquisition price to appraisals of IIF and other listed J-REITs (excluding IIF) is calculated as a weighted average of the ratio between acquisition price and appraised value at acquisition based on acquisition price. The average acquisition price to appraisal ratio for other listed J-REITs has been calculated based on acquisition date by listed J-REITs during the period from January 1, 2014 to December 31, 2014.

# Acquisitions with attractive risk-return profiles

## Manufacturing, R&D facilities

Continue to acquire facilities and take advantage of comparatively less competition



IIF Sagamihara R&DC

NOI yield		Acquisition Price below Appraisal Value
Stabilized forecast NOI yield	Stabilized forecast NOI yield after depreciation	Difference (anticipated)
<b>8.0%</b>	<b>7.2%</b>	<b>+¥360m</b> <b>+11.6%</b>

### «First-Mover Advantage»

Selective acquisitions through rigorous analysis of the “long-term usability” and “versatility” of a property

Leveraging acquisition track record and management of R&D facilities

Long-term usability

High likelihood that current tenant will continue property as a core R&D facility

Leveraging acquisition track record and management of logistics facilities

Versatility

Property has potential to be redeveloped into a logistics facility

## Infrastructure facilities

Accumulated know-how enables us to acquire properties with potential high profitability



IIF Shinagawa ITSC

Stabilized forecast NOI yield  
(As of anticipated acquisition date)

NOI yield	<b>4.4%</b>
Occupancy rate	<b>76.1%</b>

### Leasing potential

(Reference)  
Hypothetical NOI yield assuming 95.2% occupancy is achieved and other factors<sup>(1)</sup>

<b>5.4%</b>
<b>95.2%</b>

(Note 1) See page 48 “Note P8 (7)”.

### «First-Mover Advantage»

Leveraging acquisition track record and management of data centers



Intent to realize the leasing potential through finding stable and attractive tenants

## Logistics facility

Customized CRE solutions allows us to access attractive investment opportunities while avoiding competition

### Manufacturing and logistics complex



IIF Izumisano LC

NOI yield <sup>(2)</sup>		Acquisition Price below Appraisal Value <sup>(2)</sup>
Stabilized forecast NOI yield	Stabilized forecast NOI yield after depreciation	Difference (anticipated)
<b>5.9%</b>	<b>5.3%</b>	<b>+¥1,078m</b> <b>+9.4%</b>

(Note 2) Presented for 4 logistics properties to be acquired

### «First-Mover Advantage»

Leveraging know-how gained through sourcing acquisition of manufacturing facilities

**Manufacturing and logistics complex**

IIF Izumisano LC

Accumulating know-how for future investments in manufacturing facilities

Leveraging track record of acquisition and management of R&D facilities

**Off-B/S development**

IIF Fukuoka Koga Vehicle LC  
(land with leasehold interest)

Use accumulated experience of IIF Kawasaki SC

Accumulate new know-how from acquisition

**Structured acquisition scheme**

IIF Kyotanabe LC

Flexibility to respond to the sale timing of seller

**Structured acquisition scheme**



IIF Kyotanabe LC

**Off-B/S development**



IIF Fukuoka Koga Vehicle LC  
(land with leasehold interest)

Offering Highlight

1

## Further Growth through Accretive Equity Offerings

*Increase DPU and NAV per unit to enhance our unitholders' value over the long term*

Offering Highlight

2

## Robust First-Mover Advantage

*Acquisitions leveraging accumulated know-how and expertise*

Offering Highlight


















3

## Growing opportunities through CRE Solution Strategy

*Capture acquisition opportunities through unique CRE solutions and taking advantage of growing awareness of ROE*



# Flexible approach to capture shifting CRE needs

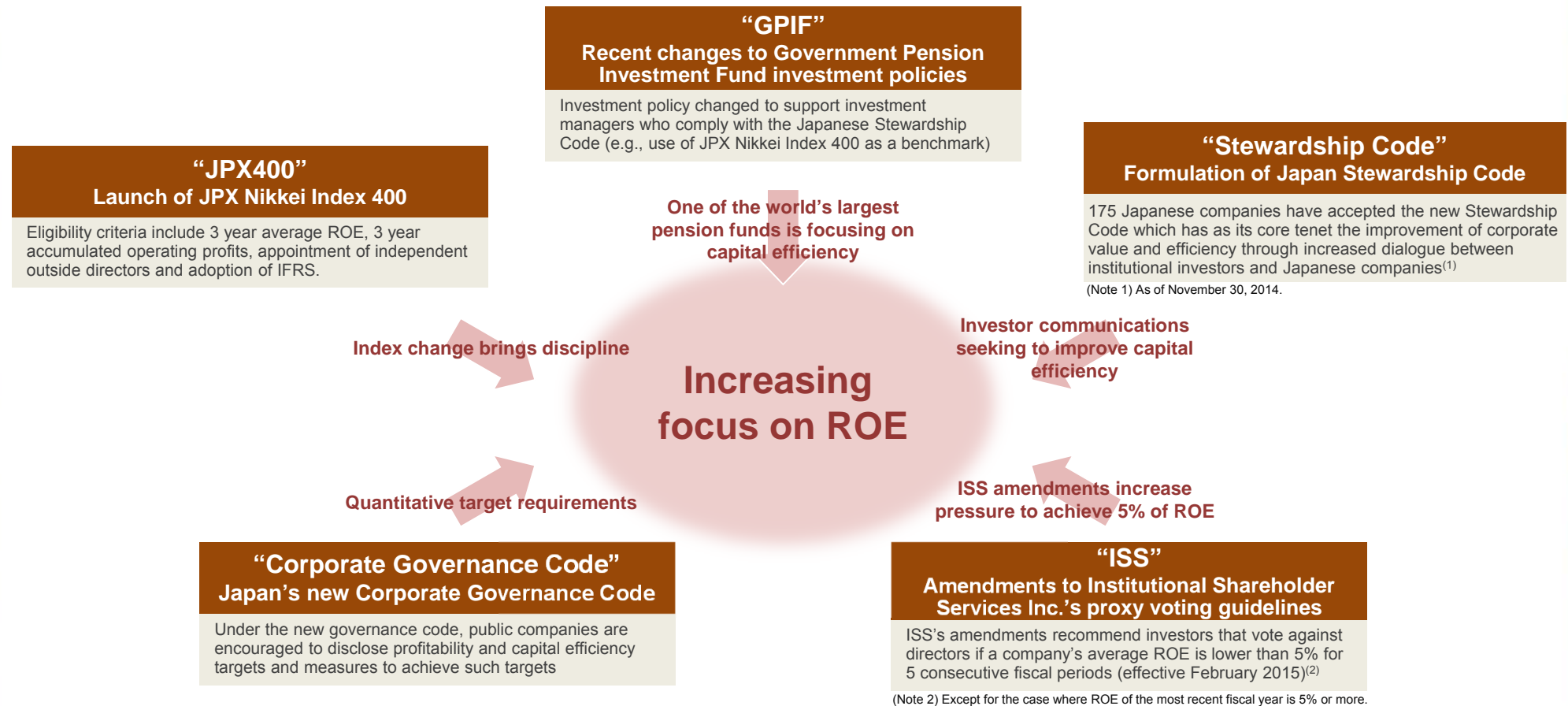
CRE Needs	Jan - Dec 2010	Jan - Dec 2011	Jan - Dec 2012	Jan - Dec 2013	Jan - Dec 2014	(Anticipated Acquisitions)	
New investments in core businesses	CRE needs shifting with economic trends			IIF Kawasaki SC (land)	 IIF Nagoya Port TT (land with leasehold interest)  IIF Hiroshima LC  IIF Narashino LC II (building with leasehold interest)	 IIF Kyotanabe LC  IIF Fukuoka Koga LC (land with leasehold interest)	
Increase capital efficiency of core businesses	Increased needs to divest non-core assets and realize profits due to the global financial crisis		Increased activity to reinforce core businesses due to gradual economic recovery	 IIF Zama ITSC  IIF Kobe LC  IIF Osaka Nanko ITSC		 IIF Izumisano LC	
Divestment of non-core assets			 IIF Atsugi LC II  IIF Nagoya LC	 IIF Kawaguchi LC	 IIF Higashi-Osaka LC	 IIF Sagamiara R&DC	
Income statement control	 IIF Totsuka TC (land with leasehold interest)	 IIF Narashino LC II (land with leasehold interest)	 IIF Shinagawa DC				



# Increase in potential need for CRE solutions

## Initiatives to improve capital efficiency

We believe growing awareness of the importance of ROE will create opportunities for us to acquire new properties by providing CRE solutions.

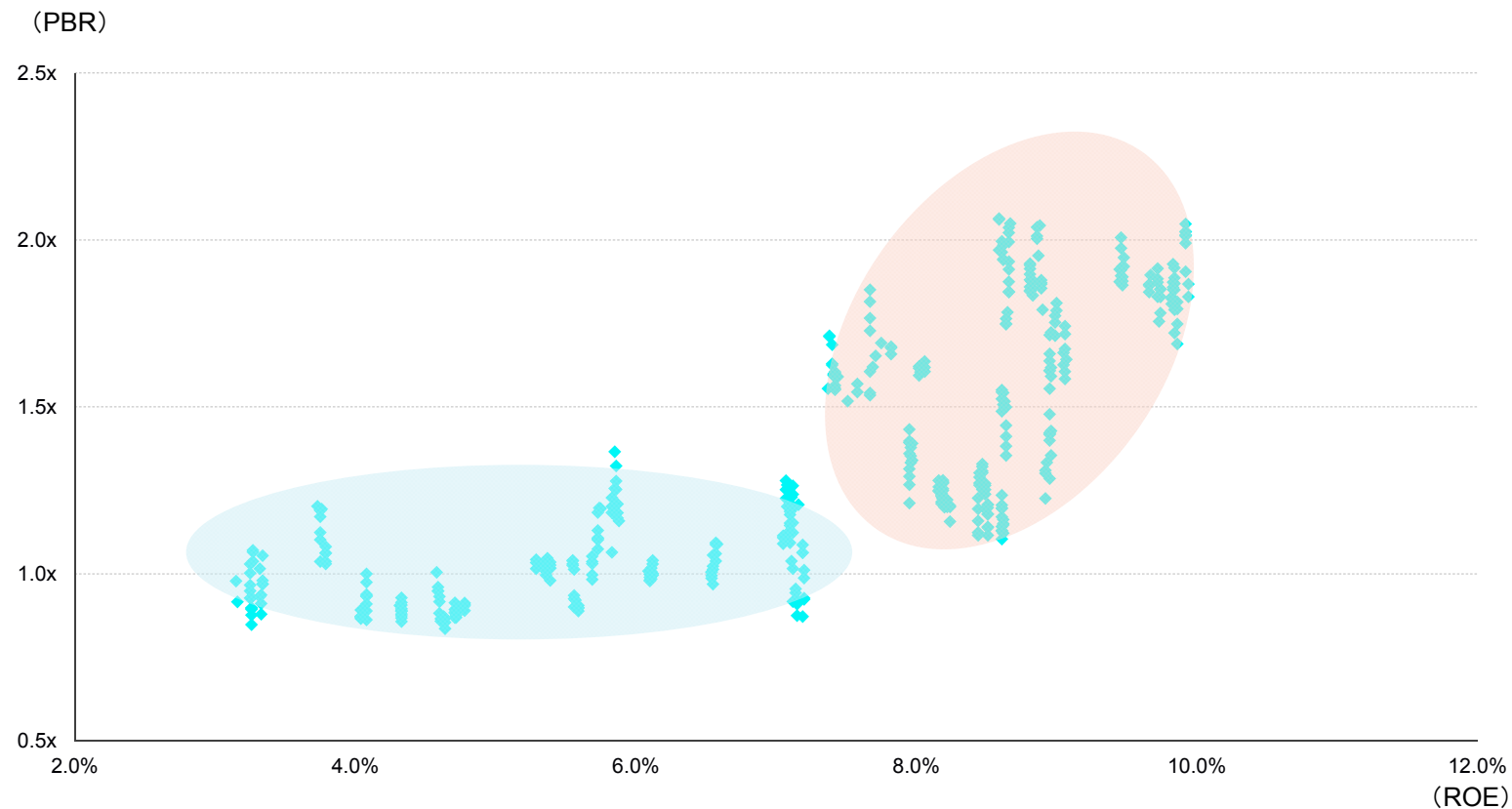


**Capture acquisition opportunities through CRE proposals which take advantage of the increasing awareness regarding capital efficiency**

# Evaluation of companies with high ROE in the market

## High ROE levels tend to correlate to high PBRs

- Relationship between ROE and PBR for Companies Listed on the First Section of the TSE (From 2005 to 2014)



(Note 1) Price to Book Ratio = Market Share Price / Book Value Per Share.

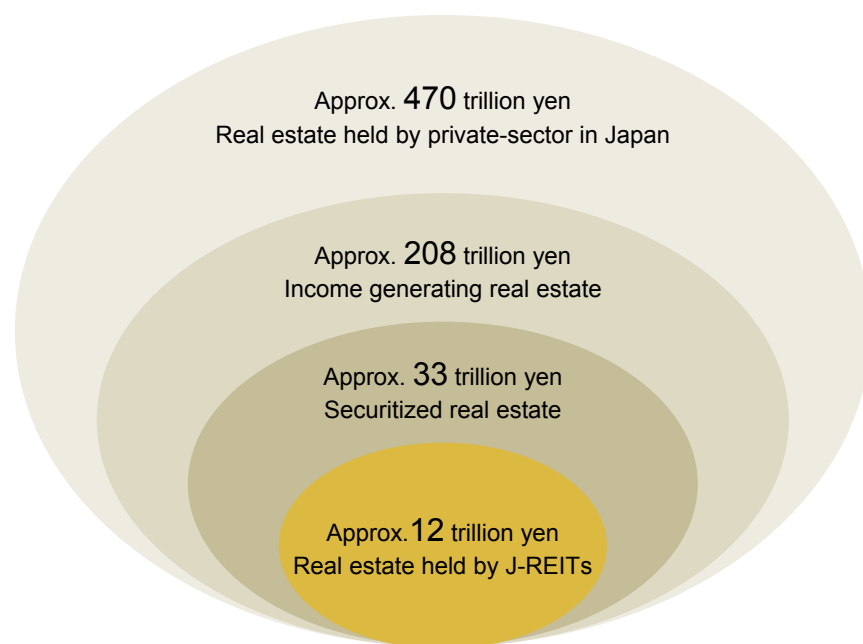
(Note 2) The actual PBR and actual ROE of all the companies listed on the First Section of the TSE (calculated on a weekly basis) are used to calculate.

(Source) Bloomberg

# Aim to realize CRE potential

## CRE market potential

There is significant market potential for real estate held by the private sector

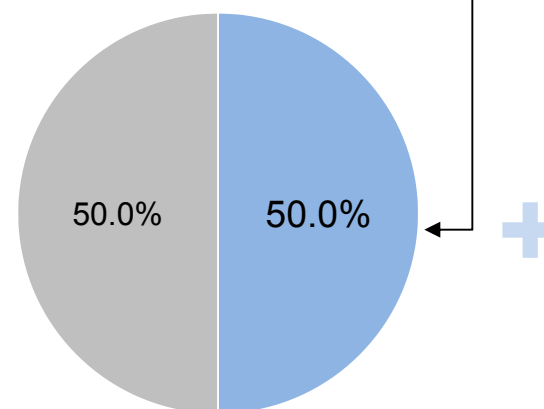


(Source) Ministry of Land, Infrastructure, Transport and Tourism, Japan, ARES

## Potential of CRE requires focusing on ROE improvement

We believe that companies with higher ROE tend to manage their balance sheets more actively

Number of our portfolio acquisitions including anticipated acquisitions from JPX 400 companies (ratio to all sellers)



The other 50% of sellers includes foreign corporations which are not JPX 400 companies but which tend to demonstrate a high degree of balance sheet management



IBM Japan



Johnson & Johnson

(Note) Based on number of acquisitions (including anticipated acquisitions) from business corporations

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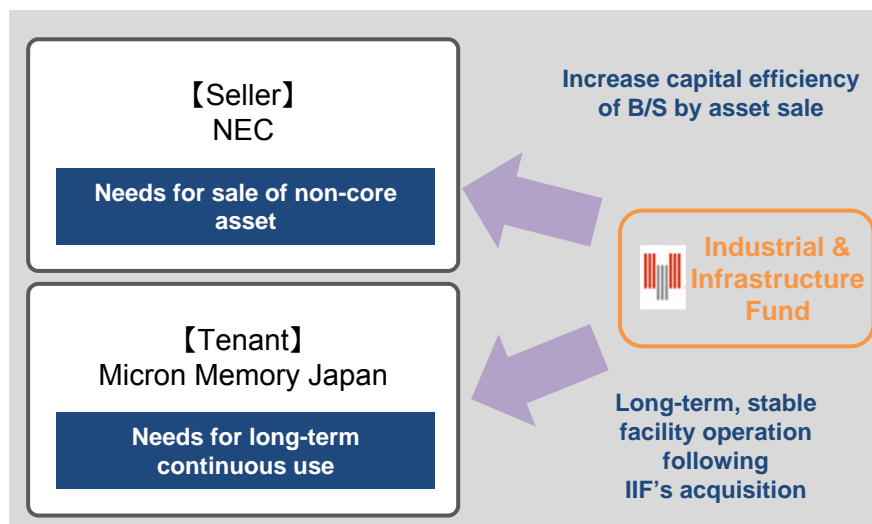
## Anticipated Acquisitions

Anticipated  
Acquisition Price  
JPY **3,100** million

Stabilized Forecast  
NOI Yield  
**8.0** %



Our Proposed CRE Solution



Acquisition  
Highlights

1-on-1  
Negotiation

CRE

- Satisfy seller's needs for sale of non-core assets and tenant's needs for long-term continuous use
- Critical site for developing and designing semiconductor memory for Micron Technology
- High potential as a logistics facility site

Tenant  
Micron Memory  
Japan

Remaining  
Lease Term<sup>(\*)</sup>  
**10** mos.

Termination option – Yes  
Rent Revision – Negotiable  
upon renewal

Potential as a logistics facility site

- Good location for potential use as a logistics facility and factory as it is close to consumer areas in central Tokyo as well as Yokohama and Kawasaki
- Location with high redevelopment potential as logistics facility due to good access to major roads and highways
- Capable of 24-hour operations due to industrial area zoning
- Further improvement of geographical importance in the future by traffic development (expected in 2027)





# IIF Sagamihara R&D Center (cont.)

## Long-term Usability

Long-term use by current major tenant expected

- Core R&D Center of Japanese arm of the world's leading semi-conductor memory manufacturers, Micron Technology
- Important site for developing and designing DRAM and other types of semiconductor memory
- Also used as a technology sales office since 2000 with good access to Tokyo

## Versatility

Versatile real estate asset

- Located in an integrated R&D, logistics and manufacturing facilities area
- Close proximity to client companies with access to central Tokyo
- Further development is expected in this area

## R&D, logistics and manufacturing facilities integrated area

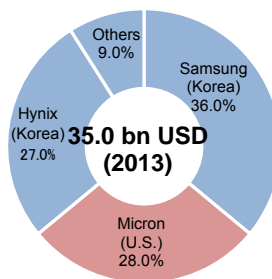


## Favorable access to terminal stations in Tokyo and major expressways

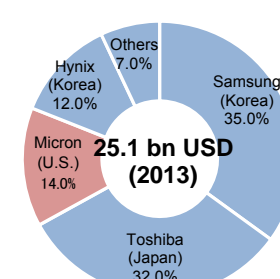


## One of the top global shares in the category of semiconductor memory

### DRAM

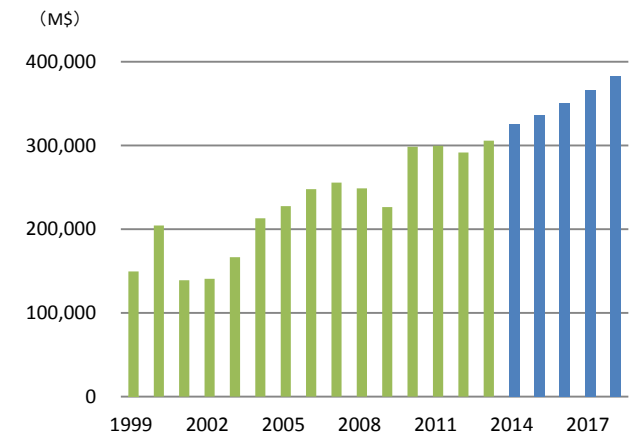


### NAND



(Source) Mitsubishi Research Institute, Inc. based on data from IHS (2014)

## Anticipated expansion in semi-conductor market



(Note) Forecast in blue bar  
(Source) Mitsubishi Research Institute, Inc. based on data from WSTS (~2014)

## IIF Shinagawa IT Solution Center

Anticipated  
Acquisition Price  
JPY **7,200** millionStabilized Forecast  
NOI Yield  
**4.4 %**Acquisition  
Highlights1-on-1  
Negotiation

- 1-on-1 negotiation to capture seller's needs
- High specification data center located in center of Tokyo
- Long-term lease by companies with high credit ratings
- Future leasing potential

Tenant  
Hitachi Systems

※ Hitachi, Ltd.'s 100% subsidiary

Remaining  
Lease Term  
Not disclosed

Not disclosed

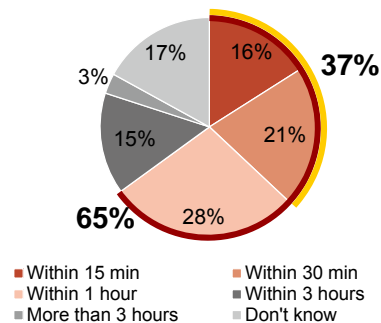
## Tenant

IT subsidiary of large domestic telecom company

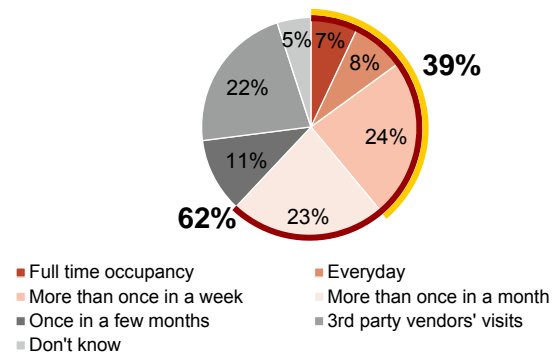
Remaining  
Lease Term  
**3 mos.**Termination option – Yes  
Rent Revision – Yes

## Rationale for urban data center demand

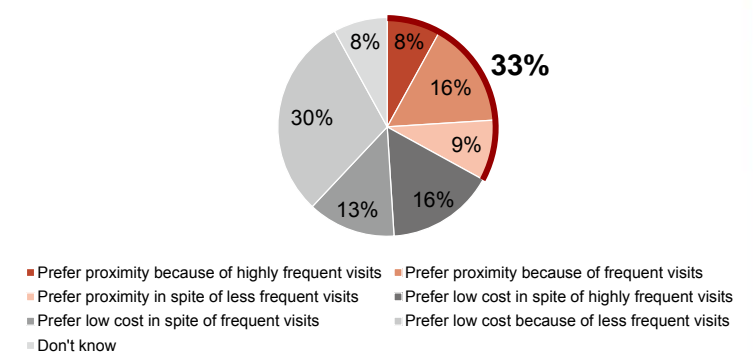
Time required to get to data center



Frequency of visiting data center



Proximity to office versus cost for data center



(Source) Mitsubishi Research Institute, Inc. based on public information



# IIF Shinagawa IT Solution Center (cont.)

## Long-term Usability

Long-term use by current main tenants expected

- Leased by Hitachi Systems since 2002 as a major base
- Essential strategic base for a IT subsidiary of a large domestic telecom company since 1996

## Versatility

Versatile real estate asset

- Prime location for this type of property due to tendency of tight supply and demand in urban data center ("DC")
- DC and telecom facility integrated area with convenient public transportation
- Tier 3 equivalent data center facility

## DC integrated area and access to the tenant's headquarters



## Favorable access within Tokyo



## Tier 3 equivalent data center facility

- Stable power receiving facility with special high voltage 3 line spot networks
- 2 emergency generators that allow 33 hours of continuous operation
- Preferentially refueling in emergency by priority refueling service contract

Data Center Facility Standard Criterion Evaluation List, Japan Data Center Council

Category	Evaluation Elements	Tier 1	Tier 2	Tier 3	Tier 4
Building	Use	Multi use	Multi use	Multi use	DC exclusive
	Resistance for intensity 6 or more	Old earthquake resistance	New earthquake resistance	New earthquake resistance type II	New earthquake resistance type I
Security	Security management level	Sever room	Sever room	Building, sever room	Site, Building, sever room, rack
	Lines	Single line	Single line	Multiple lines	Multiple lines
Electricity	Emergency generator	N/A	As required	As required	As required + 1 additional
	Number of paths / careers	Single path Single career	Multiple paths Single career	Multiple paths Multiple careers	Multiple paths Multiple careers
Telecom	Resident management	N/A	N/A	More than 8 hours resident	24h-360days resident

(Note) Orange highlights show the evaluation of this facility

(Source) Mitsubishi Research Institute, Inc.  
Based on JDCC data center facility standard

## IIF Izumisano Food Processing and Logistics Center

Anticipated  
Acquisition Price  
JPY **860** millionStabilized Forecast  
NOI Yield  
**6.6** %

End tenant SUNDELICA.'s food processing plants / delivery area

Acquisition  
Highlights1-on-1  
Negotiation

CRE

- Logistics facility with factory space acquired through exclusive negotiation based on CRE proposal
- New fixed-term leasehold contract for 10 years
- Food-processing factory located within the facility

Tenant  
Nakano ShokaiRemaining  
Lease Term  
**9yrs. 10mos.**Termination option – No  
Rent Revision – No

## Proposed solution from IIF

- Sale & leaseback with Marubeni Logistics through exclusive negotiation
- Achieved stable cash flow and seek to minimize risk by inviting Nakano Shokai as the master lessee (fixed rent)

【Seller】  
Marubeni Logistics

Off-balance sheet financing

Increase capital efficiency of  
B/S through asset saleIndustrial &  
Infrastructure  
Fund【Tenant】  
Nakano ShokaiNeeds for new site  
Long-term usability needs



# IIF Izumisano Food Processing and Logistics Center (cont.)

## Long-term Usability

## Long-term use by current tenant expected

- Stable cash flow based on fixed-term lease which will be for 10 years
- One of the end-tenants, SUNDELICA., uses as a food-processing factory covering a major convenience store chain
- Also leased by an end-tenant operating international cargo business

## Versatility

## Versatile real estate asset

- Located within Rinku Town's zone with high concentration of logistic facilities
- Easy access to highway
- 24-hour-operations, high-frequency shipping and stable workforce expected
- Adaptable property for logistics as well as food-processing

## Near Kansai International Airport with 24-hour operations



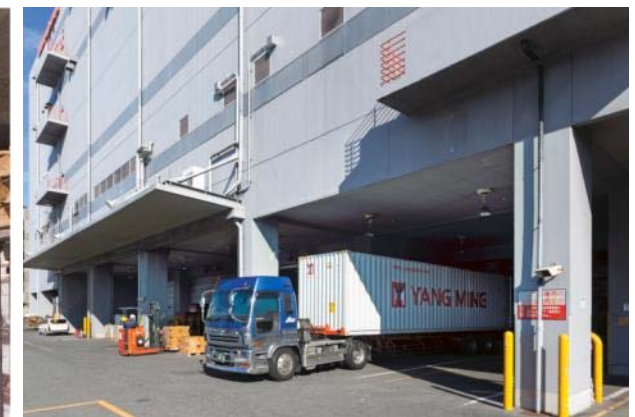
## Located in Rinku Town distribution, manufacturing and processing / factory zone



## Building adaptable for versatile use



## Truck berth for 40 ft. container trucks



## IIF Kyotanabe Logistics Center

Anticipated  
Acquisition Price  
JPY **5,730** million

Stabilized Forecast  
NOI Yield  
**6.1** %



Delivery area of the tenant in this building

Acquisition  
Highlights1-on-1  
Negotiation

CRE

- Acquired from SBS Holdings, one of the largest 3PL providers, through 1-on-1 negotiation by CRE proposal
- Relatively new specification building for versatile use
- Tenant's headquarters and core logistics center in West Japan area

Tenant  
Takara Butsuryu

Remaining  
Lease Term  
**2 yrs. 7 mos.**

Termination option – No  
Rent Revision – Negotiable  
every 2 years

## Proposed solution from IIF

- Realized CRE solution to SBS Holdings, one of the largest 3PL companies
- Off-balance financing of own facility through structured acquisition scheme

【Initial owner】  
SBS Holdings

Cash needs for new  
investment

Realizing cash needs through  
structured acquisition scheme

Industrial &  
Infrastructure  
Fund



# IIF Kyotanabe Logistics Center (cont.)

## Long-term Usability

Long-term use by current tenant expected

- Headquarters and core logistics center in West Japan area for Takara Butsuryu since 2007, at the completion of construction
- Convenient facility for the tenant due to its proximity to Takara Shuzo's Kyoto Fushimi Factory
- Tenant's investment track record with restoration obligation such as air conditioner, constant temperature warehouse, on-site truck carwash, etc.

## Versatility

Versatile real estate asset

- Suitable for logistics with excellent access to the large consumer area of the Kansai region
- Convenient transportation within proximity to the highway
- Versatile logistics facility that can handle a wide variety of cargo

## Location widely covering Kansai area



## High work efficiency building placement



(Source) PASCO CORPORATION

## Building adaptable for versatile use



## Equipped with 57 truck berths across 3 sides



## Maximum 15m width of wet weather handling



IIF Izumiotsu e-shop Logistics Center *(land with leasehold interest)*

Anticipated Acquisition  
Price  
JPY **4,000** million

Stabilized Forecast  
NOI Yield  
**5.6 %**

Acquisition  
Highlights1-on-1  
Negotiation

- Land of online shopping distribution base for major home center, KOHNAN SHOJI
- 20-year fixed-term lease provides long-term stability
- One of the core bases for the tenant who owns buildings and made an expansion investment

Tenant  
KOHAN SHOJI

Remaining  
Lease Term  
**9 yrs. 4 mos.**

Termination option – No  
Rent Revision – Yes

## Senboku area location



## Located near Sukematsu Bund and Izumi-Otsu IC





# IIF Izumiotsu e-shop Logistics Center *(land with leasehold interest)* (cont.)

## Long-term Usability

## Long-term use by current tenant expected

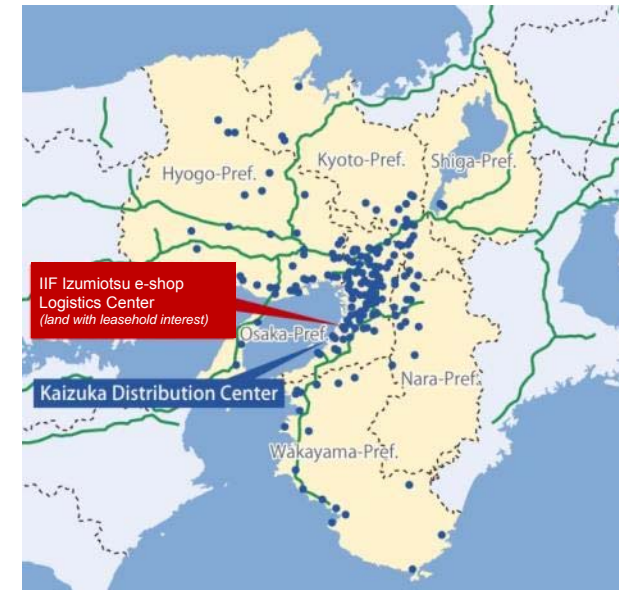
- E-commerce base which Kohnan Shoji focuses on to differentiate from competitors
- Investment in 2011 increased total floor area three fold
- Fixed-term lease provides long-term stability (term remaining for 9 years and 4 months)

## Versatility

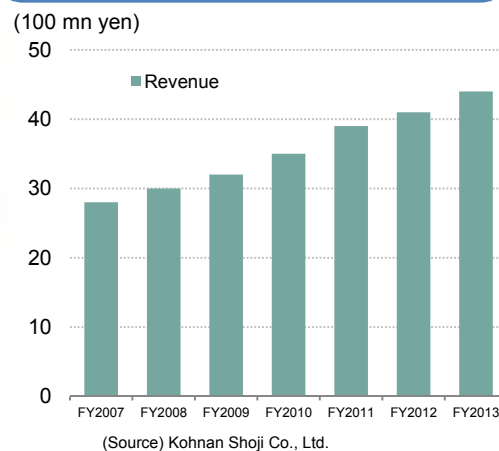
## Versatile real estate asset

- Located within an international hub port, Sakai Senboku port, with easy access to Izumiotsu IC of Hanshin Highway Route 4
- 24-hour operationality with high-frequency shipping, and stable workforce expected
- Potential to be used as a retail facility
- Facility with inspection and packaging capability for e-shop (Note)

## Southern Osaka area with concentrated physical store networks



## Sales trend of Kohnan e-shops



## Extended the third floor area as Kohnan e-shop in 2011 (Note)



(Note) Owned by the tenant and we do not plan to acquire these assets

## Site of Kohnan e-shop, an online store



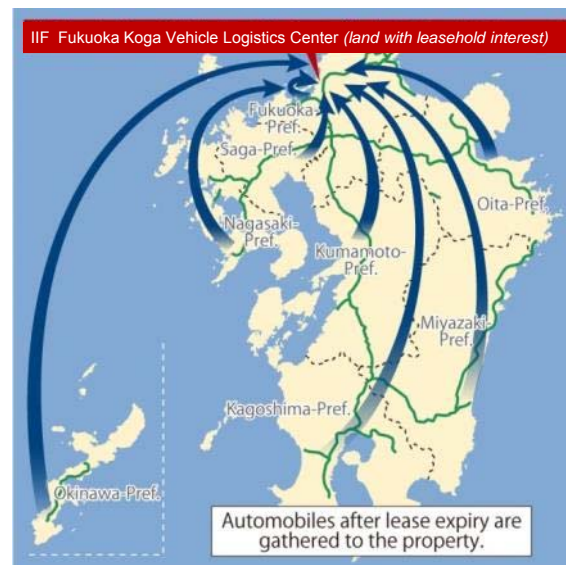
IIF Fukuoka Koga Vehicle Logistics Center *(land with leasehold interest)*Anticipated  
Acquisition Price  
**JPY 860 million**Stabilized Forecast  
NOI Yield  
**6.3 %**Acquisition  
Highlights1-on-1  
Negotiation

CRE

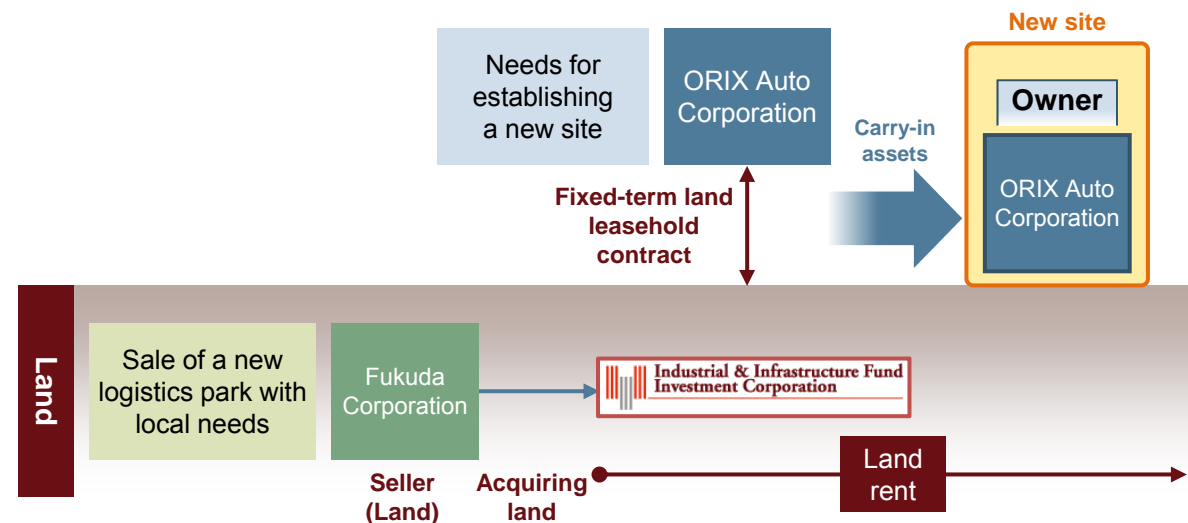
- Logistics facility acquired through exclusive negotiation based on CRE proposal
- Fixed-term leasehold for 20 years
- Investment in land which is newly developed based on local needs

Tenant  
ORIX Auto  
CorporationRemaining  
Lease Term  
**20 yrs.**Termination option – No  
(for first 11 yrs.)  
Rent Revision – No  
(in general)

## Covering area of the tenant



## Image of the scheme





# IIF Fukuoka Koga Vehicle Logistics Center (land with leasehold interest) (cont.)

## Long-term Usability

Long-term use by current tenant expected

- Key facility for ORIX Auto Corporation, a leading company in the auto leasing industry
- Located close to 2 auto auction sites
- Fixed-term leasehold will be for 20 years

## Versatility

Versatile real estate asset

- 30 minutes car-drive from central Fukuoka city, suitable location for logistics facility coverings broad area
- Commercial land newly developed for logistic facilities in July 2014
- Surrounded by other industrial facilities such as logistic centers and factories

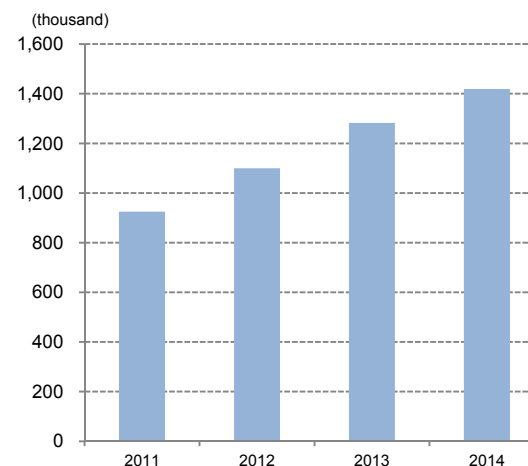
## Industrial real estate integrated area



## Located close to a city suitable for logistics

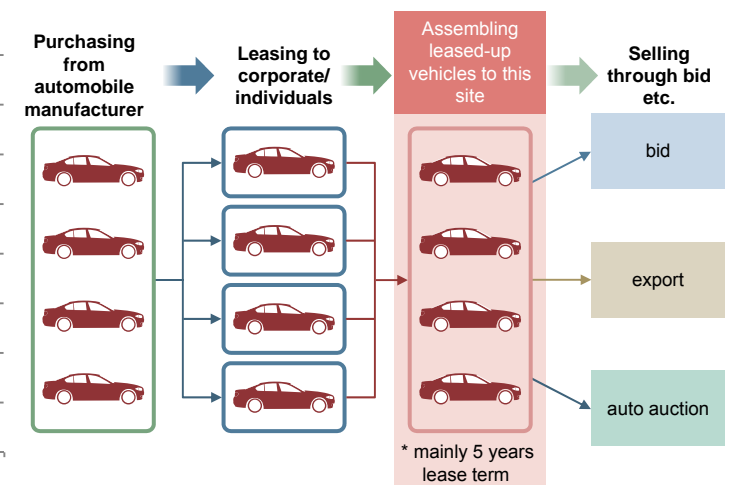


## Trend of second-hand car export market



(Source) Japan Automobile Dealers Association

## Auto leasing business flowchart and function of this facility



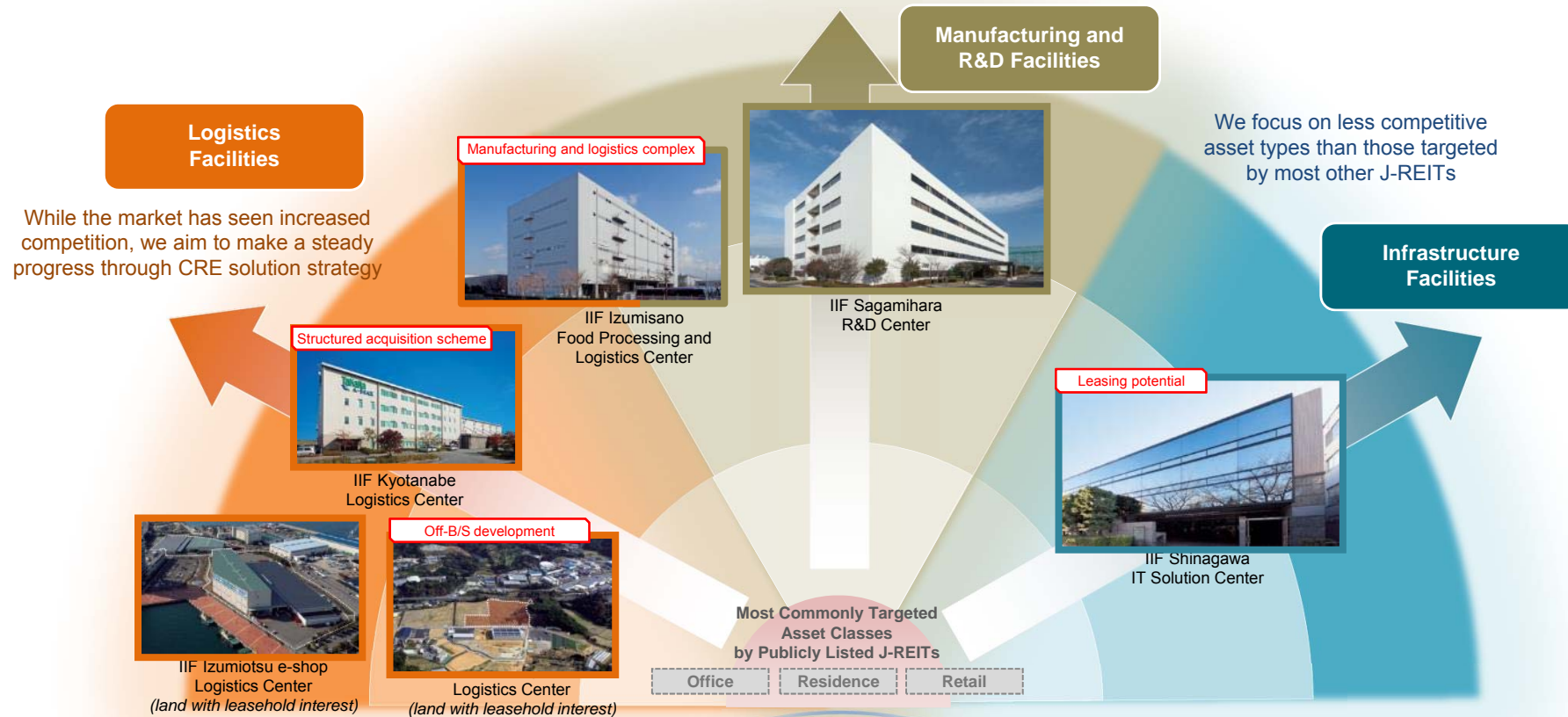
# Appendix



# Leveraging CRE solution proposals for future growth

## ► External Growth Utilizing First-Mover Advantage

Anticipated Acquisitions: **6 properties** **¥21.7 bn**



### First-Mover Advantages

#### Expertise in Providing CRE Solutions

- Customized solutions to meet CRE and PRE needs
- Built established track record, expertise and unique network
- Enhance positive reputational and market momentum by accumulating expertise that facilitates additional transactions

#### Asset Management Capability

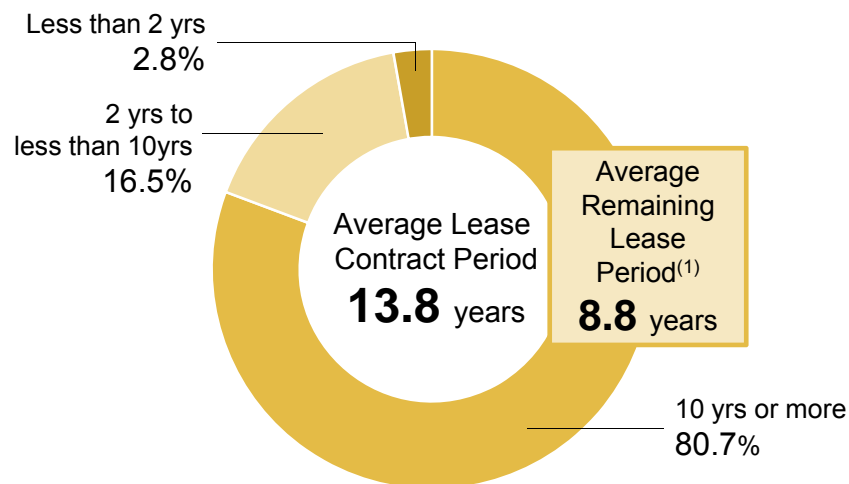
- Strong track record of operating industrial properties since the initial public offering
- Developed asset management capabilities through long-term relationships with tenants
- Leverage know-how to operate a diverse range of properties, including logistics facilities, manufacturing and R&D facilities and infrastructure facilities

# Acquisitions through ever-evolving CRE solution strategy

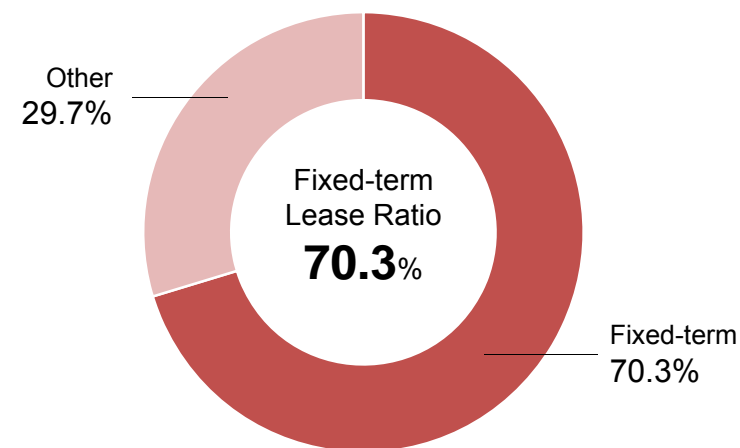
			Enhancement of Lease Stability		
	Property (Anticipated Acquisitions)		Primary Tenant	Total Lease Contract Period (Remaining Lease Term) <sup>(1)</sup> (Lease Type) <sup>(2)</sup>	Rent revision <sup>(3)</sup> --- (Termination Option) <sup>(4)</sup>
Manufacturing / R&D	IIF Sagamihara R&D Center		Micron Memory Japan Inc.	1.0 year (0.8 years) (Other) (Leased up since Apr. 2000)	Yes --- (Yes)
	Average		—	1.0 years	—
Infrastructure	IIF Shinagawa IT Solution Center		Hitachi Systems, Ltd.	Not disclosed (Leased up since Jan. 2002)	Not disclosed
			Not disclosed	2.0 years (0.3 years) (Other) (Leased up since Feb. 1996)	Yes --- (Yes)
	Average		—	2.0 years	—
Logistics	IIF Izumisano Food Processing and Logistics Center		Nakano Shokai Co., Ltd.	10.0 years (9.8 years) (Fixed term)	No --- (No)
	IIF Kyotanabe Logistics Center		TAKARA BUTSURYU Inc.	10.8 years (2.6 years) (Other)	Yes --- (No)
	IIF Izumiotsu e-shop Logistics Center (land with leasehold interest)		Kohnan Shoji Co., Ltd.	20.0 years (9.4 years) (Fixed term)	Yes --- (No)
	IIF Fukuoka Koga Vehicle Logistics Center (land with leasehold interest)		ORIX Auto Corporation	20.0 years (20.0 years) (Fixed term)	No (In general) --- (No (for first 11 years))
	Average		—	14.4 years	—
Average		—	7.8 years	—	

# Stable and long-term portfolio strategy

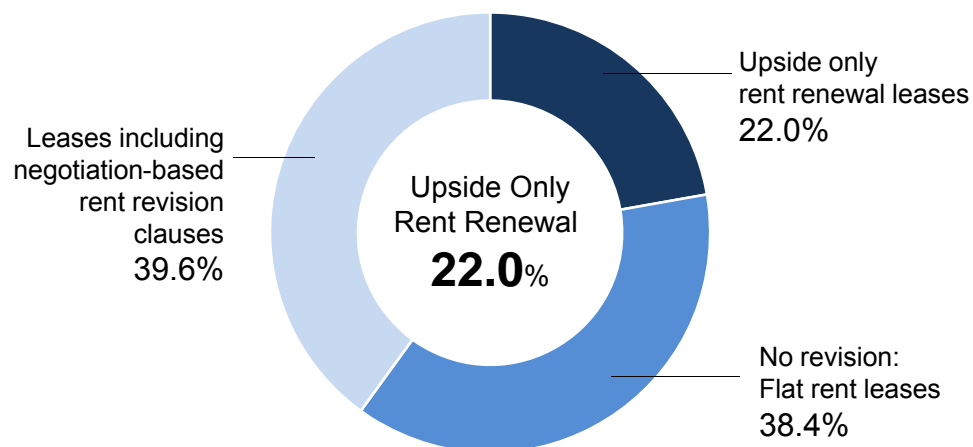
## ► Lease Term



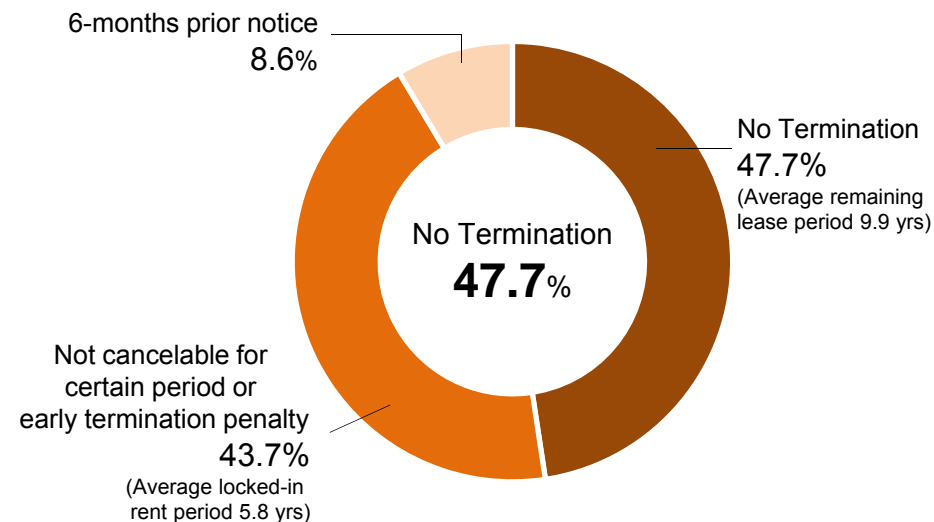
## ► Contract Type<sup>(2)</sup>



## ► Rent Revisions Provision<sup>(3)</sup>



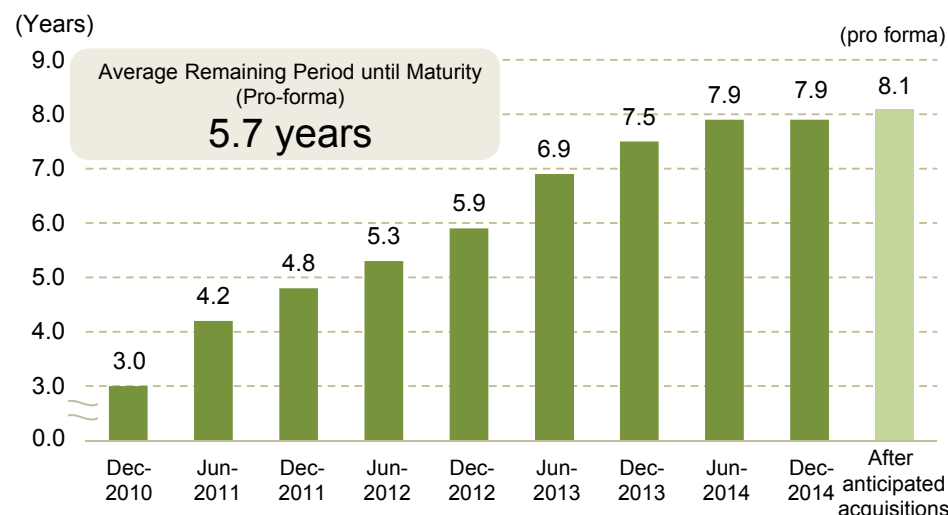
## ► Termination Option<sup>(4)</sup>



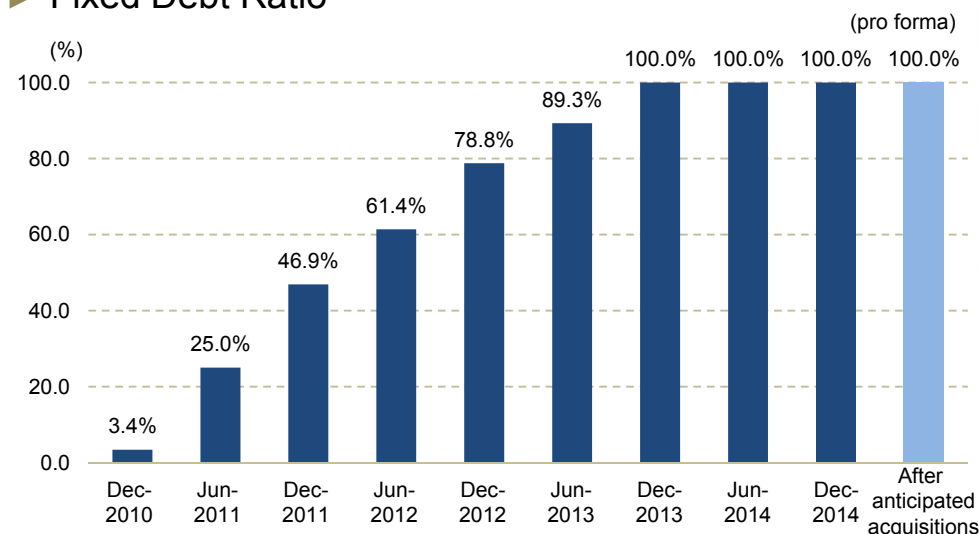
(Note) Based on annual rent  
\*For other footnotes, see page 49.

# Further development of financial stability

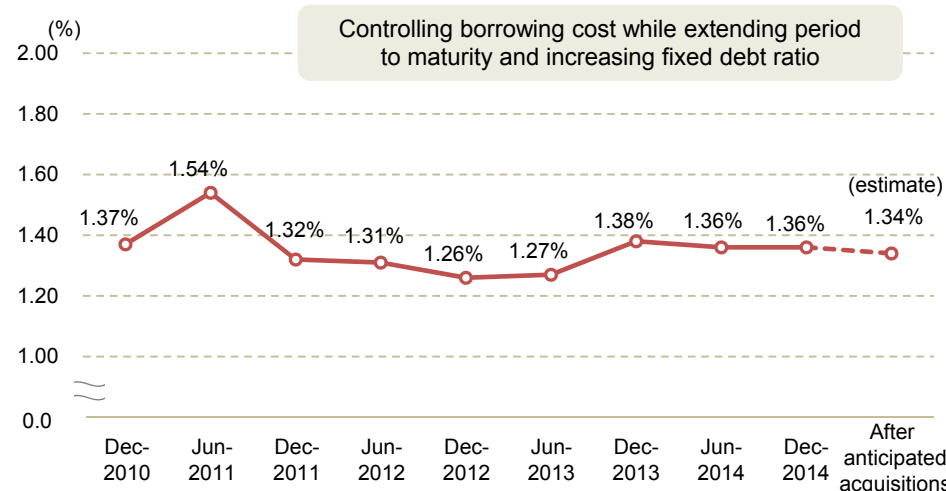
## ► Average Borrowing Period<sup>(1)</sup>



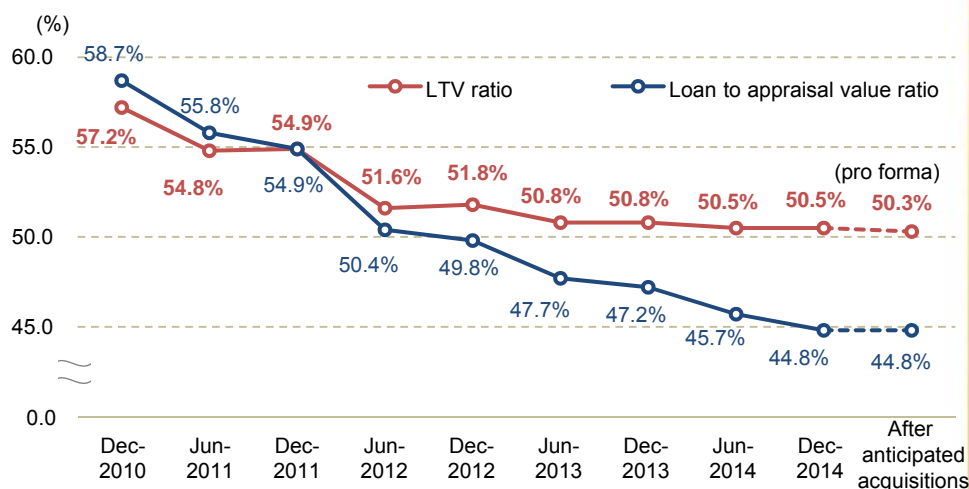
## ► Fixed Debt Ratio<sup>(1)</sup>



## ► Weighted Average Interest Rate<sup>(1)</sup>



## ► LTV Ratios<sup>(1) (2)</sup>

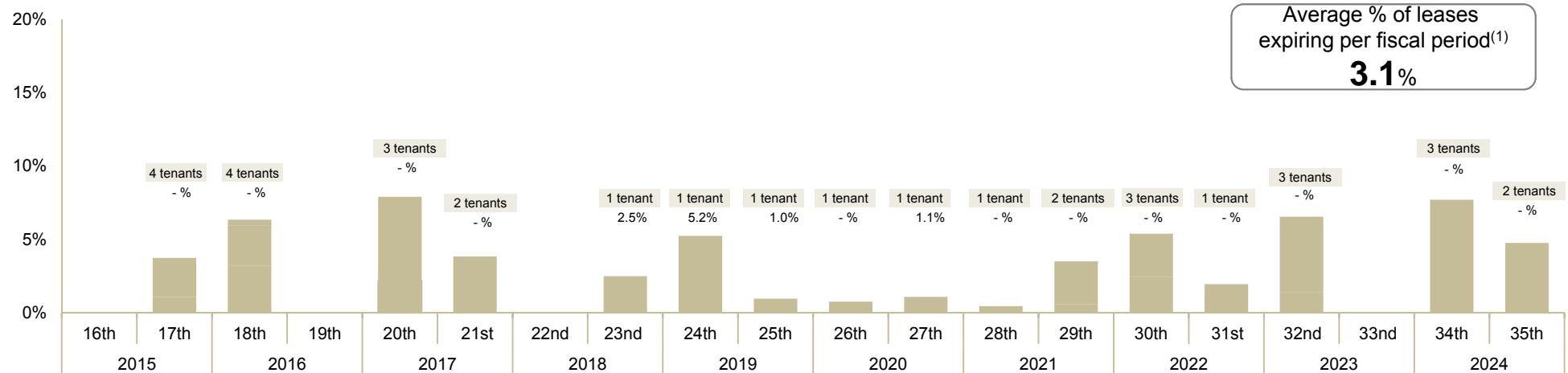


(Note 1) For a description of the terms "Average Borrowing Period", "Fixed Debt Ratio", "Weighted Average Interest Rate", "LTV ratio" and "Loan to appraisal value ratio", see "Management's Discussion and Analysis of Financial Condition and Results of Operations" in the offering circular.

(Note 2) LTV ratio is calculated by dividing interest bearing debt by total assets and loan to appraisal value ratio is calculated by dividing interest bearing debt by the sum of total assets and the difference between the appraisal value at the end of the relevant fiscal period and the book value of our current properties (or anticipated acquisition prices for the anticipated acquisitions). We have presented LTV ratio and loan to appraisal value ratio for comparison purposes only. Loan to appraisal value ratio uses the relevant appraisal values as of the dates indicated. Conditions affecting the above LTV ratio measurements are subject to a variety of factors described in further detail in the offering circular. The LTV ratio measurements above should not be viewed as a long term indication of our actual or future liquidity position.

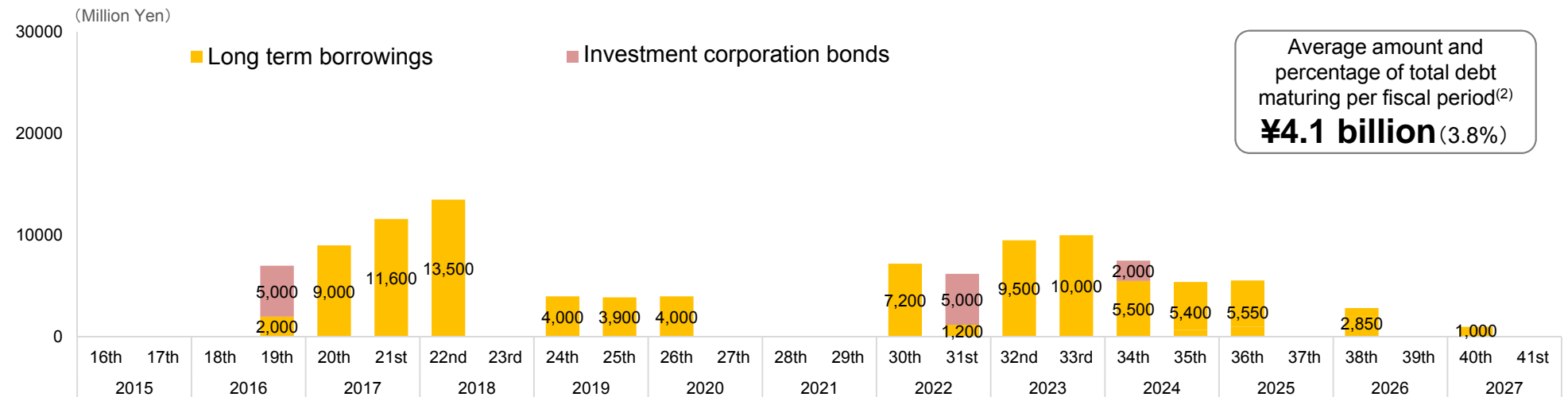
# Well-staggered lease expiration and debt maturity

## ► Diversification of Lease Maturities (after anticipated acquisitions)



(Note 1) Average percentage of leases expiring per fiscal period among those expected to expire between the beginning of the 16th and the end of the 35th period after giving effect to the anticipated acquisitions.

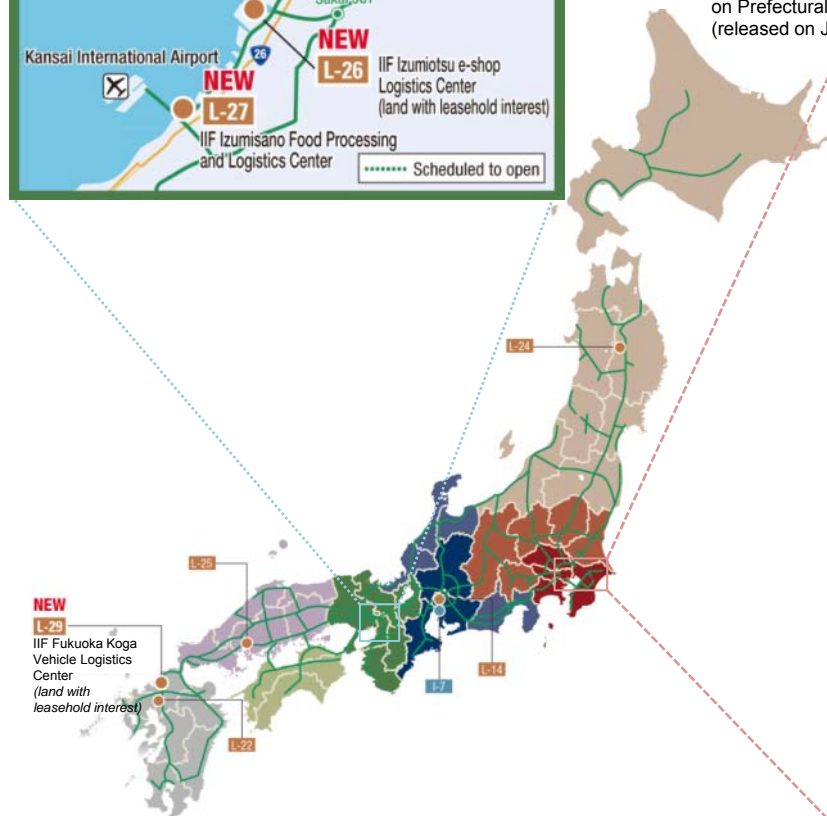
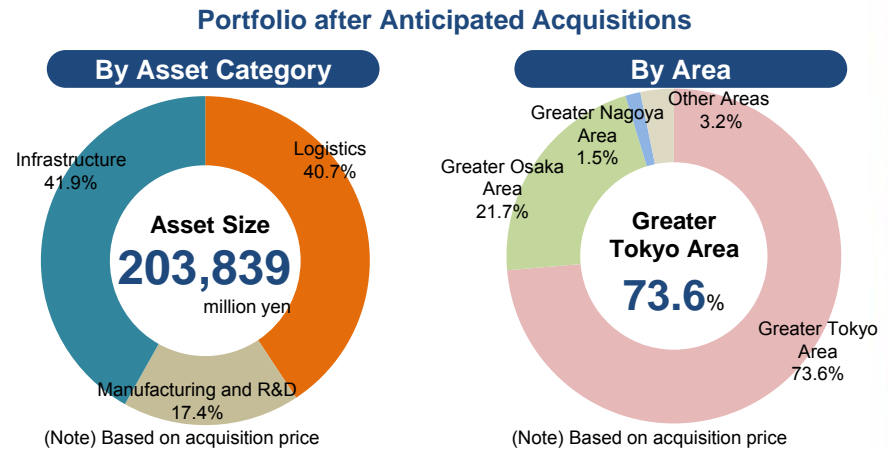
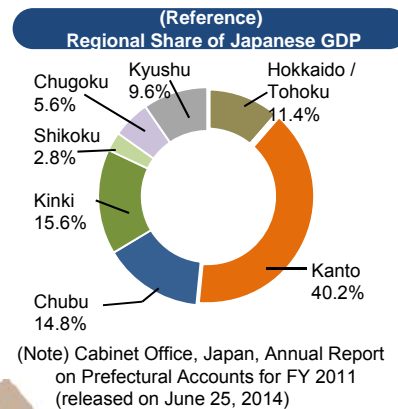
## ► Diversification of Debt Maturities (after anticipated acquisitions)



(Note 2) Average debt amount and percentage of total debt maturing per fiscal period after giving effect to the anticipated acquisitions. Average period measured from the beginning of the 16th fiscal period to the end of the 41st fiscal period.



# Our portfolio after anticipated acquisitions



(Note) Ministry of Land, Infrastructure, Transport and Tourism, Japan, "Recommendation Paper from the Council of Advisers for Revitalization of Metropolitan Expressways" (Sep 2012)



# Our portfolio after anticipated acquisitions

## Greater Tokyo Area (27 properties)

### Logistics (16 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



**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



**L-19** IIF Kashiwa Logistics Center



**L-20** IIF Misato Logistics Center



**L-21** IIF Iruma Logistics Center



**L-23** IIF Inzai Logistics Center

### Manufacturing / R&D (7 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



**F-7** IIF Sagamiara R&D Center

### Infrastructure (4 properties)



**I-2** IIF Haneda Air Port Maintenance Center



**I-3** IIF Zama IT Solution Center



**I-4** IIF Shinagawa Data Center



**I-8** IIF Shinagawa IT Solution Center

## Greater Osaka Area (9 properties)

### Logistics (6 properties)



**L-8** IIF Nishinomiya Logistics Center



**L-17** IIF Kobe Logistics Center



**L-18** IIF Higashi-Osaka Logistics Center



**L-26** IIF Izumiotsu e-shop Logistics Center  
(land with leasehold interest)



**L-27** IIF Izumisano Food Processing and Logistics Center



**L-28** IIF Kyotanabe Logistics Center

### Infrastructure (3 properties)



**I-1** IIF Kobe District Heating and Cooling Center



**I-5** IIF Osaka Toyonaka Data Center



**I-6** IIF Osaka Nanko IT Solution Center

## Greater Nagoya Area (2 properties)

### Logistics



**L-14** IIF Nagoya Logistics Center

### Infrastructure



**I-7** IIF Nagoya Port Tank Terminal  
(land with leasehold interest)

## Other Areas (4 properties)

### Logistics (4 properties)



**L-22** IIF Tosu Logistics Center



**L-24** IIF Morioka Logistics Center



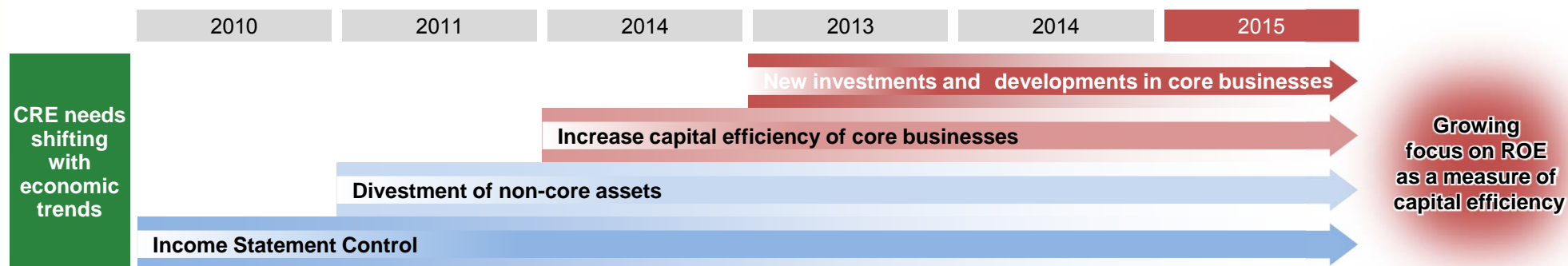
**L-25** IIF Hiroshima Logistics Center



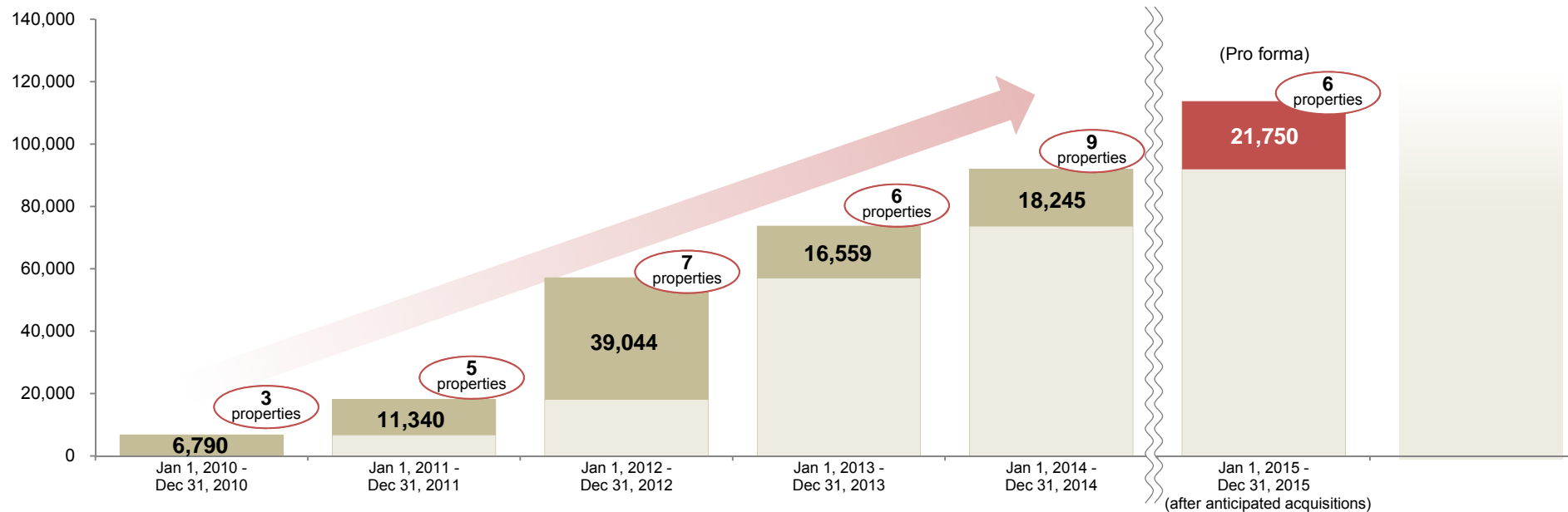
**L-29** IIF Fukuoka Koga Vehicle Logistics Center  
(land with leasehold interest)

# Expanding CRE acquisition opportunities

## ► Our Acquisition Track Record







Cumulative Actual / Anticipated Acquisition Price  
(¥ million)



"CRE strategy" is the term often used to describe the relatively new strategic approach increasingly employed by Japanese corporations to re-evaluate the benefits of owning real estate and to manage their real estate needs more efficiently so as to maximize corporate value.

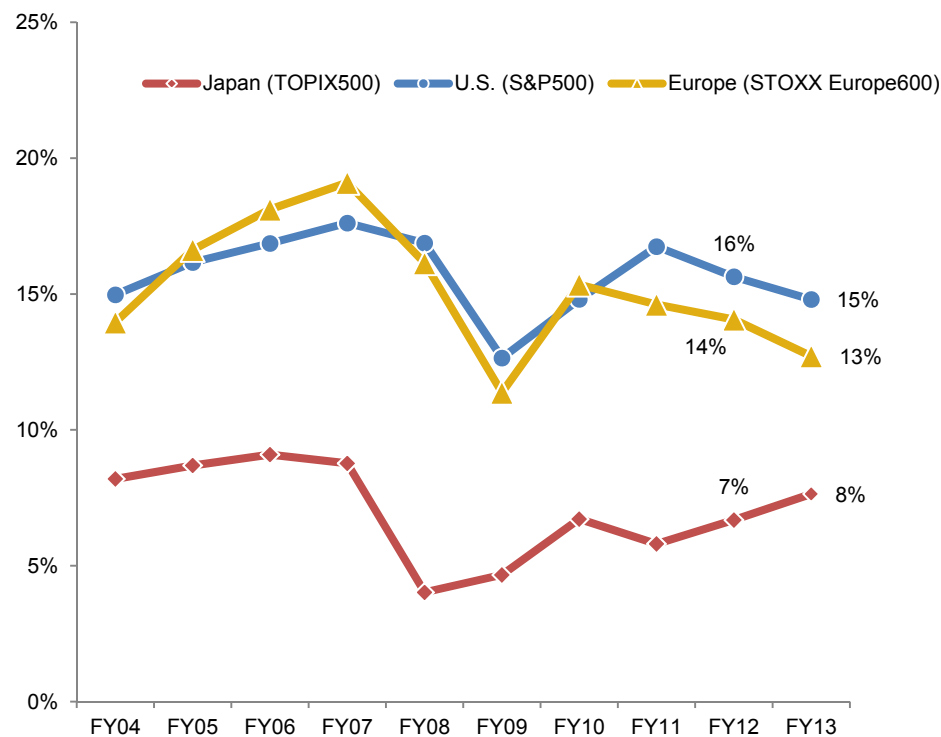
# Detailed CRE solution proposals for anticipated acquisitions

Properties	CRE Needs	Proposed CRE Solutions	Effect for Sellers or Tenants
 <p>IIF Kyotanabe Logistics Center</p>	Needs for new investment financing	Off-B/S through fund scheme	<div>Financing for new investments</div> <div>Improve capital efficiency</div>
 <p>IIF Fukuoka Koga Vehicle Logistics Center (land with leasehold interest)</p>	Needs for Off-balance development of Tenants	New property development	<div>Off-balance sheet development for the new business location</div> <div>Improve capital efficiency</div>
 <p>IIF Izumisano Food Processing and Logistics Center</p>	Needs for Off Balance Sheet	Streamline balance sheet through sale & leaseback	<div>Improve capital efficiency</div>
 <p>IIF Sagamiyama R&amp;D Center</p>	Needs for divesting non-core real estate asset	Streamline balance sheet through assets divestment	<div>Improve capital efficiency</div>

# Macro Data : ROE of Japanese companies

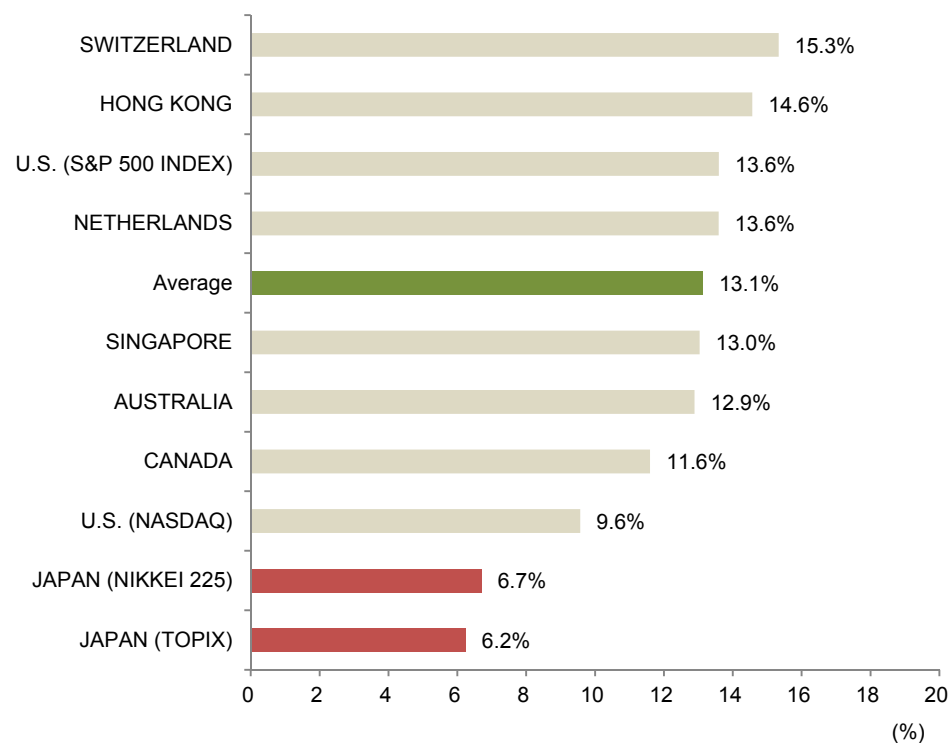
The ROE level for Japanese companies remains low, compared to companies in other countries

Changes in ROE of Major Japanese and Western Companies



(Source) Thomson Reuters

Comparisons of ROE between Japan and Other Countries  
(Averages over the past 10 years)

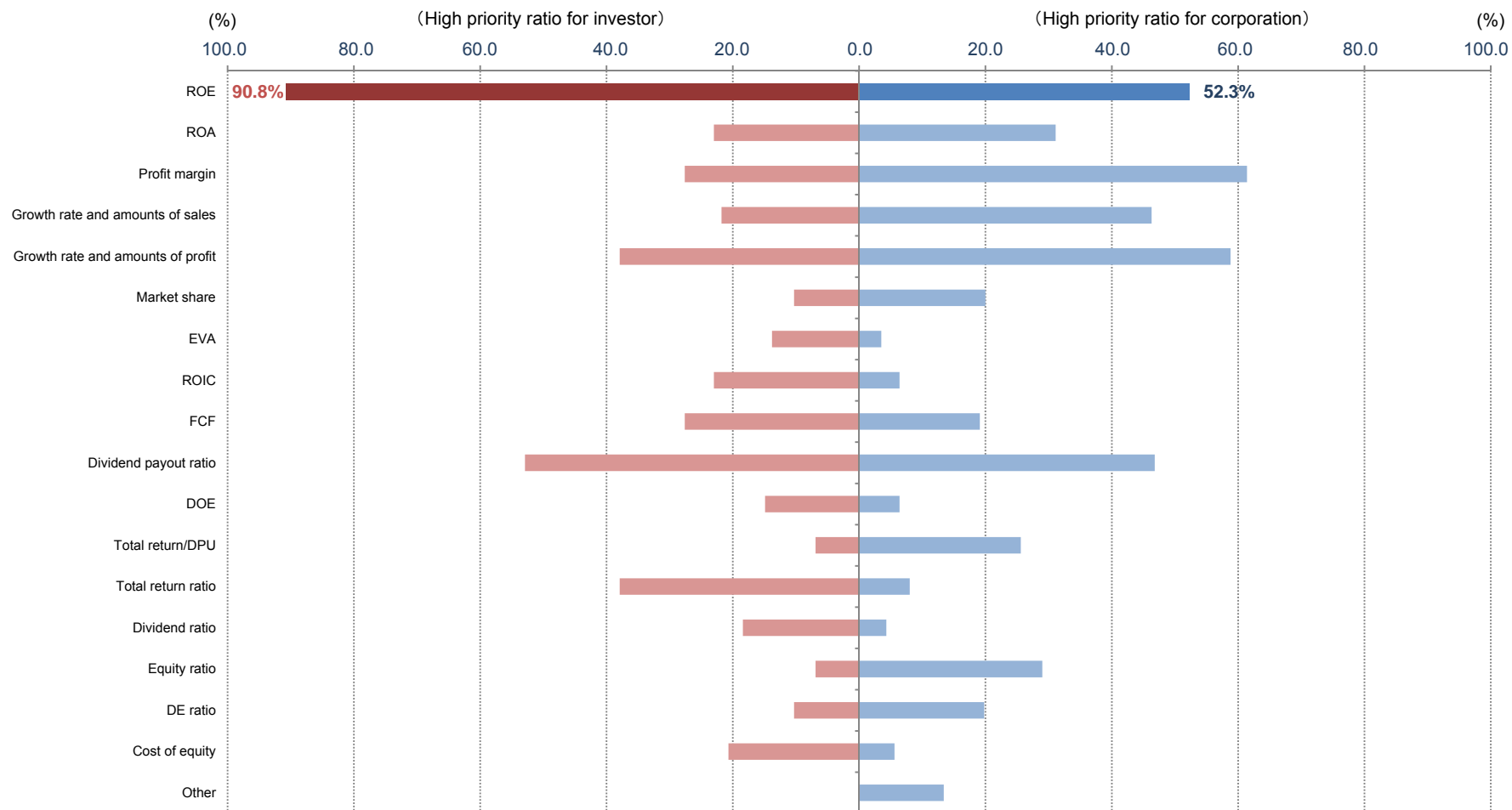


(Source) Bloomberg

# Macro Data : Awareness of investors and companies toward ROE

A significant gap in the focus between investors and companies

■ Indexes Emphasized as Business Objectives (■ Investor/ ■ Corporation)

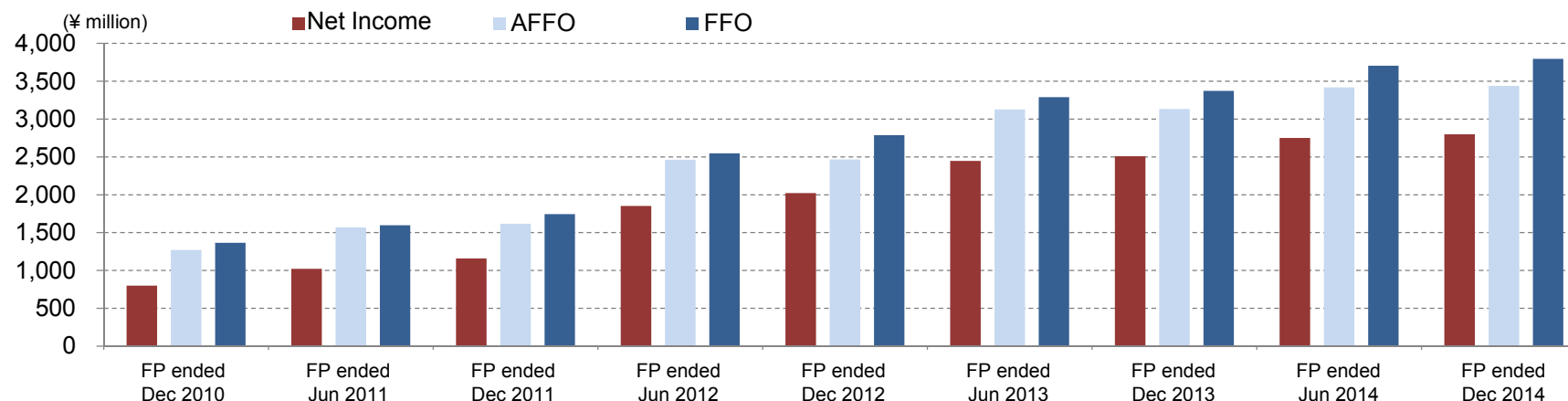


(Source) The Life Insurance Association of Japan, "Survey Results on Efforts to Enhance Stock Valuation"



# Stable free cash flow

## Stable Growth of FFO, AFFO and Net Income<sup>(1)</sup>

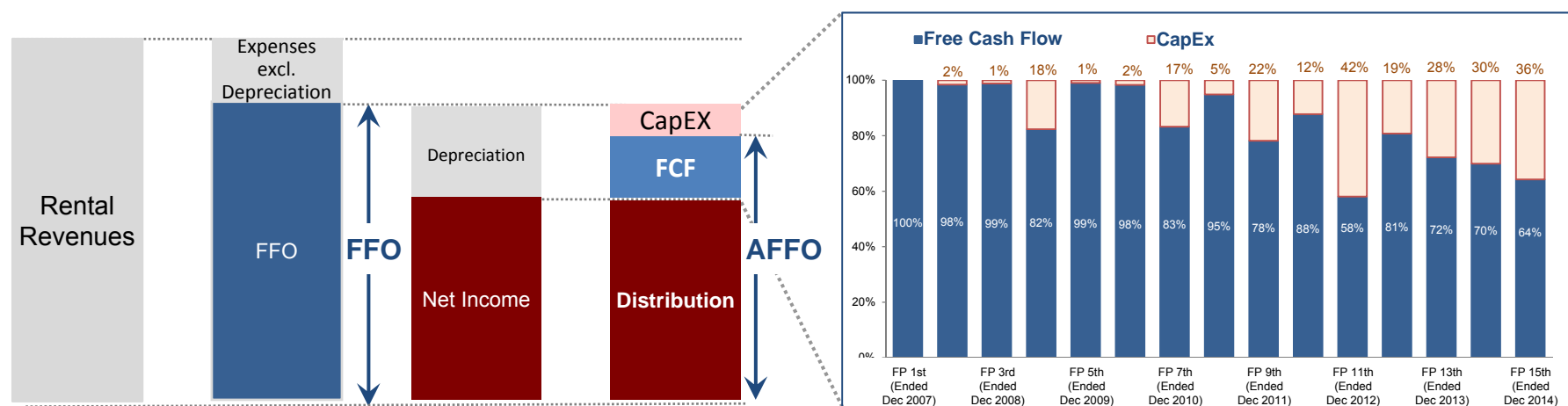


FFO Payout Ratio <sup>(2)</sup>	58.5%	64.0%	66.4%	72.7%	72.6%	74.4%	74.4%	74.2%	73.8%
AFFO Payout Ratio <sup>(3)</sup>	62.8%	65.2%	71.7%	75.3%	82.0%	78.2%	80.1%	80.5%	81.4%

## Stable Free Cash Flow

Our Income / Cash Flow Structure

Average FCF **¥606mn** / per fiscal period ※(since IPO, excel 1<sup>st</sup> fiscal period)



(Note 1) FFO (funds from operations) is defined as net income (loss), excluding gains (or losses) from sales of real estate properties, plus depreciation and amortization of property, plant and equipment. AFFO (adjusted funds from operations) is defined as FFO, excluding capital expenditures.

(Note 2) FFO payout ratio is calculated by dividing cash distributions per unit (DPU) by FFO per unit and converting the resulting figure into a percentage.

(Note 3) AFFO payout ratio is calculated by dividing DPU by AFFO per unit and converting the resulting figure into a percentage.

# Anticipated acquisitions and offerings aim to increase IIF's value

We aim to achieve further growth of distributions and Appraisal NAV through property acquisitions using the CRE proposals and through our ALM strategy pursuing long-term portfolio income stability

		Fiscal Period Ended Dec 31, 2014		The Offering		Forecast / Pro-forma (After anticipated acquisitions)
Asset	Number of Properties	36 properties	+	6 properties	=	42 properties
	Total Anticipated Acquisition Price	182,089 mil Yen	+	21,750 mil Yen	=	203,839 mil Yen
	Average Historical / Stabilized Forecast <sup>(2)</sup> NOI Yield	5.9%		(forecast) 5.7%	→	(forecast) 5.9%
	Average Historical / Stabilized Forecast <sup>(2)</sup> NOI Yield after Depreciation	4.8%		(forecast) 5.1%	→	(forecast) 4.8%
	Difference between Acquisition Price and Appraisal Value <sup>(3)</sup>	—		+ 1,758 mil Yen		—
	The Total Number of Tenants	36 tenants				50 tenants
Debt	LTV	50.5%				50.3%
	Long-term Debt Ratio	100.0%				100.0%
	Fixed Debt Ratio	100.0%				100.0%
	Average Period Remaining until Maturity	5.6 Years				5.7 Years
	Weighted Average Interest Rate	1.36%				1.34%
Equity	Distributions per Unit	8,455 Yen				(forecast) (Jul - Dec 2015) (17th Period) 9,139 Yen
	Appraisal NAV per Unit	313,859 Yen				(pro forma) 332,816 Yen

(Note 1) Effective as of January 1, 2015, we made a two-for-one split of our units. The information above retroactively reflects the unit split.

(Note 2) For further details, see Page 48 of this presentation, "Note P8 (1)".

(Note 3) Appraisal values are inherently speculative and subject to various assumptions, estimations and judgments. An acquisition price of a property that is lower than its appraisal value does not imply that we may be able to capture the difference between the acquisition price and appraisal value upon its disposition.

# Awards and recognitions

We, together with the asset manager, Mitsubishi Corp.- UBS Realty, Inc., share the objectives of sustainability, and continue to embed sustainability into our business. As part of our efforts, we are environmentally conscious and work to reduce environmental burdens by implementing environmental/energy-saving measures and improving energy use at our real estate properties.

## Receive the "Green Star" that is the highest evaluation of GRESB for the second consecutive year

In September 2013 we were designated as a "Sector Leader" in the survey of over 500 real estate companies and funds conducted by GRESB (Global Real Estate Sustainability Benchmark) recognizing us as the most environmentally conscious business operator in the Asian industrial real estate sector.

In addition, we were designated by the GRESB for two consecutive years as "Green Star," the highest ranking of four categories in GRESB environmental responsiveness survey conducted in 2014.



### GRESB

GRESB (Global Real Estate Sustainability Benchmark) is the benchmark for evaluating the efforts of real estate companies and funds for sustainability which was established by APG, PGGM and European pension funds group. This benchmark is often used for deciding investment by Major institutional investors in Europe and the United States and Asia.

## Evaluation by CASBEE

**A CASBEE 川崎**  
BEE=1.7 ★★★★★



IIF Kawasaki Science Center

**B+ CASBEE 広島**  
BEE=1.3 ★★★



IIF Hiroshima Logistics Center

### CASBEE

CASBEE (Comprehensive Assessment System for Building Environmental Efficiency) is an evaluation system that ranks buildings and structures in terms of their environmental performance. In addition to each building's ability to reduce its environmental impact across a variety of areas including energy and resource conservation as well as recycling, this system undertakes to comprehensively evaluate the environmental performance of each building and structure including its aesthetic appeal. Properties listed above were awarded the certificate.

## DBJ Green Building Certification

In October 2012, IIF Koshigaya Logistics Center and IIF Noda Logistics Center were awarded Gold certification by the DBJ Green Building Certification System. These were the first logistics facilities owned by a J-REIT to obtain such certification. After that, in October 2014, total 5 facilities including above two facilities were awarded this certification(four status).

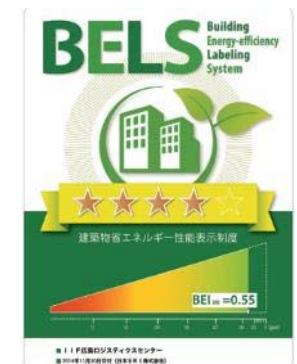


### DBJ Green Building

Under the DBJ Green Building system, the Development Bank of Japan (DBJ) certifies real estate properties with high environmental and social awareness, based on five evaluation ranks (one star to five stars), using a comprehensive scoring model developed independently by DBJ.

## Received "Building Energy-efficiency Labeling System (BELS)" Certification as the First Logistics Property Owned by J-REIT

IIF Hiroshima Logistics Center received "Building Energy-efficiency Labeling System (BELS)" certification in November, 2014, and was the first logistics property owned by a J-REIT to receive such certification. BEI evaluation result to IIF Hiroshima Logistics Center was 0.55 which is worth four stars for BELS rating.

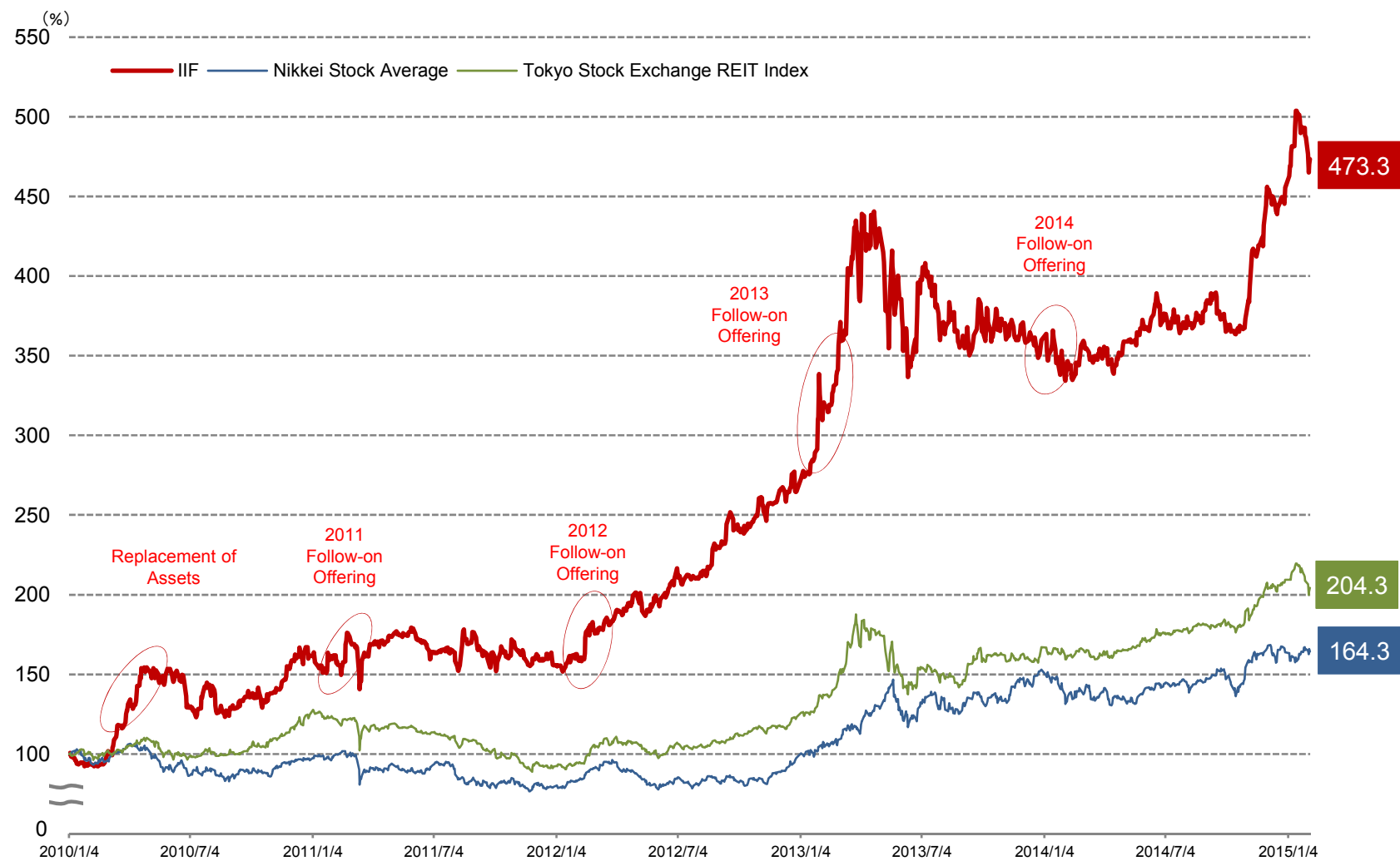


### BELS

BELS certification is provided under a public evaluation system, which evaluates the energy conservation performance of non-residential buildings. Third parties evaluate the performance of buildings from various points of view, regardless of whether a building is new or not, and the evaluation result is represented by a number of stars (from one star to five stars).

If numerical valuation is 1 or less, it means achieving criteria of the energy conservation performance.

# Historical unit price trend of IIF (Jan. 4, 2010 – Feb. 5, 2015)



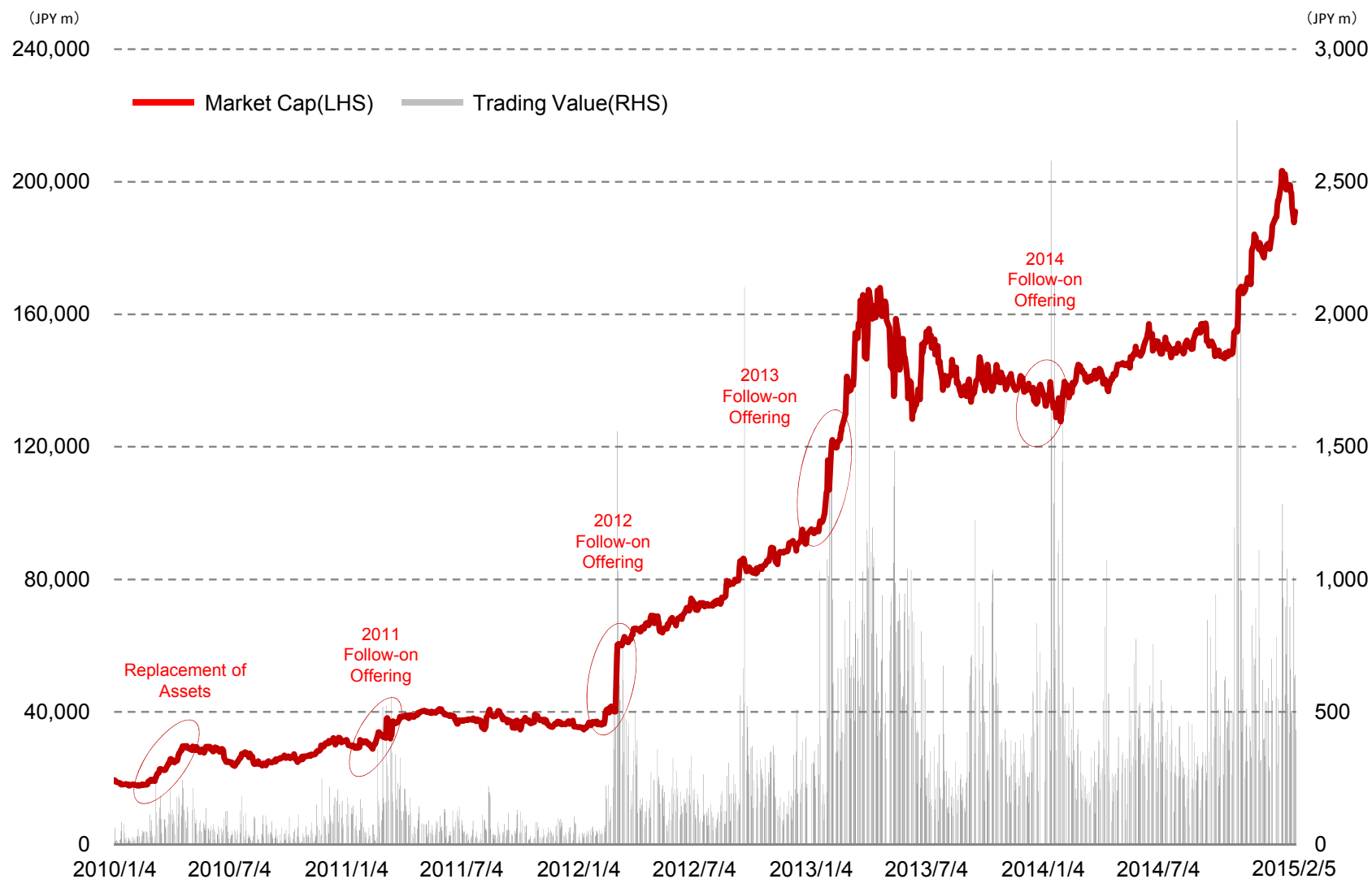
(As of Feb. 5, 2015)

(Source) Bloomberg

(Note 1) Using the closing price on the TSE.

(Note 2) The left axis shows the changes of Nikkei Stock Average and Tokyo Stock Exchange REIT Index by using the relative ratio of the closing price of IIF units on the TSE as of January 4, 2010. Effective as of January 1, 2015, we made a two-for-one split of our units. The unit price in the chart above retrospectively reflect the unit splits.

# Historical market cap and trading volume of IIF (Jan. 4, 2010 – Feb. 5, 2015)



(Source) Bloomberg



# Notes

- P28 (1) Stabilized forecast NOI yield is calculated based on our forecast assumptions for the fiscal periods ending June 30, 2015 and December 31, 2015, except that (i) we have adjusted capitalized initial property-related taxes as if such taxes were expensed and (ii) the forecasted financial performance of the properties, which are expected to be in operation for only part of the fiscal periods ending June 30, 2015, has been annualized as if the properties were operated for the entirety of the fiscal periods ending June 30, 2015 and December 31, 2015. See “Forecasts for the Fiscal Periods Ending June 30, 2015 and December 31, 2015” and “Our Portfolio—Net Operating Income Yield” in the offering circular.
- (2) The acquisition price as set forth in the relevant purchase agreement or memorandum of understanding, as the case may be.
- (3) Appraisal values, as of December 31, 2014 or as of January 1, 2015, as the case may be, of the six properties we plan to acquire in connection with the offerings. See “Appraisals and Engineering, Environmental, Seismic and Other Reviews—Appraisal Values and Assumptions for our Anticipated Acquisitions” in the offering circular.
- (4) The completion of the acquisition is subject to approval by the board of directors of the seller, NEC Corporation. See “Risk Factors—Property and Business Risks—We may not close all of our anticipated property acquisitions within the expected timeframe or at all” in the offering circular.
- (5) “1-on-1 Negotiation”, in contrast to a competitive bid process, is based on mutual discussion for potential transactions with third parties that are unaffiliated with our sponsors.
- (6) “Collaboration with the Tenant” refers to an acquisition achieved through our CRE proposals to the tenant.
- (7) Hypothetical NOI yield for IIF Shinagawa IT Solution Center is presented for reference purposes only to show the NOI yield that we believe the property might be able to achieve if we successfully lease the vacant space of the property to achieve a 95.2% occupancy rate. The assumed net operating income amount for purpose of such hypothetical calculation is based on the estimated net operating income used in the relevant appraisal report for the purposes of valuing the property by using the direct capitalization method, which we believe is a reasonable estimate of the net operating income of the property upon leasing the vacant space. There can be no assurance that the hypothetical NOI yield presented is achievable for this property or that we will be able to procure additional leases on terms which would result in an actual net operating income that approximates that which we and the relevant appraisal report currently anticipate. Our ability to achieve such hypothetical NOI yield will be impacted by a variety of market, rental and other conditions (including the future loss of any existing tenants). See “Risk Factors—Property and Business Risks—Industrial and infrastructure properties generally cater to a single tenant or a small number of tenants and are typically designed for a specific use, which may make it difficult to find replacement tenants and cause us to incur additional costs” and “Our Portfolio—Net Operating Income Yield—Hypothetical NOI Yield for IIF Shinagawa IT Solution Center” in the offering circular.
- (8) Hypothetical average NOI yield for the anticipated acquisitions is shown for reference purposes only and is calculated using stabilized forecast NOI yield for each property except with respect to IIF Shinagawa IT Solution Center, for which we have used the hypothetical NOI yield that we believe the property might be able to achieve if we successfully lease the vacant space of the property to achieve a 95.2% occupancy rate, as described in further detail in note (7) above. Stabilized forecast NOI yields for properties other than IIF Shinagawa IT Solution Center are calculated as described in note (1) above.

# Notes (cont.)

- P39 (1) When used in this presentation, “remaining lease term” refers to the estimated remaining lease term under the lease as of May 29, 2015. In certain circumstances, lease terms may be subject to termination rights as described more fully in the offering circular.
- P53 (1) Approximate remaining lease term that will be remaining as of May 29, 2015, the date by which we expect to acquire all six additional properties in connection with the offerings.
- (2) “Other” lease agreements refer generally to leases pursuant to which the lessor’s ability to refuse renewal of the lease after it expires is limited under applicable Japanese laws. “Fixed-term” lease agreements refer generally to leases pursuant to which the lease ends automatically when the lease term expires (without renewal rights under applicable Japanese laws).
- (3) “Rent revision” provisions indicated above generally refer to negotiation-based rent clauses which provide that rent revisions are generally subject to negotiation between parties to the lease, which may be initiated by the tenant at specified times such as after a certain number of years. See “Our Portfolio—Lease Agreements” in the offering circular.
- (4) “Termination Option” provisions indicated above refer generally to the right of the tenant to cancel the lease prior to lease maturity or after a specified no termination period (e.g., 10 years). Certain termination options may result in penalty upon termination. Leases with early termination provisions typically require at least six-month notice. Leases identified as having “No Termination Option” include leases which are terminable at the option of the tenant but require payments calculated as the aggregate rent payable for remaining lease term.
- P54 (1) Approximate remaining lease term that will be remaining as of May 29, 2015, the date by which we expect to acquire all six additional properties in connection with the offerings.
- (2) “Other” lease agreements refer generally to leases pursuant to which the lessor’s ability to refuse renewal of the lease after it expires is limited under applicable Japanese laws. “Fixed-term” lease agreements refer generally to leases pursuant to which the lease ends automatically when the lease term expires (without renewal rights under applicable Japanese laws).
- (3) “Rent Revision” provisions indicated above generally refer to negotiation-based rent clauses which provide that rent revisions are generally subject to negotiation between parties to the lease, which may be initiated by the tenant at specified times such as after a certain number of years. See “Our Portfolio – Lease Agreement” in the offering circular.
- (4) “Termination Option” provisions indicated above refer generally to the right of the tenant to cancel the lease prior to lease maturity or after a specified no termination period (e.g., 10 years). Certain termination options may result in penalty upon termination. Leases with early termination provisions typically require at least six-month notice. Leases identified as having “No Termination Option” include leases which are terminable at the option of the tenant but require payments calculated as the aggregate rent payable for remaining lease term.

# Additional Note

## Note

- (1) Forecast figures for the fiscal periods ending June 30, 2015 and December 31, 2015 are calculated based on (i) actual or anticipated acquisition price; (ii) actual net operating income for the fiscal period ended December 31, 2014 and (iii) our forecast assumptions for the fiscal periods ending June 30, 2015 and December 31, 2015, except that (x) we have presented the figures on a stabilized basis by adjusted capitalized initial property-related taxes as if they were expensed and not capitalized and (y) the forecasted financial performance of the properties, which are expected to be in operation for only part of the fiscal period ending June 30, 2015, has been annualized as if the properties were operated for the entirety of the fiscal periods ending June 30, 2015 and December 31, 2015.

## 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

Asset Management Company : Mitsubishi Corp.- UBS Realty Inc.

(Financial Instruments Dealer Director of Kanto Financial Bureau (Financial Instruments Dealer)

Number 403, Member of The Investment Trusts Association, Japan)