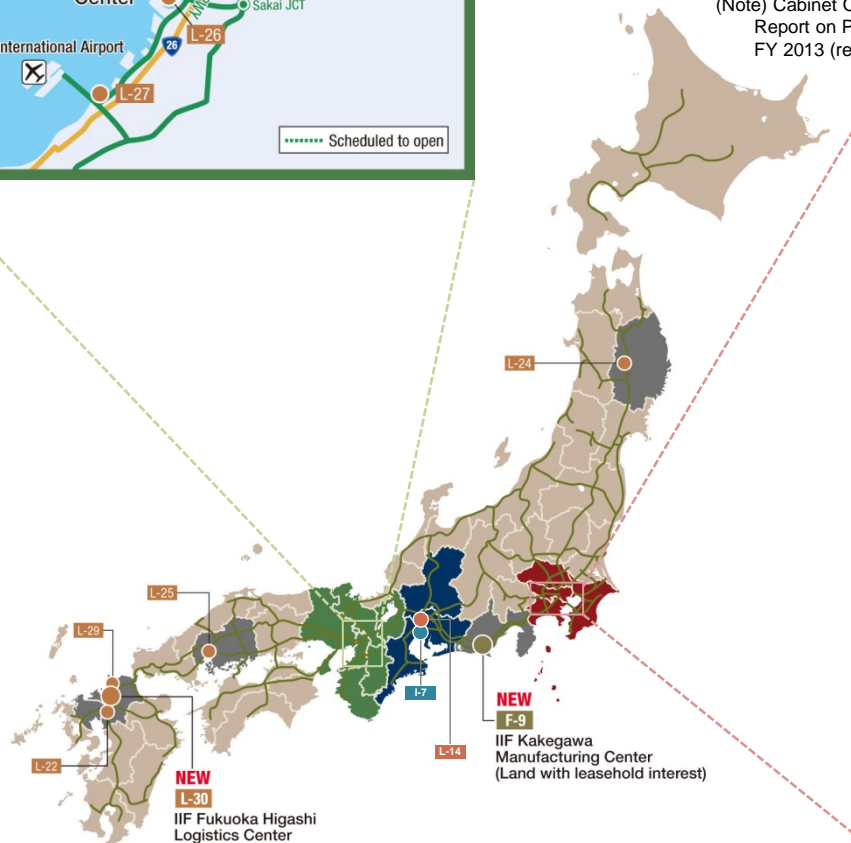
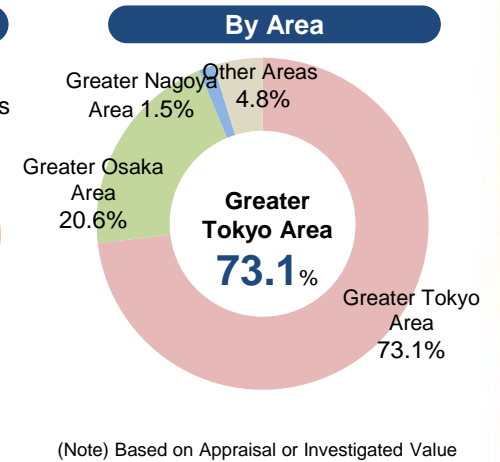
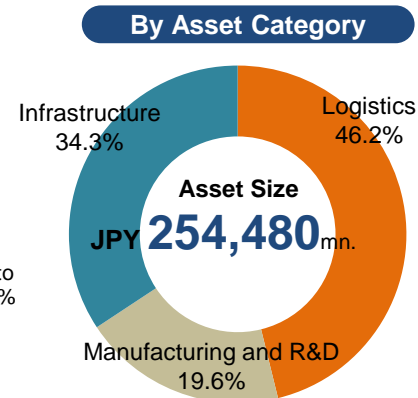
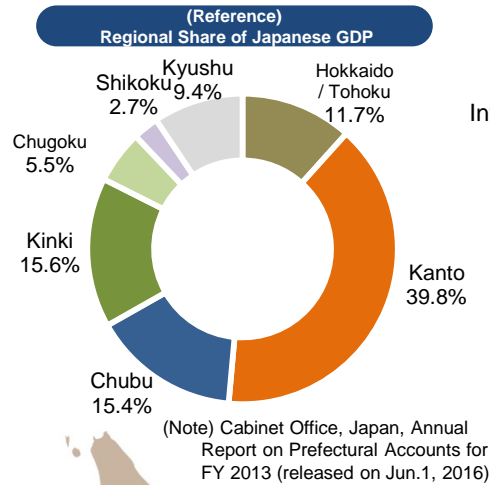




Investor Presentation for the Jun 2016 (18th) Period ~Appendix~

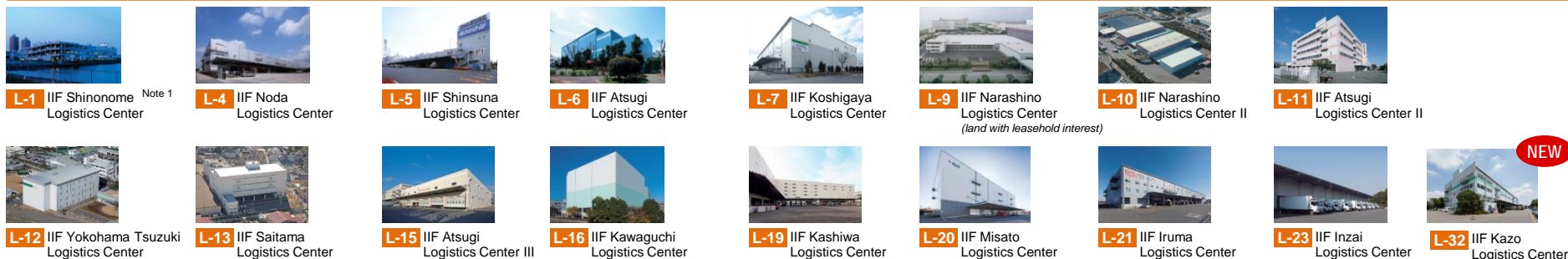
Our portfolio after anticipated acquisitions



Our portfolio after anticipated acquisitions

Greater Tokyo Area (31 properties)

Logistics (17 properties)



Manufacturing / R&D (9 properties)



Infrastructure (5 properties)



Greater Osaka Area (10 properties)

Logistics (7 properties)



Infrastructure (3 properties)

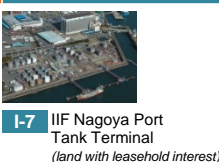


Greater Nagoya Area (2 properties)

Logistics



Infrastructure



Other Areas (6 properties)

Logistics (5 properties)



Manufacturing / R&D (1 properties)



(Note 1) IIF owns 53% co-ownership interests of the trust beneficiary interests

(Note 2) IIF owns 51% co-ownership interests of the trust beneficiary interests

Mitsubishi Corp UBS Realty

【New acquisitions in 18th period】

IIF Fukuoka Higashi Logistics Center

Logistics
Facilities



Acquisition highlights

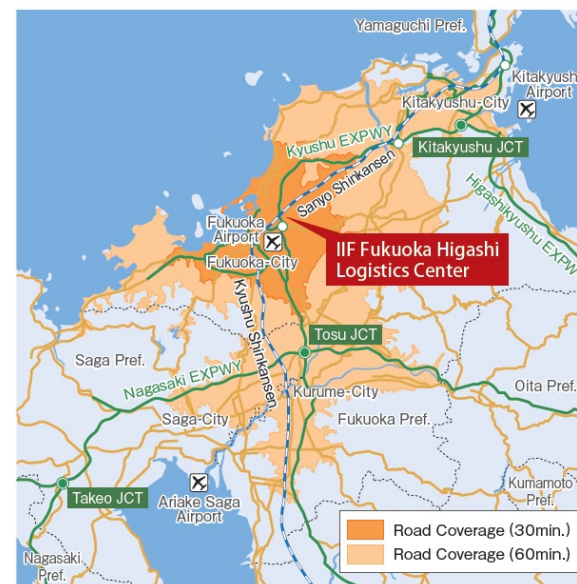
1-on-1
Negotiation

- Acquired the property through 1-on-1 negotiation deal based on our own network
- 15 years fixed-lease term backed by the importance of the location for the tenant offers stable cash flow
- Secured profitability with an NOI yield of 5.5% and an after-depreciation yield of 5.0%, even in the competitive acquisition environment

Acquisition price		JPY 1,860 mn
Profitability	NOI Yield	5.5 %
	NOI Yield (after depreciation)	5.0 %
Unrealized gain	Appraisal Value (as of 12 Dec 2015)	JPY 2,000 mn.
	Unrealized gain ratio of unrealized gain	JPY +140 mn. +7.5%
Stability	Tenant	Toll Express Japan Co., Ltd.
	Contract term	15 years remaining 14.5 years
	Contract type	Fixed-term leasehold
	Cancellation before maturity; Rent revision	Not allowed; Not allowed in principle

Situated at a key location for logistics in Kyushu

- Delivery even to neighboring prefectures as well as Fukuoka city/prefecture



(Source) Created by Mitsubishi Corp. UBS Realty Inc. based on the data prepared by Ichigo Real Estate Service Co., Ltd.

Industrial & Infrastructure Fund
Investment Corporation

【New acquisitions in 18th period】 IIF Fukuoka Higashi Logistics Center

Logistics
Facilities

Long-term Usability

Long-term use by current tenant expected

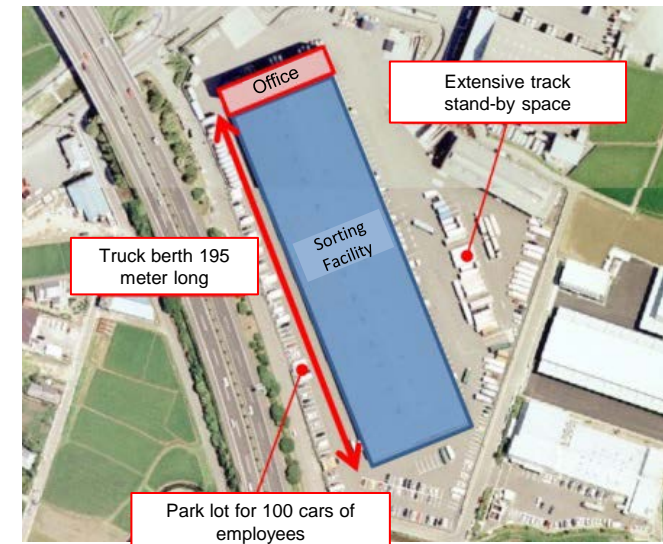
- ✓ The largest distribution center for the tenant, Toll Express Japan Co., Ltd
- ✓ Developed as its in-house facility and been operated since 1997
- ✓ Serves as a key operating site that covers the entire Kyushu area for the tenant with a customer center as well as an administration unit

Versatility

Versatile real estate asset

- ✓ High convenience with an access to central Fukuoka (Hakata Station) within 10 km away
- ✓ Located in an area with high demand for logistics operators
- ✓ The building layout takes into account movements of trucks to maximize freight-handling efficiency, with 9.5 meter eaves and 195 meter long truck berth at both sides

Highly versatile facility as a distribution site



Location where logistics centers are concentrated near the interchange of the expressways



Operation-oriented specifications to maximize freight-handling efficiency



[New acquisitions in 18th period]

IIF Kakegawa Manufacturing Center (land with leasehold interest)

Manufacturing and
R&D Facilities



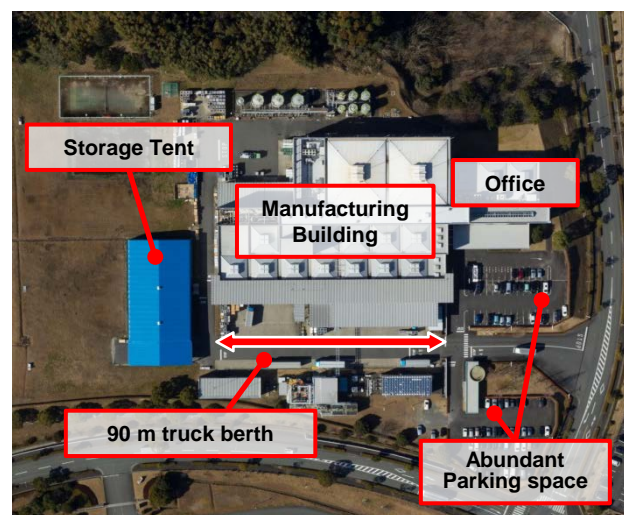
Acquisition
highlights

1-on-1
negotiation

- First acquisition of a manufacturing facility in J-REIT's history
- Gained first-mover advantages by leveraging less-competitive asset categories
- A 30-year long-term lease by investing in the sole manufacturing facility for the tenant

Annual 39kt production of industrial detergent and other product

Anticipated Acquisition price		JPY 1,540 mn.
Profitability	NOI Yield	5.6 %
	NOI Yield (After depreciation)	5.6 %
Unrealized gains	Appraisal	JPY 1,770 mn.
	Unrealized gains rate of unrealized gain	JPY +230 mn. +14.9%
Stability	Tenant	CxS Corporation
	Contract term	30 yrs. (remaining 29 yrs. and 8 mo.)
	Contract type	Fixed-term contract for business purposes
	Cancellation before maturity; Rent revision	Not allowed for 10 years; Not allowed in principle



The building was planned and constructed paying environmental consideration



Products manufactured by tenant



Internal area of the facility

(Note) All buildings and facilities are tenant-owned assets and not owned by IIF

[New acquisitions in 18th period]

IIF Kakegawa Manufacturing Center (land with leasehold interest)

Manufacturing and
R&D Facilities

Long-term Usability

Long-term use by current major tenant expected

- The sole manufacturing facility for the tenant which operates the production/importation of industrial detergent, wax, and cleaning devices
- The tenant holds the top ranked position in the detergent industry
- A 30-year fixed-term lease contract was concluded on December 28, 2015.

Versatility

Versatile real estate asset

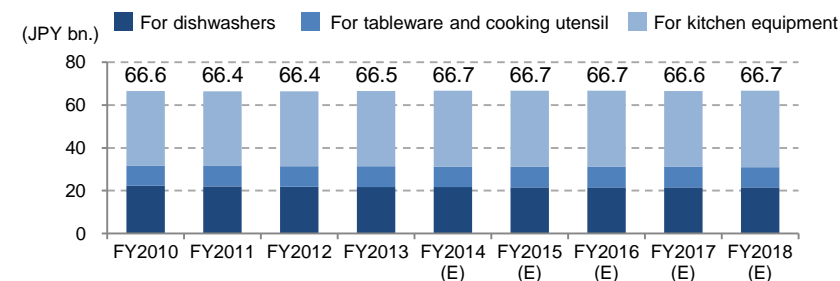
- Excellent accessibility enables coverage of 3 major metropolitan areas in Japan, and easy access from the city centers
- Expecting a sustainable demand for manufacturers, since many HQs and primary manufacturing facilities for major manufacturers are located in surrounding area
- Located in the Ecopolis Industrial Park, where many industrial facilities are gathered

Holds the top ranked position in the stable detergent industry

Market share of kitchen detergent for business use (FY 2013)

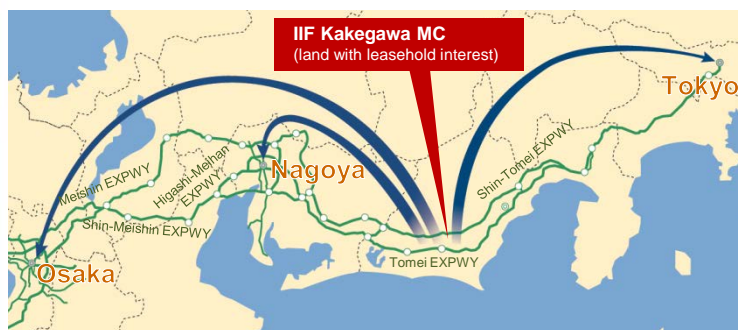


Sales trend of kitchen detergent for business use



(Source) Mitsubishi Research Institute, Inc.

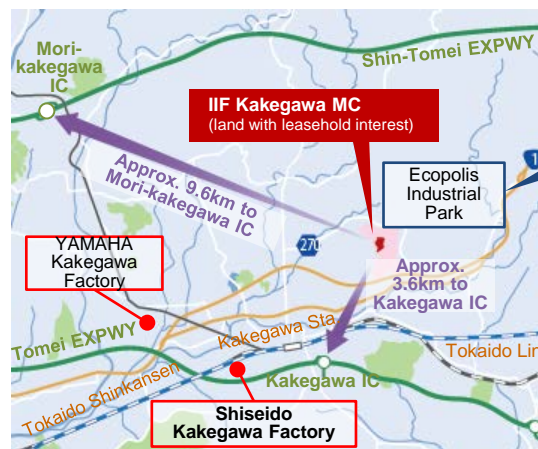
Highly convenient location to major consumption areas



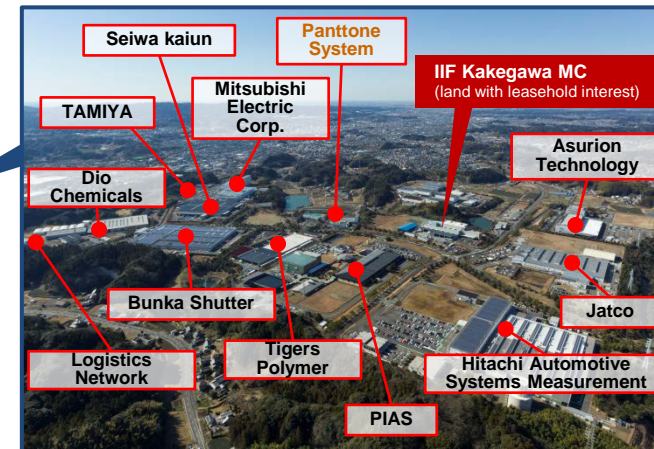
« Access »

To Tokyo: Shinkansen Approx.100 minutes/Expressway Approx.130 minutes
To Nagoya: Shinkansen Approx.60 minutes/Expressway Approx. 80 minutes
To Osaka: Shinkansen Approx.120 minutes/Expressway Approx.190 minutes

Kakegawa area attracts manufacturing facilities due to the excellent access



Various industrial facilities are gathered



【New acquisitions in 18th and 19th period】

IIF Yokohama Shinyamashita R&DC

Manufacturing and
R&D Facilities



«Reference: property overview»

※ IIF acquired 0.3% co-ownership of the property on March 1, 2016, and 99.7% on July 1, 2016. The following description is based on 100% ownership.

Acquisition price (anticipated)	JPY 3,810 mn.
NOI Yield	5.4 %
NOI Yield (after depreciation)	4.3 %
Appraisal Value (Trial calculation)	JPY 4,170 mn.
Unrealized gain ratio of unrealized gain	JPY +360 mn. +9.4 %
Tenant	TRW Automotive Japan
Contract term	20 years remaining 11 years
Contract type	Fixed-term leasehold
Cancellation before maturity; Rent revision	Not allowed for 10 years; Allowed

Acquisition highlights

1-on-1
negotiation

- Realized the seller's needs through 1-on-1 negotiation leveraging less-competitive acquisition environment for R&D facilities
- Enjoys stable cash flow for 20 years by investing in a sole engineering center for tenant

Long-term Usability

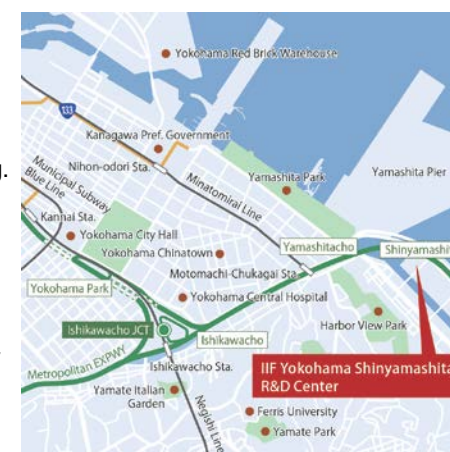
Long-term use by current tenant expected

- ✓ HQ in Japan and an engineering center of the world-wide major car-parts supplier, TRW Automotive Japan
- ✓ Facility in excellent usage for the quality test of air bag and break, and the development of advanced driving assistance systems
- ✓ A high degree of continuity backed by a fixed-term building lease agreement with a term of 20 years, with the remaining term of 11 years.

Versatility

Versatile real estate asset

- ✓ Excellent access to office areas in city centers
(10 minutes from Yokohama station, 40 minutes from Tokyo station)
- ✓ A user-friendly facility as a research & development facility, not only for automobile parts, but also a broad range of manufacturing. It is equipped with general-purpose specifications to provide individual air-conditioning, a ceiling-height of 4,600mm (partly 6,500mm) and a maximum load weight of 1.2 t/m2 (for the first floor), high voltage power reception
- ✓ Equipped with emergency generators to support the continued operation of the facility in emergencies and fully equipped security system with contactless IC cards

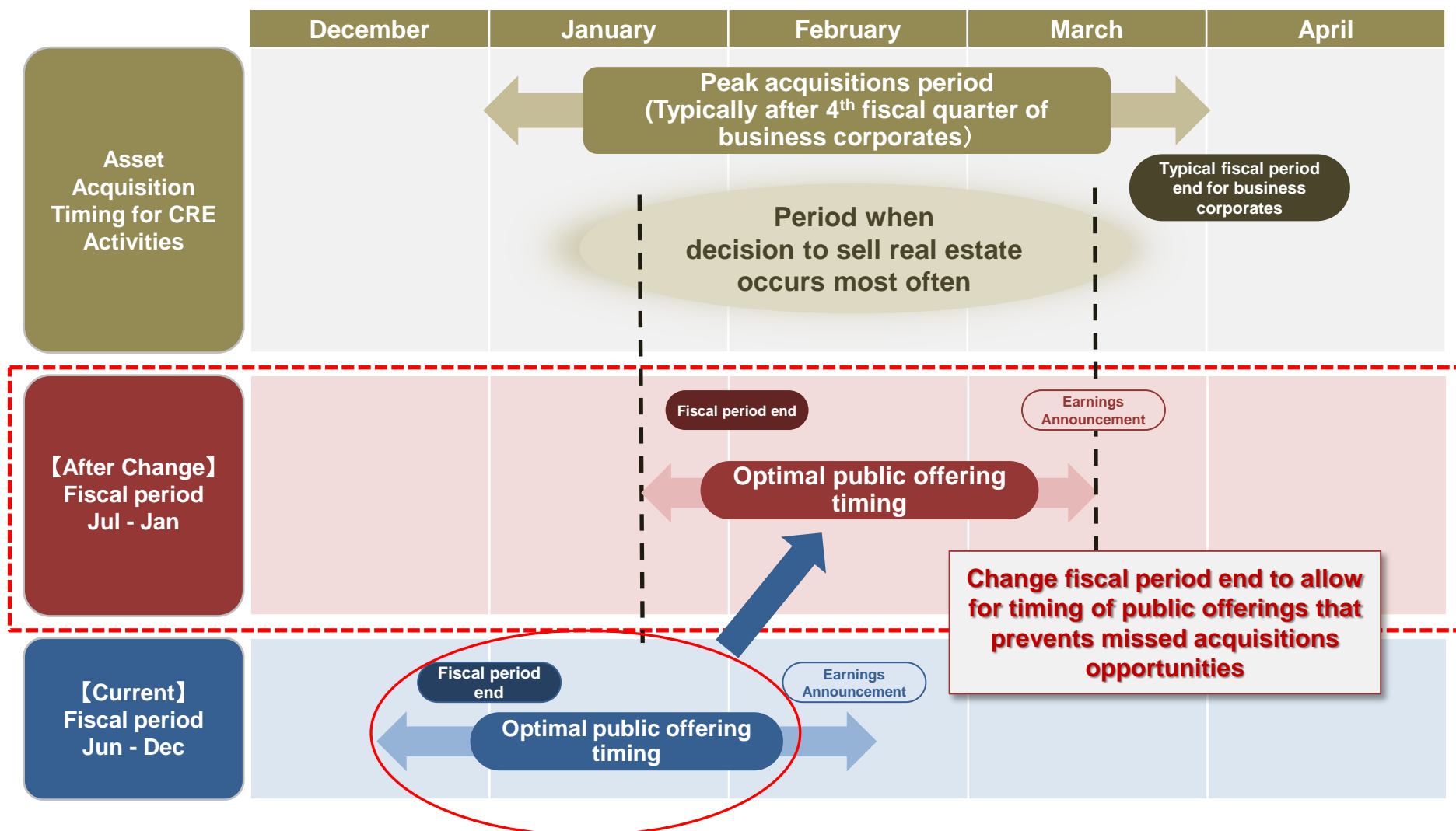


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Change of fiscal period (1)

Consider both “Expansion of acquisition opportunities” and “optimal funding timing,” to change fiscal period to end to July and January

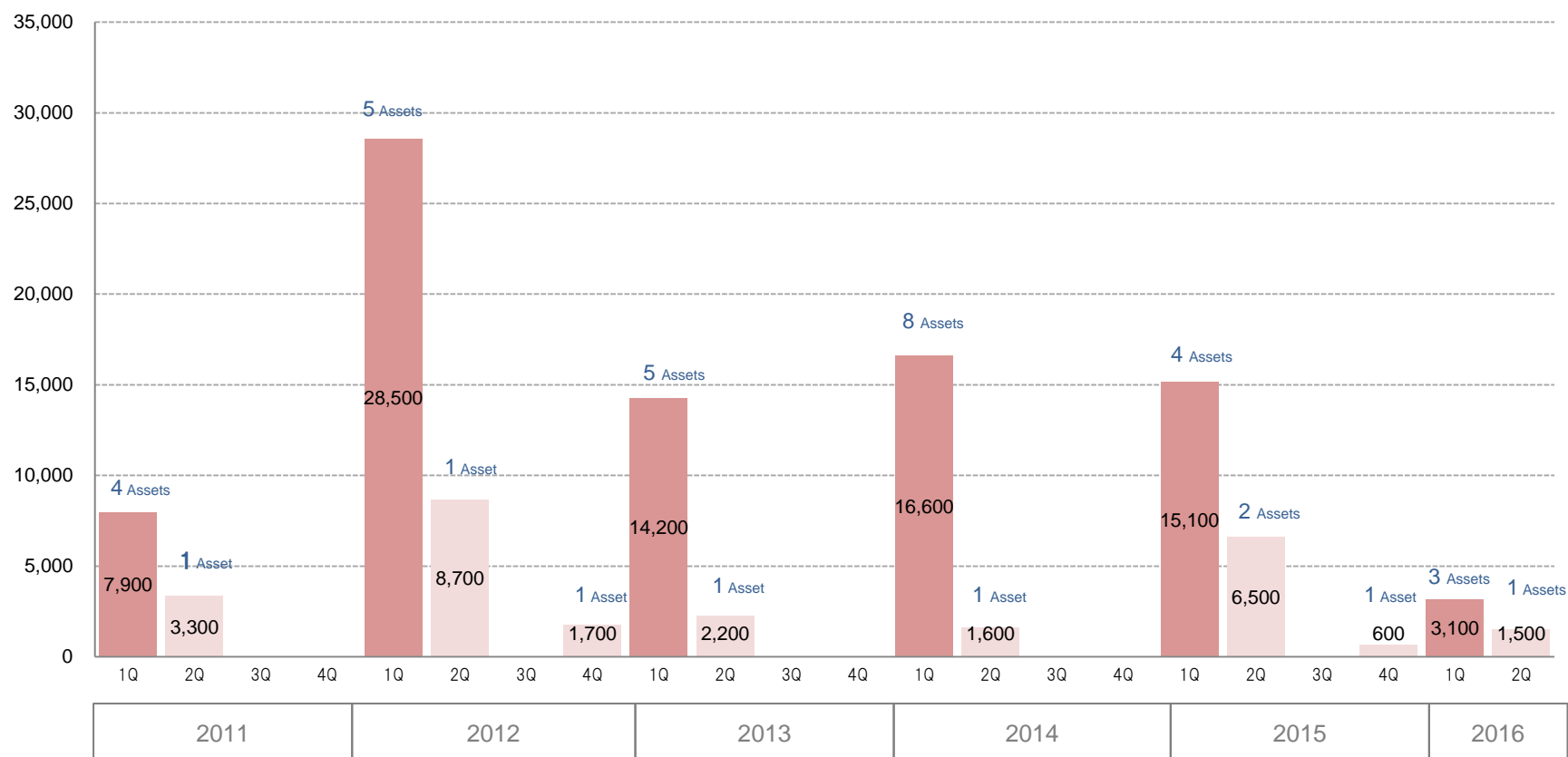
If industrial real estate is acquired from business corporates from CRE proposals, the seller is likely to reach a decision after its 4th fiscal quarter



Change of fiscal period (2)

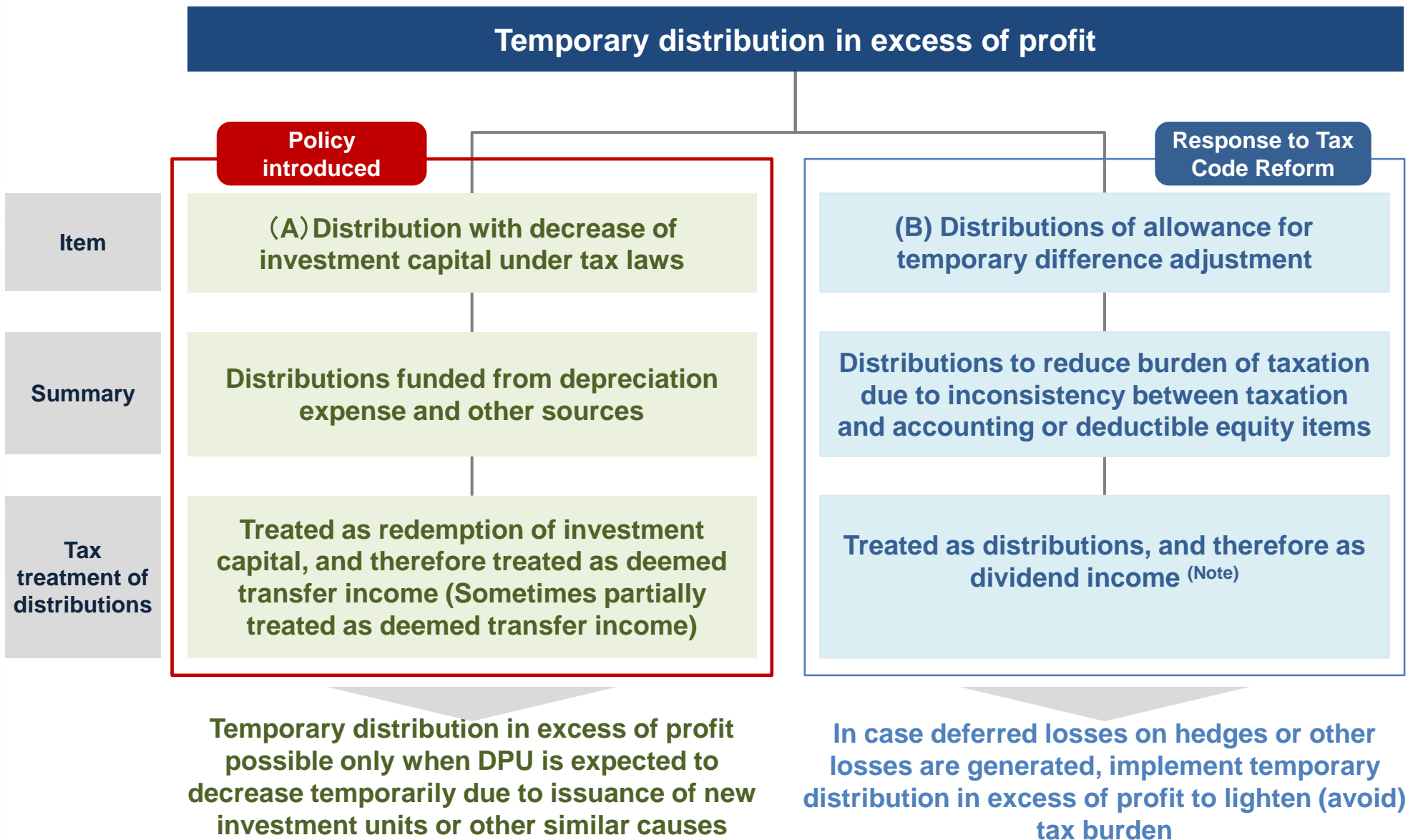
IIF's acquisitions have concentrated around the first quarter of the year in the past

Total Acquisition Price
(JPY mn.)



Announcement Date of Public Offering	February 21	February 15	January 16	January 15	February 25	-
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Overview of temporary distribution in excess of profit (TDEP) ①



(Note) In principle, accounting treatment of distributions received are determined based on purpose of the securities held as shown below. However, it is necessary to independently consult an accountant or tax counsel for the appropriate response.

Available for Sale Securities: Treat as Distributions Received

Other Classifications: Reduce book value from investment securities

Overview of temporary distribution in excess of profit ②

Introduction of temporary distribution in excess of profit

Policy Introduced

(A) Distributions funded from depreciation expense or other funding sources
(Shown in (1) below)

(B) Distributions to reduce (avoid) tax burden from inconsistency between taxation and accounting and deductible equity items
(Shown in (2) below)

As part of financial strategy to maximize unitholder value, IIF may issue new investment units mid-period. In order to sufficiently consider dilution effects and from the perspective of standardizing distributions, we will introduce temporary distribution in excess of profit with depreciation as funding source

Distribution Policy

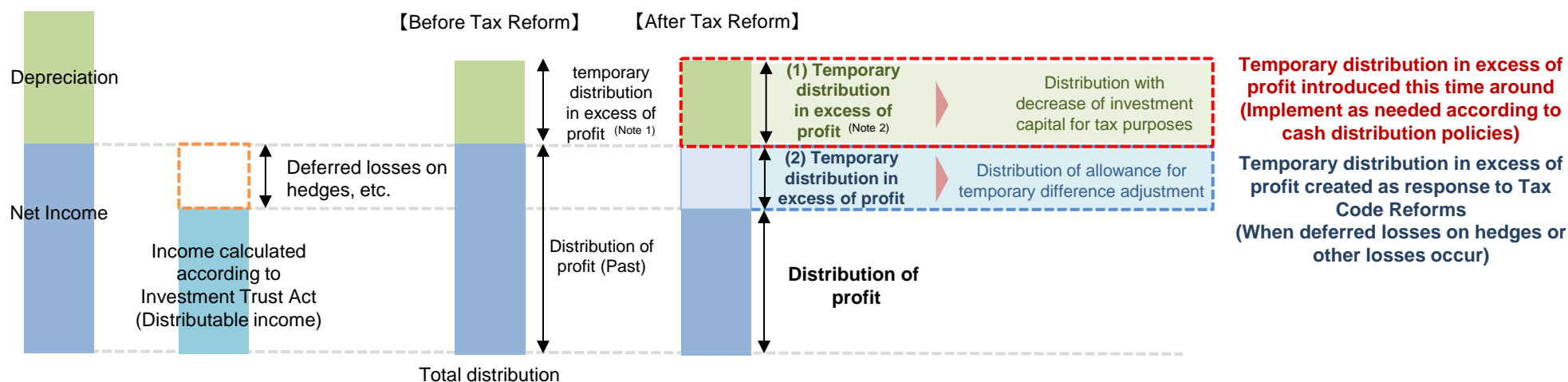
✓ When dilution or incurrence of considerable expense in connection with the acquisition of assets or issuance of new investment units is expected and the amount of distribution per unit is likely to temporarily decrease in a certain amount, IIF may distribute the amount of cash determined by IIF as temporary distribution in excess of profit solely for the purpose of keep the level of distribution per unit

Distribution Standards

✓ The level of temporary distribution in excess of profit shall be up to the amount equivalent to 60% of the amount obtained by subtracting the total amount of accumulated depreciation recorded on the last day of the business period immediately preceding the corresponding business period from the total amount of accumulated depreciation recorded on the last day of the corresponding business period and shall be determined after comprehensive examination

- ✓ Due to tax code reforms, monetary distributions related to discrepancies between tax and financial accounting or deferred hedging losses, an equity item, are not recognized as distribution from profit, and was clarified to be treated as distribution in excess of profit (distribution from temporary reserves)
- ✓ Therefore, if deferred hedging losses or other losses occur, IIF will in principle implement DPU in excess of temporary profit in the amount equivalent to the hedging loss as reserve for temporary adjustments

Illustration of IIF's Philosophy towards Distribution of Income



(Note 1) Not implemented by IIF as of August 16, 2016
(Note 2) Limited to 60% of depreciation expense

Our Portfolio (1)

Logistics Facilities

Property Number	Name of Property	Location	Date Completed (Note 1)	Acquisition Price (JPY mn.)	Percentage	Appraisal Value as of the End of Period (JPY mn.) (Note 2)	Percentage	Total Leasable Area (Note 3)	Percentage	Occupancy Rate (Note 4)	PML (Note 5)
L-1	IIF Shinonome Logistics Center (Note 6)	Koto-ku, Tokyo	Feb 2006	13,700	6.2%	16,483	6.5%	27,493.29m ²	2.6%	100.0%	4.6%
L-4	IIF Noda Logistics Center	Noda-shi, Chiba	Mar 2006	6,500	2.9%	8,250	3.2%	38,828.10m ²	3.7%	100.0%	0.3%
L-5	IIF Shinsuna Logistics Center	Koto-ku, Tokyo	Jun 1998	5,300	2.4%	6,710	2.6%	5,741.75m ²	0.5%	100.0%	6.4%
L-6	IIF Atsugi Logistics Center	Atsugi-shi, Kanagawa	Jan 2005	2,100	1.0%	2,170	0.9%	10,959.68m ²	1.0%	100.0%	8.7%
L-7	IIF Koshigaya Logistics Center	Koshigaya-shi, Saitama	Sep 1985	2,000	0.9%	2,610	1.0%	10,113.50m ²	1.0%	100.0%	2.6%
L-8	IIF Nishinomiya Logistics Center	Nishinomiya-shi, Hyogo	May 1997	2,159	1.0%	2,900	1.1%	17,200.00m ²	1.6%	100.0%	9.9%
L-9	IIF Narashino Logistics Center (land with leasehold)	Narashino-shi, Chiba	—	1,190	0.5%	2,450	1.0%	19,834.71m ²	1.9%	100.0%	—
L-10	IIF Narashino Logistics Center II (Note 7) (land with leasehold interest) (building with leasehold interest)	Narashino-shi, Chiba	—	3,350	1.5%	6,190	2.4%	58,070.00m ²	5.5%	100.0%	—
			Apr 1991	1,200	0.5%			25,835.16m ²	2.4%	100.0%	9.2%
L-11	IIF Atsugi Logistics Center II	Atsugi-shi, Kanagawa	Oct 1992	3,100	1.4%	3,800	1.5%	20,661.13m ²	1.9%	100.0%	7.6%
L-12	IIF Yokohama Tsuduki Logistics Center	Yokohama-shi, Kanagawa	Sep 1998	2,350	1.1%	3,080	1.2%	9,464.03m ²	0.9%	100.0%	8.7%
L-13	IIF Saitama Logistics Center	Saitama-shi, Saitama	Dec 1989	1,490	0.7%	2,010	0.8%	8,995.00m ²	0.8%	100.0%	4.2%
L-14	IIF Nagoya Logistics Center	Nagoya-shi, Aichi	Apr 1990	1,050	0.5%	1,500	0.6%	8,721.01m ²	0.8%	100.0%	9.1%
L-15	IIF Atsugi Logistics Center III	Atsugi-shi, Kanagawa	Oct 1981	2,290	1.0%	2,940	1.2%	16,584.64m ²	1.6%	100.0%	7.3%
L-16	IIF Kawaguchi Logistics Center	Kawaguchi-shi, Saitama	Apr 2002	1,770	0.8%	4,010	1.6%	11,705.02m ²	1.1%	100.0%	10.7%
L-17	IIF Kobe Logistics Center	Kobeshi, Hyogo	Jan 2001	5,193	2.4%	6,800	2.7%	39,567.74m ²	3.7%	100.0%	5.5%
L-18	IIF Higashi Osaka Logistics Center	Higashi Osaka-shi, Osaka	Nov 1991	2,280	1.0%	3,040	1.2%	20,461.73m ²	1.9%	97.8%	9.0%
L-19	IIF Kashiwa Logistics Center	Kashiwa-shi, Chiba	Nov 1990	1,810	0.8%	2,660	1.0%	17,373.53m ²	1.6%	100.0%	4.4%
L-20	IIF Misato Logistics Center	Misato-shi, Saitama	Feb 2007	3,550	1.6%	4,860	1.9%	19,019.71m ²	1.8%	100.0%	4.0%
L-21	IIF Iruma Logistics Center	Iruma-shi, Saitama	Dec 2010	3,184	1.4%	3,980	1.6%	17,881.65m ²	1.7%	100.0%	5.8%
L-22	IIF Tosu Logistics Center	Tosu-shi, Saga	Feb 2007	1,570	0.7%	1,870	0.7%	13,862.05m ²	1.3%	100.0%	0.8%
L-23	IIF Inzai Logistics Center	Inzai-shi, Chiba	Feb 2007	1,060	0.5%	1,270	0.5%	5,490.00m ²	0.5%	100.0%	4.7%
L-24	IIF Morioka Logistics Center	Shiwa-gun, Iwate	Aug 2005	600	0.3%	1,180	0.5%	8,001.57m ²	0.8%	100.0%	1.9%
L-25	IIF Hiroshima Logistics Center	Hiroshima-shi, Hiroshima	Dec 2013	3,540	1.6%	4,320	1.7%	22,768.24m ²	2.1%	100.0%	4.8%
L-26	IIF Izumiotsu e-shop Logistics Center(land with leasehold interest)	Izumiotsu-shi, Osaka	—	4,000	1.8%	4,350	1.7%	48,932.00m ²	4.6%	100.0%	—
L-27	IIF Izumisano Food Processing and Logistics Center	Izumisano-shi, Osaka	Oct 1996	860	0.4%	1,040	0.4%	13,947.83m ²	1.3%	100.0%	12.3%
L-28	IIF Kyotanabe Logistics Center	Kyotanabe-shi, Kyoto	Mar 2007	5,730	2.6%	6,830	2.7%	33,243.99m ²	3.1%	100.0%	5.6%
L-29	IIF Fukuoka Koga Vehicle Logistics Center(land with leasehold interest)	Koga-shi, Fukuoka	—	860	0.4%	962	0.4%	30,815.97m ²	2.9%	100.0%	—
L-30	IIF Fukuoka Higashi Logistics Center	Fukuoka-shi, Fukuoka	Jan 1997	1,860	0.8%	2,040	0.8%	11,262.86m ²	1.1%	100.0%	0.2%
L-31	IIF Osaka Konohana Logistics Center (Note 8)	Osaka-shi, Osaka	Jan 1991	4,437	2.0%	4,550	1.8%	23,593.72m ²	2.2%	100.0%	9.6%
L-32	IIF Kazo Logistics Center	Kazo-shi, Saitama	Apr 1989	2,361	1.1%	2,590	1.0%	17,744.41m ²	1.7%	100.0%	8.2%
Logistics Facilities Total				92,445	41.9%	117,445	46.2%	634,174.02m ²	59.7%	99.9%	—

Our Portfolio (2)

Manufacturing / R&D, Infrastructure facilities and Portfolio Total

Property Number	Name of Property	Location	Date Completed (Note 1)	Acquisition Price (JPY mn.)		Appraisal Value as of the End of Period (JPY mn.) (Note 2)		Total Leasable Area (Note 3)		Occupancy Rate (Note 4)	PML (Note 5)
					Percentage		Percentage		Percentage		
F-1	IIF Totsuka Technology Center (land with leasehold interest)	Yokohama-shi, Kanagawa	—	4,500	2.0%	5,310	2.1%	31,442.47㎡	3.0%	100.0%	—
F-2	IIF Yokohama Tsuduki Technology Center	Yokohama-shi, Kanagawa	Feb 1996	1,100	0.5%	1,340	0.5%	4,655.48㎡	0.4%	100.0%	3.3%
F-3	IIF Mitaka Card Center	Mitaka-shi, Tokyo	Apr 1994	8,700	3.9%	9,950	3.9%	21,615.01㎡	2.0%	100.0%	6.7%
F-4	IIF Shinonome R&D Center	Koto-ku, Tokyo	Mar 1989	8,800	4.0%	10,700	4.2%	17,045.30㎡	1.6%	100.0%	4.5%
F-5	IIF Kamata R&D Center	Ohta-ku, Tokyo	Jun 1988	7,200	3.3%	8,380	3.3%	21,896.56㎡	2.1%	100.0%	7.7%
F-6	IIF Kawasaki Science Center	Kawasaki-shi, Kanagawa	May 2014	2,168	1.0%	2,900	1.1%	4,857.73㎡	0.5%	100.0%	9.7%
F-7	IIF Sagami R&D Center	Sagamihara-shi, Kanagawa	Jul 1989	3,100	1.4%	3,620	1.4%	14,304.37㎡	1.3%	98.8%	8.5%
F-8	IIF Yokohama Shinyamashita R&D Center (Note 9)	Ad-acquisition Yokohama-shi, Kanagawa	Aug 2007	3,810	1.7%	4,170	1.6%	4,887.83㎡	0.5%	100.0%	5.0%
F-9	IIF Kakegawa Manufacturing Center (land with leasehold interest)	Kakegawa-shi, Shizuoka	—	1,540	0.7%	1,770	0.7%	66,171.92㎡	6.2%	100.0%	—
F-10	IIF Urayasu Machinery Maintenance Center (land with leasehold interest)	NEW Urayasu-shi, Chiba,	—	1,300	0.6%	1,650	0.6%	7,925.94㎡	0.7%	100.0%	—
Manufacturing and R&D Facilities Total				42,218	19.1%	49,790	19.6%	194,802.61㎡	18.3%	99.9%	—
I-1	IIF Kobe District Heating and Cooling Center	Kobe-shi, Hyogo	Apr 1990	18,100	8.2%	14,700	5.8%	11,292.79㎡	1.1%	100.0%	4.7%
I-2	IIF Haneda Airport Maintenance Center	Ohta-ku, Tokyo	Jun 1993	41,110	18.6%	41,100	16.2%	81,995.81㎡	7.7%	100.0%	M1 : 4.5% M2 : 3.2%
I-3	IIF Zama IT Solution Center	Zama-shi, Kanagawa	Nov 1988	5,384	2.4%	5,540	2.2%	10,931.89㎡	1.0%	100.0%	7.3%
I-4	IIF Shinagawa Data Center	Shinagawa-ku, Tokyo	Aug 1989	4,900	2.2%	6,850	2.7%	19,547.11㎡	1.8%	100.0%	8.9%
I-5	IIF Osaka Toyonaka Data Center	Toyonaka-shi, Osaka	Sep 1991	5,600	2.5%	5,960	2.3%	20,027.14㎡	1.9%	100.0%	3.8%
I-6	IIF Osaka Nanko IT Solution Center	Osaka-shi, Osaka	Mar 1992	1,150	0.5%	2,340	0.9%	18,435.93㎡	1.7%	100.0%	5.4%
I-7	IIF Nagoya Port Tank Terminal (land with leasehold interest)	Nagoya-shi, Aichi	—	1,900	0.9%	2,250	0.9%	51,583.70㎡	4.9%	100.0%	—
I-8	IIF Shinagawa IT Solution Center	Shinagawa-ku, Tokyo	Feb 1993	7,200	3.3%	7,760	3.0%	7,089.62㎡	0.7%	100.0%	7.7%
I-9	IIF Higashimatsuyama Gas Tank Maintenance Center(land with leasehold interest)	Higashimatsuyama-shi, Saitama	—	690	0.3%	745	0.3%	12,880.38㎡	1.2%	100.0%	—
Infrastructure Facilities Total				86,034	39.0%	87,245	34.3%	233,784.37㎡	22.0%	100.0%	—
Portfolio Total				220,697	100.0%	254,480	100.0%	1,062,761.00㎡	100.0%	99.9%	3.2%

(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 June 30, June 1st, 2016 for IIF Osaka Konohana Logistics Center, July 31, 2016 for IIF Kazo Logistics Center.

(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 September 15, 2016.

(Note 5) "PML" is based on surveys carried out in August 2016. 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.

(Note 7) With respect to IIF Narashino Logistics Center II, 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 8) Total Leasable Area and Appraisal Value for IIF Osaka Konohana Logistics Center is in regards to the 51% of Co-ownership interest of the trust beneficiary interests.

(Note 9) Information on "IIF Yokohama Shinyamashita R&D Center is based on 100% ownership.

Lease Contracts (1)

Logistics Facilities

Property Number	Name of Property	Name of Tenants	Annual Rent (JPY mn.) (Note 1,2)	Percentage (Note 3)	Type of Contract	Lease Term (Note 2)	Lease Term	Lease Term Remaining (Note 4)
L-1	IIF Shinonome Logistics Center	Sagawa Express Co., Ltd.	795	5.3%	Fixed-Term Lease	2006/2/21 ~ 2026/2/20	20.0 years	9.4 years
L-4	IIF Noda Logistics Center	Mitsubishi Electric Logistics Corporation	Not Disclosed	-	Fixed-Term Lease	2011/5/1 ~ 2021/4/30	10.0 years	4.6 years
L-5	IIF Shinsuna Logistics Center	Japan Logistic Systems Corp.	Not Disclosed	-	Fixed-Term Lease	2016/5/1 ~ 2021/4/30	5.0 years	4.6 years
L-6	IIF Atsugi Logistics Center	Sagawa Express Co., Ltd.	358	2.4%	Ordinary Lease	1998/7/15 ~ 2018/7/14	20.0 years	1.8 years
L-7	IIF Koshigaya Logistics Center	Fuji Logitech Next Co., Ltd.	Not Disclosed	-	Fixed-Term Lease	2012/7/1 ~ 2017/6/30	5.0 years	0.8 years
L-8	IIF Nishinomiya Logistics Center	Kabushikigaisya Tsukasa	151	1.0%	Fixed-Term Lease	2011/1/1 ~ 2020/12/31	10.0 years	4.3 years
L-8	IIF Nishinomiya Logistics Center	Extension Suzuyo Corporation	Not Disclosed	-	Fixed-Term Lease	2005/8/25 ~ 2036/5/15	30.7 years	19.7 years
L-9	IIF Narashino Logistics Center (land with leasehold interest)	Kajima Leasing Corporation/JA Mitsui Leasing, Ltd.	Not Disclosed	-	Fixed-Term Lease	2016/5/16 ~ 2036/5/15	20.0 years	19.7 years
L-10	IIF Narashino Logistics Center II	Mitsubishi UFJ Trust and Banking Corporation	232	1.5%	Fixed-Term Lease	2011/4/28 ~ 2061/4/26	50.0 years	44.6 years
L-11	IIF Atsugi Logistics Center II	Sapporo Breweries Ltd.	Not Disclosed	-	Fixed-Term Lease	2014/2/8 ~ 2029/2/7	15.0 years	12.4 years
L-12	IIF Yokohama Tsuduki Logistics Center	Sun Toshi Tatemono Co., Ltd.	Not Disclosed	-	Ordinary Lease	2012/9/1 ~ 2022/8/31	10.0 years	6.0 years
L-13	IIF Saitama Logistics Center	Tokyo Logistics Factory Co., Ltd.	Not Disclosed	-	Fixed-Term Lease	2009/4/1 ~ 2024/3/31	15.0 years	7.5 years
L-14	IIF Nagoya Logistics Center	MM Corporation	134	0.9%	Fixed-Term Lease	2014/12/1 ~ 2019/11/30	5.0 years	3.2 years
L-15	IIF Atsugi Logistics Center III	Japan Airways Co., Ltd.	Not Disclosed	-	Fixed-Term Lease	2015/2/1 ~ 2020/1/31	5.0 years	3.4 years
L-16	IIF Kawaguchi Logistics Center	Tokyo Logistics Factory Co., Ltd.	Not Disclosed	-	Fixed-Term Lease	2011/10/27 ~ 2017/1/31	5.3 years	0.4 years
L-17	IIF Kobe Logistics Center	Shutoken Hitachi Transport Service Co., Ltd.	Not Disclosed	-	Fixed-Term Lease	2014/7/1 ~ 2024/6/30	10.0 years	7.8 years
L-18	IIF Higashi Osaka Logistics Center	Nissin Corporation	Not Disclosed	-	Ordinary Lease	2013/2/7 ~ 2024/9/30	11.7 years	8.0 years
L-19	IIF Kashiwa Logistics Center	Settsu Warehouse Co., Ltd.	Not Disclosed	-	Fixed-Term Lease	2011/4/1 ~ 2023/3/31	12.0 years	6.5 years
L-20	IIF Misato Logistics Center	Sega Logistics Service Co., Ltd.	Not Disclosed	-	Ordinary Lease	2015/4/1 ~ 2016/9/30	1.5 years	0.0 years
L-21	IIF Iruma Logistics Center	Sega Logistics Service Co., Ltd.	Not Disclosed	-	Ordinary Lease	2016/8/1 ~ 2018/9/30	2.2 years	2.0 years
L-22	IIF Tosu Logistics Center	Nippon Express Co., Ltd.	Not Disclosed	-	Fixed-Term Lease	2012/12/1 ~ 2017/11/30	5.0 years	1.2 years
L-23	IIF Inzai Logistics Center	Takuyo Co., Ltd.	Not Disclosed	-	Ordinary Lease	2007/3/9 ~ 2022/3/31	15.1 years	5.5 years
L-24	IIF Morioka Logistics Center	Daiichi Freight System Inc.	Not Disclosed	-	Fixed-Term Lease	2011/1/15 ~ 2041/1/14	30.0 years	24.4 years
L-25	IIF Hiroshima Logistics Center	Sagawa Express Co., Ltd.	Not Disclosed	-	Ordinary Lease	2015/10/1 ~ 2017/9/30	2.0 years	1.0 years
L-26	IIF Izumiotsu e-shop Logistics Center(land with leasehold interest)	Hinode Corporation	Not Disclosed	-	Ordinary Lease	2007/9/27 ~ 2021/6/30	13.8 years	4.8 years
L-27	IIF Izumisano Food Processing and Logistics Center	Sun Logistics Co., Ltd.	Not Disclosed	-	Fixed-Term Lease	2007/4/1 ~ 2022/3/31	15.0 years	5.5 years
L-28	IIF Kyotanabe Logistics Center	Nippon Access, Inc.	Not Disclosed	-	Fixed-Term Lease	2015/10/21 ~ 2022/10/20	7.0 years	6.1 years
L-29	IIF Fukuoka Koga Vehicle Logistics Center(land with leasehold interest)	Muroo Co., Ltd.	Not Disclosed	-	Fixed-Term Lease	2014/1/9 ~ 2029/1/8	15.0 years	12.3 years
L-30	IIF Fukuoka Higashi Logistics Center	Kohnan Shoji Co., Ltd.	Not Disclosed	-	Fixed-Term Lease	2004/10/1 ~ 2024/9/30	20.0 years	8.0 years
L-31	IIF Osaka Konohana Logistics Center	Nakano Shokai Co., Ltd.	Not Disclosed	-	Fixed-Term Lease	2015/3/24 ~ 2025/3/31	10.0 years	8.5 years
L-32	IIF Kazo Logistics Center	Takara Butsuryu Inc.	Not Disclosed	-	Ordinary Lease	2007/3/30 ~ 2017/12/31	10.8 years	1.3 years
L-32	IIF Kazo Logistics Center	ORIX Auto Corporation	Not Disclosed	-	Fixed-Term Lease	2015/5/29 ~ 2035/5/28	20.0 years	18.7 years
L-32	IIF Kazo Logistics Center	Toll Express Japan Co., Ltd.	Not Disclosed	-	Fixed-Term Lease	2016/2/24 ~ 2031/2/23	15.0 years	14.5 years
L-32	IIF Kazo Logistics Center	NEW Sagawa Express Co., Ltd.	Not Disclosed	-	Ordinary Lease	1990/11/16 ~ 2027/2/28	36.3 years	10.5 years
L-32	IIF Kazo Logistics Center	NEW PIP CO., LTD.	Not Disclosed	-	Fixed-Term Lease	2016/2/29 ~ 2026/3/10	10.0 years	9.5 years

Lease Contracts (2)

Manufacturing / R&D, Infrastructure facilities and Portfolio Total

Property Number	Name of Property	Name of Tenants	Annual Rent (JPY mn.) (Note 1, 2)	Percentage (Note 3)	Type of Contract	Lease Term (Note 2)	Lease Term	Lease Term Remaining (Note 4)
F-1	IIF Totsuka Technology Center (land with leasehold interest)	Taisei Corporation	276	1.8%	Fixed-Term Lease	2010/3/31 ~ 2040/3/30	30.0 years	23.6 years
F-2	IIF Yokohama Tsuzuki Technology Center	TÜV Rheinland Japan Ltd.	117	0.8%	Fixed-Term Lease	2008/10/1 ~ 2030/9/30	22.0 years	14.1 years
F-3	IIF Mitaka Card Center	JCB Co., Ltd.	730	4.8%	Ordinary Lease	2002/8/30 ~ 2019/2/28	16.5 years	2.5 years
F-4	IIF Shinonome R&D Center	Nihon Unisys, Ltd.	Not Disclosed	-	Ordinary Lease	2013/4/1 ~ 2016/9/30	3.5 years	0.0 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	9.5 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	12.7 years
F-7	IIF Sagamiyama R&D Center	Micron Memory Japan Inc.	Not Disclosed	-	Ordinary Lease	2016/4/1 ~ 2017/3/31	1.0 years	0.5 years
		Micron Memory Japan Inc.	Not Disclosed	-	Ordinary Lease	2016/4/1 ~ 2017/3/31	1.0 years	0.5 years
		SINCERE Corporation	Not Disclosed	-	Ordinary Lease	2016/4/1 ~ 2017/3/31	1.0 years	0.5 years
		Nittsu NEC Logistics, Ltd.	Not Disclosed	-	Ordinary Lease	2016/4/1 ~ 2017/3/31	1.0 years	0.5 years
		NEC Corporation	Not Disclosed	-	Loan for use	2016/3/20 ~ 2017/3/19	1.0 years	0.5 years
F-8	IIF Yokohama Shinyamashita R&D Center	TRW Automotive	Not Disclosed	-	Fixed-Term Lease	2007/9/1 ~ 2027/8/31	20.0 years	11.0 years
F-9	IIF Kakegawa Manufacturing Center (land with leasehold interest)	CxS Corporation	Not Disclosed	-	Fixed-Term Lease	2015/12/28 ~ 2045/12/26	30.0 years	29.3 years
F-10	IIF Urayasu Machinery Maintenance Center (land with leasehold interest)	NEW NISHIO RENT ALL Co., Ltd.	Not Disclosed	-	Fixed-Term Lease	2016/3/31 ~ 2065/3/30	49.0 years	48.6 years
I-1	IIF Kobe District Heating and Cooling Center	Osaka Gas Co., Ltd.	640	4.2%	Fixed-Term Lease	2012/6/7 ~ 2024/6/6	12.0 years	7.7 years
		Osaka Gas Co., Ltd.	11	0.1%	Fixed-Term Lease	2012/6/7 ~ 2024/6/6	12.0 years	7.7 years
		Osaka Gas Co., Ltd.	9	0.1%	Fixed-Term Lease	2012/7/1 ~ 2024/6/6	11.9 years	7.7 years
		Osaka Gas Co., Ltd.	1	0.0%	Fixed-Term Lease	2015/9/1 ~ 2024/6/6	8.8 years	7.7 years
I-2	IIF Haneda Airport Maintenance Center	Japan Airlines Co., Ltd.	1,888	12.5%	Fixed-Term Lease	2010/8/10 ~ 2025/12/31	15.4 years	9.3 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	4.9 years
I-4	IIF Shinagawa Data Center	XYMAX Corporation	Not Disclosed	-	Fixed-Term Lease	2012/3/7 ~ 2022/3/6	10.0 years	5.5 years
I-5	IIF Osaka Toyonaka Data Center	Kanden Properties Co., Ltd.	Not Disclosed	-	Fixed-Term Lease	2015/10/4 ~ 2025/10/3	10.0 years	9.1 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	6.5 years
I-7	IIF Nagoya Port Tank Terminal (land with leasehold interest)	Chemical Logitec Co., Ltd.	Not Disclosed	-	Fixed-Term Lease	2014/2/7 ~ 2064/1/6	49.9 years	47.3 years
I-8	IIF Shinagawa IT Solution Center	Not Disclosed	Not Disclosed	-	Ordinary Lease	2015/9/1 ~ 2017/8/31	2.0 years	1.0 years
		Not Disclosed	Not Disclosed	-	Ordinary Lease	2015/9/1 ~ 2017/8/31	2.0 years	1.0 years
		Hitachi Systems, Ltd.	Not Disclosed	-	Ordinary Lease	Not Disclosed		
		Hitachi Systems, Ltd.	Not Disclosed	-	Ordinary Lease	Not Disclosed		
		Not Disclosed	Not Disclosed	-	Ordinary Lease	2016/9/15 ~ 2020/9/14	4.0 years	4.0 years
I-9	IIF Higashimatsuyama Gas Tank Maintenance Center(land with leasehold interest)	J Cylinder Service Co., Ltd.	Not Disclosed	-	Fixed-Term Lease	2015/11/13 ~ 2045/11/30	30.1 years	29.2 years
Portfolio Average Lease Term							14.6 years	8.6 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) "Annual Rent" and "Lease Term" are based on lease agreements concluded with tenants prior to Aug 16, 2016. 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 calculated from September 15, 2016. 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, 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.

Appraisal Values (1)

Logistics Facilities

Property Number	Name of Property	Book Value (JPY mn.)	Appraisal Value as of the End of Period (JPY mn.) ^(Note 1)				Applied Rate ^(Note 1)					
			End of 17th Period	End of 18th Period			Direct Capitalization	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 ^(Note 2)	13,111	16,536	16,483	(53)	(0.3%)	4.5%	4.1%	4.7%	0.0p	0.0p	0.0p
L-4	IIF Noda Logistics Center	5,565	8,350	8,250	(100)	(1.2%)	4.8%	4.6%	5.0%	0.0p	0.0p	0.0p
L-5	IIF Shinsuna Logistics Center	5,211	6,710	6,710	0	0.0%	4.6%	4.3%	4.7%	0.0p	0.0p	0.0p
L-6	IIF Atsugi Logistics Center	1,649	2,160	2,170	+10	+0.5%	5.2%	4.8%	5.3%	0.0p	0.0p	0.0p
L-7	IIF Koshigaya Logistics Center	1,838	2,610	2,610	0	0.0%	5.1%	4.8%	5.2%	0.0p	0.0p	0.0p
L-8	IIF Nishinomiya Logistics Center Extension	2,049	1,740	2,900	+1,160	+66.7%	5.4%	5.1%	5.5%	(0.1p)	(0.1p)	(0.2p)
L-9	IIF Narashino Logistics Center (land with leasehold interest)	1,223	2,430	2,450	+20	+0.8%	---	4.7%	---	---	0.0p	---
L-10	IIF Narashino Logistics Center II	4,652	6,190	6,190	0	0.0%	5.1%	4.9%	5.3%	0.0p	0.0p	0.0p
L-11	IIF Atsugi Logistics Center II	3,265	3,800	3,800	0	0.0%	5.0%	4.7%	5.3%	0.0p	0.0p	0.0p
L-12	IIF Yokohama Tsuduki Logistics Center	2,339	3,080	3,080	0	0.0%	4.8%	4.6%	5.0%	0.0p	0.0p	0.0p
L-13	IIF Saitama Logistics Center	1,497	2,030	2,010	(20)	(1.0%)	5.3%	5.0%	5.5%	0.0p	0.0p	0.0p
L-14	IIF Nagoya Logistics Center	1,166	1,400	1,500	+100	+7.1%	5.8%	5.5%	6.1%	0.0p	0.0p	0.0p
L-15	IIF Atsugi Logistics Center III	2,341	2,940	2,940	0	0.0%	5.2%	4.9%	5.4%	0.0p	0.0p	0.0p
L-16	IIF Kawaguchi Logistics Center	2,044	3,860	4,010	+150	+3.9%	4.8%	4.6%	4.9%	(0.2p)	(0.2p)	(0.2p)
L-17	IIF Kobe Logistics Center	5,247	6,670	6,800	+130	+1.9%	5.0%	4.8%	5.2%	(0.1p)	(0.1p)	(0.1p)
L-18	IIF Higashi Osaka Logistics Center	2,455	3,040	3,040	0	0.0%	5.5%	5.0%	5.4%	0.0p	0.0p	0.0p
L-19	IIF Kashiwa Logistics Center	1,861	2,660	2,660	0	0.0%	5.3%	4.8%	5.4%	0.0p	0.0p	0.0p
L-20	IIF Misato Logistics Center	3,532	4,660	4,860	+200	+4.3%	4.7%	4.5%	4.8%	(0.2p)	(0.2p)	(0.2p)
L-21	IIF Iruma Logistics Center	3,188	3,980	3,980	0	0.0%	5.3%	4.8%	5.7%	0.0p	0.0p	0.0p
L-22	IIF Tosu Logistics Center	1,553	1,830	1,870	+40	+2.2%	5.4%	5.2%	5.5%	(0.1p)	(0.1p)	(0.1p)
L-23	IIF Inzai Logistics Center	1,052	1,230	1,270	+40	+3.3%	5.8%	5.6%	5.9%	(0.2p)	(0.2p)	(0.2p)
L-24	IIF Morioka Logistics Center	591	1,160	1,180	+20	+1.7%	6.2%	6.0%	6.3%	(0.1p)	(0.1p)	(0.1p)
L-25	IIF Hiroshima Logistics Center	3,495	4,240	4,320	+80	+1.9%	5.5%	5.3%	5.6%	(0.1p)	(0.1p)	(0.1p)
L-26	IIF Izumiotsu e-shop Logistics Center(land with leasehold interest)	4,176	4,310	4,350	+40	+0.9%	---	5.0%	---	---	(0.1p)	---
L-27	IIF Izumisano Food Processing andLogistics Center	954	1,020	1,040	+20	+2.0%	5.1%	4.7%	5.2%	(0.1p)	(0.1p)	(0.1p)
L-28	IIF Kyotanabe Logistics Center	5,893	6,700	6,830	+130	+1.9%	5.1%	4.8%	5.2%	(0.1p)	(0.1p)	(0.1p)
L-29	IIF Fukuoka Koga Vehicle Logistics Center(land with leasehold interest)	914	957	962	+5	+0.5%	---	5.7%	---	---	0.0p	---
L-30	IIF Fukuoka Higashi Logistics Center ^(Note 4)	1,948	2,000	2,040	+40	+2.0%	5.0%	4.6%	5.1%	(0.1p)	(0.1p)	(0.1p)
Logistics Facilities Total		84,823	108,293	110,305	+2,012	+1.9%						

Appraisal Values (2)

Manufacturing / R&D, Infrastructure facilities and Portfolio Total

Property Number	Name of Property	Book Value (JPY mn.)	Appraisal Value as of the End of Period (JPY mn.) (Note 1)				Applied Rate (Note 1)					
			End of 17th Period	End of 18th Period		Period-Over-period (%)	Capitalization Rate	DCF Method		Period-rarlier Levels		
			Appraisal Value	Appraisal Value	Period-Over-period			Discount Rate	Terminal Capitalization Rate	Capitalization Rate by Direct Capitalization Method	Discount Rate by DCF Method	Terminal Capitalization Rate by DCF Method
F-1	IIF Totsuka Technology Center (land with leasehold interest)	4,553	5,240	5,310	+70	+ 1.3%	---	5.2%	---	---	(0.1p)	---
F-2	IIF Yokohama Tsuduki Technology Center	1,168	1,340	1,340	0	0.0%	5.6%	5.5%	5.9%	0.0p	0.0p	0.0p
F-3	IIF Mitaka Card Center	9,177	9,950	9,950	0	0.0%	5.6%	5.4%	5.8%	0.0p	0.0p	0.0p
F-4	IIF Shinonome R&D Center	9,009	12,100	10,700	(1,400)	(11.6%)	5.3%	4.9%	5.3%	0.0p	(0.2p)	(0.2p)
F-5	IIF Kamata R&D Center	7,442	8,320	8,380	+60	+ 0.7%	5.5%	5.2%	5.7%	0.0p	0.0p	0.0p
F-6	IIF Kawasaki Science Center	2,162	2,900	2,900	0	0.0%	5.4%	5.2%	5.6%	0.0p	0.0p	0.0p
F-7	IIF Sagamiara R&D Center	3,253	3,570	3,620	+50	+ 1.4%	5.6%	5.3%	5.7%	(0.1p)	(0.1p)	(0.1p)
F-8	IIF Yokohama Shinyamashita R&D Center (Note 3)(Note 4)	16	13	13	0	0.0%	4.8%	4.4%	4.9%	0.0p	0.0p	0.0p
F-9	IIF Kakegawa Manufacturing Center (land with leasehold interest) (Note 4)	1,572	1,770	1,770	0	0.0%	---	5.1%	---	---	0.0p	---
F-10	IIF Urayasu Machinery Maintenance Center (land with leasehold interest) (Note 4)	1,341	1,640	1,650	+10	+ 0.6%	4.9%	4.1%	5.2%	0.0p	0.0p	0.0p
Manufacturing and R&D Facilities Total		39,696	46,843	45,633	(1,210)	(2.6%)						
I-1	IIF Kobe District Heating and Cooling Center	16,655	14,700	14,700	0	0.0%	4.5%	3.7%	4.7%	0.0p	0.0p	0.0p
I-2	IIF Haneda Airport Maintenance Ceter	39,255	41,100	41,100	0	0.0%	4.4%	3.5%	4.9%	0.0p	0.0p	0.0p
I-3	IIF Zama IT Solution Center	5,258	5,540	5,540	0	0.0%	7.2%	5.8%	7.8%	0.0p	0.0p	0.0p
I-4	IIF Shinagawa Data Center	5,168	6,890	6,850	(40)	(0.6%)	4.6%	4.9%	5.3%	0.0p	0.0p	0.0p
I-5	IIF Osaka Toyonaka Data Center	5,647	5,990	5,960	(30)	(0.5%)	6.1%	5.0%	5.5%	(0.1p)	(0.1p)	(0.1p)
I-6	IIF Osaka Nanko IT Solution Center	1,261	2,330	2,340	+10	+ 0.4%	6.2%	5.8%	6.9%	0.0p	0.0p	0.0p
I-7	IIF Nagoya Port Tank Terminal (land with leasehold interest)	1,998	2,250	2,250	0	0.0%	5.6%	4.8%	6.3%	0.0p	0.0p	0.0p
I-8	IIF Shinagawa IT Solution Center	7,498	7,660	7,760	+100	+ 1.3%	5.1%	4.4%	4.9%	+ 0.2p	(0.1p)	(0.1p)
I-9	IIF Higashimatsuyama Gas Tank Maintenance Center(land with leasehold interest)	729	744	745	1	+ 0.1%	---	4.9%	---	---	0.0p	---
Infrastructure Facilities Total		83,473	87,204	87,245	+41	+ 0.0%						
Portfolio Total		207,993	242,340	243,183	+843	+ 0.3%						

(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 as of June30, 2016

(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) "Appraisal Value as of the End of Period" for IIF Yokohama Shinyamashita R&D Center applies only to 0.3% co-ownership interests of the trust beneficiary interests.

(Note 4) "End of 17th Period" and "period over period" refer to figures provided in the respective appraisal reports at the acquisition.

Appraisal Values (3)

■ New properties acquired / to be acquired in the June 2016(19th) Period

Property Number	Name of Property	Acquisition price (JPY mn.) (Note 5)	Appraisal Value (JPY mn.) (Note 5)	Capitalization Rate by Direct Capitalization Method (Note 5)	Discount Rate by DCF Method (Note 5)	Terminal Capitalization Rate by DCF Method	Date of Appraisal Value
L-31	IIF Osaka Konohana Logistics Center ^(Note 6)	4,437	4,550	4.4%	4.2%	4.6%	Jun. 1, 2016
L-32	IIF Kazo Logistics Center	2,361	2,590	5.0%	4.7%	5.1%	Jul. 31, 2016
Logistics Facilities		6,798	7,140				
F-8	IIF Yokohama Shinyamashita R&D Center ^(Note 7)	3,798	4,160	4.8%	4.4%	4.9%	Jun. 10, 2016
Manufacturing and R&D Facilities Total		3,798	4,160				
Total Additional Properties		10,597	11,300				

(Note 5) 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.

(Note 6) Total Leasable Area and Appraisal Value for IIF Osaka Konohana Logistics Center is in regards to the 51% of co-ownership interest of the trust beneficiary interests.

(Note 7) Appraisal value for IIF Yokohama Shinyamashita R&D Center is based on 99.7% co-ownership interest of the trust beneficiary interests.

Performance by property(1)

(JPY mn.)

Item	L1 (Shinonome)		L4 (Noda)		L5 (Shinsuna)		L6 (Atsugi)		L7 (Koshigaya)		L8 (Nishinomiya)		L9 (Narashino)		L10 (Narashinoll)		L11 (Atsugill)	
	17th 184days	18th 182days	17th 184days	18th 182days	17th 184days	18th 182days	17th 184days	18th 182days	17th 184days	18th 182days	17th 184days	18th 182days	17th 184days	18th 182days	17th 184days	18th 182days	17th 184days	18th 182days
Days																		
Rent	397	397			173	173			75	75	59							
Others	2	2			-	-			0	0	0							
Total rental business income	400	400			173	173			75	75	60							
Taxes and public dues	30	30	Not Disclosed	Not Disclosed	16	16	Not Disclosed	Not Disclosed	4	3	7	Not Disclosed	Not Disclosed	Not Disclosed	Not Disclosed	Not Disclosed	Not Disclosed	Not Disclosed
Management expenses	0	0			0	0			0	0	0							
Repair expenses	0	0			0	-			3	0	1							
Insurance cost and trust fee	0	0			2	0			0	0	2							
Others	0	0			0	0			0	0	0							
Total rental business expenses	32	32			20	17			9	6	12							
N O I	367	367	199	181	153	156	45	47	66	69	47	53	38	38	175	175	112	113
Depreciation and amortization	45	43	52	48	11	11	31	31	23	23	10	13	-	-	6	6	17	17
Rental business profit	322	324	147	133	142	144	14	16	42	45	37	39	38	38	169	169	95	95
Total deposits (Ending balance)	1,457	1,378	Not Disclosed	Not Disclosed	200	161	Not Disclosed	Not Disclosed	37	37	89	Not Disclosed	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)	
	17th 184days	18th 182days	17th 184days	18th 182days	17th 184days	18th 182days	17th 184days	18th 182days	17th 184days	18th 182days	17th 184days	18th 182days	17th 184days	18th 182days	17th 184days	18th 182days	17th 184days	18th 182days
Days																		
Rent			66	66														
Others			0	0														
Total rental business income			66	66														
Taxes and public dues	Not Disclosed	Not Disclosed	3	3	Not Disclosed	Not Disclosed	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														
Repair expenses			0	0														
Insurance cost and trust fee			0	0														
Others			1	1														
Total rental business expenses			5	5														
N O I	76	77	61	61	42	42	80	76	105	105	178	177	88	86	69	67	116	116
Depreciation and amortization	13	10	10	10	5	5	11	11	9	8	36	36	7	8	8	8	17	17
Rental business profit	63	66	50	50	36	36	69	65	96	97	142	140	80	77	60	58	99	99
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	Not Disclosed	Not Disclosed

Item	L21 (Iruma)		L22 (Tosu)		L23 (Inzai)		L24 (Morioka)		L25 (Hiroshima)		L26 (Izumotsu)		L27 (Izumisano)		L28 (Kyotanabe)		L29 (Fukuoka Koga)	
	17th 184days	18th 182days	17th 184days	18th 182days	17th 184days	18th 182days	17th 184days	18th 182days	17th 184days	18th 182days	17th 184days	18th 182days	17th 184days	18th 182days	17th 184days	18th 182days	17th 184days	18th 182days
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	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																		
N O I	106	106	52	53	36	37	33	37	119	119	122	116	39	32	189	181	29	28
Depreciation and amortization	23	23	9	9	5	5	5	5	25	25	-	-	7	7	32	32	-	-
Rental business profit	83	83	43	43	30	31	27	32	94	94	122	116	31	25	157	149	29	28
Total deposits (Ending balance)	Not Disclosed	Not Disclosed	Not Disclosed	Not Disclosed	Not Disclosed	Not Disclosed	Not Disclosed	Not Disclosed	Not Disclosed	Not Disclosed	Not Disclosed	Not Disclosed	Not Disclosed	Not Disclosed	Not Disclosed	Not Disclosed	Not Disclosed	Not Disclosed

Performance by property(2)

(JPY mn.)

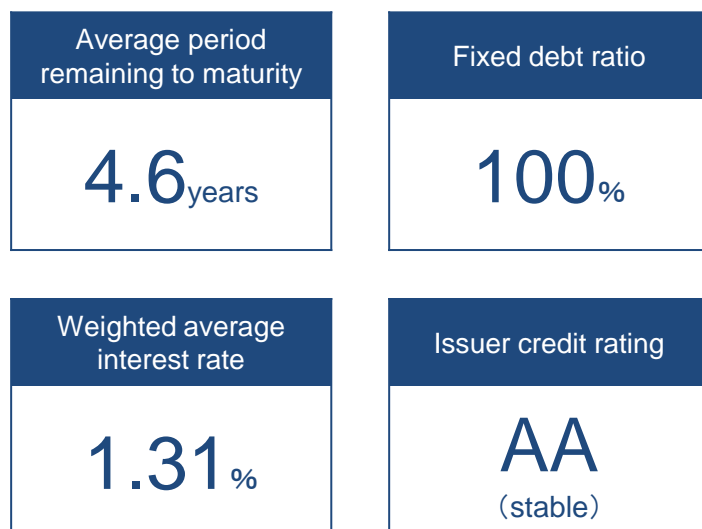
Item	L30 (Fukuoka Higashi)		F1 (Totsuka)		F2 (Yokohama Tsuzuki)		F3 (Mitaka)		F4 (Shinonome R&D)		F5 (Kamata)		F6 (Kawasaki)		F7 (Sagamihara)		F8 (Shinyamashita)	
	17th 0days	18th 165days	17th 184days	18th 182days	17th 184days	18th 182days	17th 184days	18th 182days	17th 184days	18th 182days	17th 184days	18th 182days	17th 184days	18th 182days	17th 184days	18th 182days	17th 0days	18th 122days
Rent	-	-	154	154	58	58	364	364									-	-
Others	-	-	0	0	-	-	0	0									-	-
Total rental business income	-	-	154	154	58	58	364	364									-	-
Taxes and public dues	-	Not	16	16	8	8	47	47	Not	Not	Not	Not	Not	Not	Not	Not	-	Not
Management expenses	-	Disclosed	-	-	6	6	3	3	Disclosed	Disclosed	Disclosed	Disclosed	Disclosed	Disclosed	Disclosed	Disclosed	-	Disclosed
Repair expenses	-	-	-	-	7	4	4	-									-	-
Insurance cost and trust fee	-	-	0	0	0	0	1	1									-	-
Others	-	-	0	0	1	0	0	1									-	-
Total rental business expenses	-	-	17	17	23	19	57	53									-	-
N O I	-	48	137	137	35	38	307	311	340	343	235	236	82	82	149	130	-	0
Depreciation and amortization	-	4	-	-	4	4	42	42	60	61	25	25	23	23	12	12	-	0
Rental business profit	-	43	137	137	30	34	265	268	279	281	210	210	58	58	137	117	-	0
Total deposits (Ending balance)	-	Not Disclosed	276	276	92	92	182	182	Not Disclosed	Not Disclosed	Not Disclosed	Not Disclosed	Not Disclosed	Not Disclosed	Not Disclosed	Not Disclosed	-	Not Disclosed

Item	F9 (Kakegawa)		F10 (Urayasu)		I1 (Kobe)		I2 (Haneda)		I3 (Zama)		I4 (Shinagawa)		I5 (Osaka Toyonaka)		I6 (Osaka Nanko)		I7 (Nagoya Port)	
	17th 0days	18th 77days	17th 0days	18th 92days	17th 184days	18th 182days	17th 184days	18th 182days	17th 184days	18th 182days	17th 184days	18th 182days	17th 184days	18th 182days	17th 184days	18th 182days	17th 184days	18th 182days
Rent	-	-	-	-	330	330	1,350	1,375										
Others	-	-	-	-	0	0	0	2										
Total rental business income	-	-	-	-	330	330	1,351	1,377										
Taxes and public dues	-	Not	-	Not	11	11	85	85	Not	Not	Not	Not	Not	Not	Not	Not	Not	Not
Management expenses	-	Disclosed	-	Disclosed	0	0	0	0	Disclosed	Disclosed	Disclosed	Disclosed	Disclosed	Disclosed	Disclosed	Disclosed	Disclosed	Disclosed
Repair expenses	-	-	-	-	2	0	-	-										
Insurance cost and trust fee	-	-	-	-	1	1	6	6										
Others	-	-	-	-	0	0	342	347										
Total rental business expenses	-	-	-	-	15	14	435	439										
N O I	-	20	-	20	314	316	915	938	201	201	161	169	170	165	69	69	62	62
Depreciation and amortization	-	-	-	-	126	127	233	236	35	35	27	28	25	26	9	9	-	-
Rental business profit	-	20	-	20	187	189	682	702	165	165	134	140	145	139	59	59	62	62
Total deposits (Ending balance)	-	Not Disclosed	-	Not Disclosed	2,155	2,155	974	974	Not Disclosed	Not Disclosed	Not Disclosed	Not Disclosed	Not Disclosed	Not Disclosed	Not Disclosed	Not Disclosed	Not Disclosed	Not Disclosed

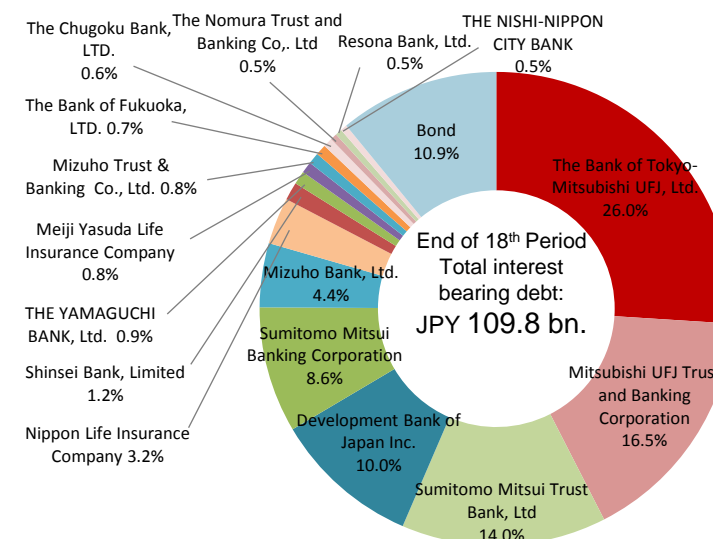
Item	I8 (Shinagawa ITSC)		I9 (Higashimatsuyama)		17th (Actual)	18th (Actual)
	17th 184days	18th 182days	17th 49days	18th 182days		
Rent					7,321	7,468
Others					467	417
Total rental business income					7,788	7,886
Taxes and public dues	Not	Not	Not	Not	604	644
Management expenses	Disclosed	Disclosed	Disclosed	Disclosed	152	168
Repair expenses					65	66
Insurance cost and trust fee					43	36
Others					797	764
Total rental business expenses					1,662	1,680
N O I	181	166	5	18	6,125	6,206
Depreciation and amortization	19	20	-	-	1,073	1,083
Rental business profit	161	146	5	18	5,052	5,122
Total deposits (Ending balance)	Not Disclosed	Not Disclosed	Not Disclosed	Not Disclosed	10,609	10,550

Debt Stability

Key indices

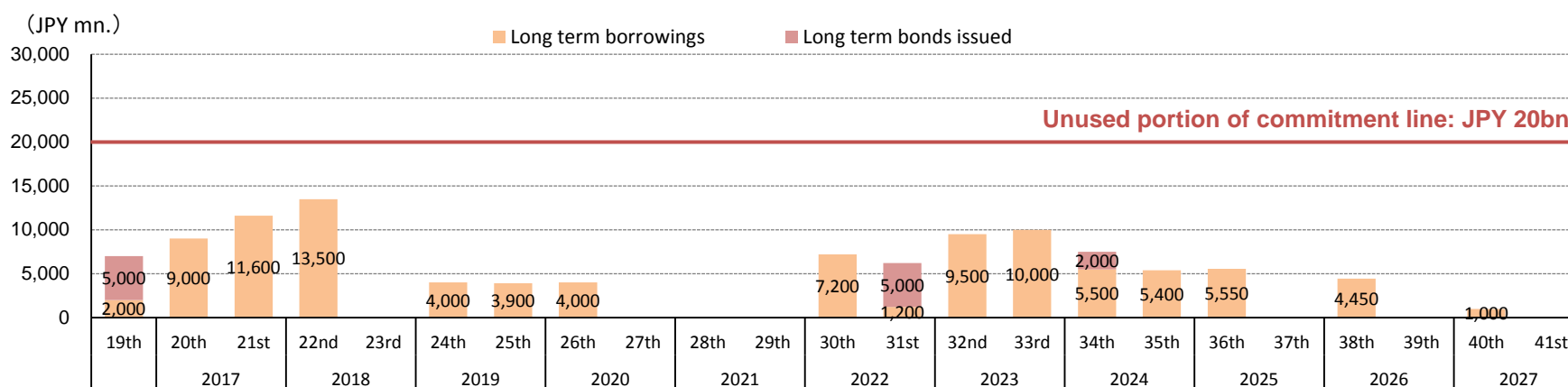


Breakdown of Lender Formation



Diversification of Debt Maturities

(Note) As of June 30, 2016



Debt Stability

Lender Status

	Classification	Outstanding Balance (JPY mn.) (Note 1)(Note 2)		Date of Borrowing	Interest Rate (Note 3) (%)	Maturity date	Fixed/ Variable	Borrowing term	Remaining period (Note 5)
		Breakdown	Total						
Long-term borrowing	Lender								
	Development Bank of Japan Inc.	5,000	5,000	Feb. 28, 2011	1.70000	Feb. 27, 2018	Fixed	7 years	1.7 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	1.7 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	0.2 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	1.3 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	0.7 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	0.7 years
	Development Bank of Japan Inc.	1,000	1,000		2.22000	Mar. 29, 2024	Fixed	12 years	7.8 years
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	1,000	1,000		1.90500	Mar. 30, 2022	Fixed (Note 4)	10 years	5.8 years
	Sumitomo Mitsui Banking Corporation	500	500		1.90500	Mar. 31, 2022	Fixed (Note 4)	10 years	5.8 years
	Development Bank of Japan Inc.	2,000	2,000		1.90000	Mar. 29, 2022	Fixed	10 years	5.8 years
	Mizuho Bank, Ltd.	1,500	1,500	Mar. 30, 2012	1.56100	Mar. 31, 2020	Fixed (Note 4)	8 years	3.8 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	2.7 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	2.7 years
	Nippon Life Insurance Company	1,000	1,000		1.42000	Jun. 30, 2020	Fixed	8 years	4.0 years
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	583	583	Jun. 29, 2012	1.17500	Jun. 28, 2019	Fixed (Note 4)	7 years	3.0 years
	Sumitomo Mitsui Banking Corporation	417	417		1.17500	Jun. 28, 2019	Fixed (Note 4)	7 years	3.0 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	3.3 years
	Sumitomo Mitsui Banking Corporation	1,626	1,626		1.15750	Sep. 30, 2019	Fixed (Note 4)	7 years	3.3 years
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	1,000	1,000		1.29000	Feb. 6, 2023	Fixed	10 years	6.6 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	6.6 years
	Sumitomo Mitsui Trust Bank, Limited	966							
	Sumitomo Mitsui Banking Corporation	500	500		1.38980	Feb. 6, 2023	Fixed (Note 4)	10 years	6.6 years
	Nippon Life Insurance Company	500	500		1.55000	Feb. 6, 2023	Fixed	10 years	6.6 years
	Mizuho Bank, Ltd.	1,000	1,000	Feb. 6, 2013	1.48980	Feb. 6, 2023	Fixed (Note 4)	10 years	6.6 years
	Shinsei Bank, Ltd.	500	500		1.38980	Feb. 6, 2023	Fixed (Note 4)	10 years	6.6 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	5.6 years
	Sumitomo Mitsui Trust Bank, Limited	138							
	Sumitomo Mitsui Banking Corporation	500	500		1.22750	Feb. 4, 2022	Fixed (Note 4)	9 years	5.6 years
	Development Bank of Japan Inc.	1,000	1,000		1.83000	Feb. 5, 2025	Fixed	12 years	8.6 years
	Sumitomo Mitsui Trust Bank, Limited	2,500	2,500		1.68475	Jun. 30, 2023	Fixed (Note 4)	10 years	7.0 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	4.0 years
	THE YAMAGUCHI BANK, Ltd.	500							
	Nippon Life Insurance Company	2,000	2,000		1.75000	Jun. 28, 2024	Fixed	11 years	8.0 years
	Mizuho Bank, Ltd.	1,500	1,500		1.64650	Jun. 30, 2022	Fixed (Note 4)	9 years	6.0 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	7.3 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	7.5 years

	Classification	Outstanding Balance (JPY mn.) (Note 1)(Note 2)		Date of Borrowing	Interest Rate (Note 3) (%)	Maturity date	Fixed/ Variable	Borrowing term	Remaining period (Note 5)
		Breakdown	Total						
Long-term borrowing	Lender								
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	700	700		1.31000	Aug. 6, 2024	Fixed	10.5 years	8.1 years
	Sumitomo Mitsui Banking Corporation	900	900		1.24100	Feb. 6, 2024	Fixed (Note 4)	10 years	7.6 years
	THE YAMAGUCHI BANK, Ltd.	500	500		1.14000	Aug. 4, 2023	Fixed	9.5 years	7.1 years
	THE NISHI-NIPPON CHITIBANK, LTD.	500	500	Feb. 6, 2014	1.03150	Aug. 5, 2022	Fixed (Note 4)	8.5 years	6.1 years
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	451							
	Mitsubishi UFJ Trust and Banking Corporation	417	1,200		0.92790	Feb. 4, 2022	Fixed (Note 4)	8 years	5.6 years
	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	7.7 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	9.7 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	9.7 years
	Development Bank of Japan Inc.	1,000	1,000	Mar. 31, 2015	1.26000	Mar. 31, 2027	Fixed	12 years	10.8 years
	Meiji Yasuda Life Insurance Company	850	850	Mar. 31, 2015	1.19000	Mar. 31, 2026	Fixed	11 years	9.8 years
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	1,350	1,350	Mar. 16, 2015	0.98000	Mar. 14, 2025	Fixed	10 years	8.7 years
	Sumitomo Mitsui Trust Bank, Limited	1,500	1,500	Mar. 31, 2015	0.98000	Mar. 31, 2025	Fixed	10 years	8.8 years
	Shinsei Bank, Ltd.	850	850	Mar. 16, 2015	1.01740	Mar. 14, 2025	Fixed (Note 4)	10 years	8.7 years
	Mizuho Trust & Banking Co., Ltd.	850	850	Mar. 16, 2015	1.01740	Mar. 14, 2025	Fixed (Note 4)	10 years	8.7 years
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	1,334							
	Mitsubishi UFJ Trust and Banking Corporation	1,235	3,550	Mar. 16, 2015	0.92990	Sep. 13, 2024	Fixed (Note 4)	9.5 years	8.2 years
	Sumitomo Mitsui Trust Bank, Limited	979							
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	432							
	Mitsubishi UFJ Trust and Banking Corporation	400	1,150	Mar. 31, 2015	0.91900	Sep. 30, 2024	Fixed (Note 4)	9.5 years	8.2 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	6.2 years
	Mizuho Bank, Ltd.	800	800	Apr. 15, 2016	0.54500	Mar. 31, 2026	Fixed (Note 4)	10 years	9.8 years
	The Bank of Fukuoka, LTD.	800	800	Apr. 15, 2016	0.50130	Mar. 31, 2026	Fixed	10 years	9.8 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	0.5 years
	Second series unsecured investment corporation bonds	5,000	5,000		1.40000	Dec. 27, 2022	Fixed	10 years	6.5 years
	Third series unsecured investment corporation bonds	2,000	2,000	Jun. 26, 2014	0.89000	Jun. 26, 2024	Fixed	10 years	8.0 years
Total / Average		109,800	109,800		1.31			8.2 years	4.6 years

(Note 1) Based on outstanding balance as of June 30, 2016

(Note 2) Rounded down to the nearest million yen

(Note 3) The applicable rate is based on the interest rate as June 30, 2016. The average is calculated by weighting the rate for each borrowing amount according to the borrowing amount

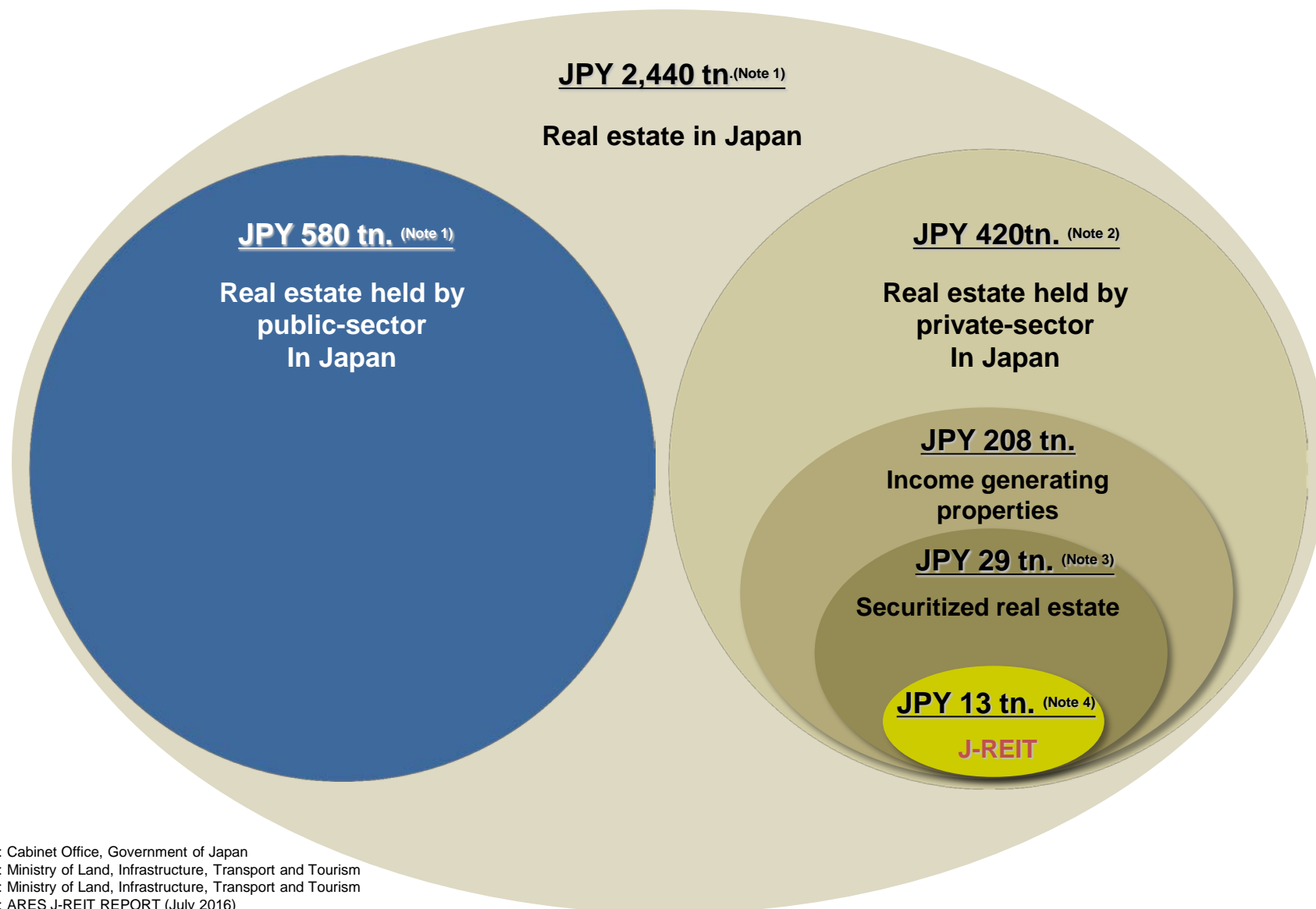
(Note 4) IIF signed an interest rate swap contract to fix the interest rate

(Note 5) The remaining term for the existing borrowing is calculated with the base date as of June 30, 2016. 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 borrowings

Prodigious growth potential with less acquisition competition

Opportunities for acquisition of real estate held by private/public sectors are still huge for J-REITs



(Note1) Source: Cabinet Office, Government of Japan

(Note2) Source: Ministry of Land, Infrastructure, Transport and Tourism

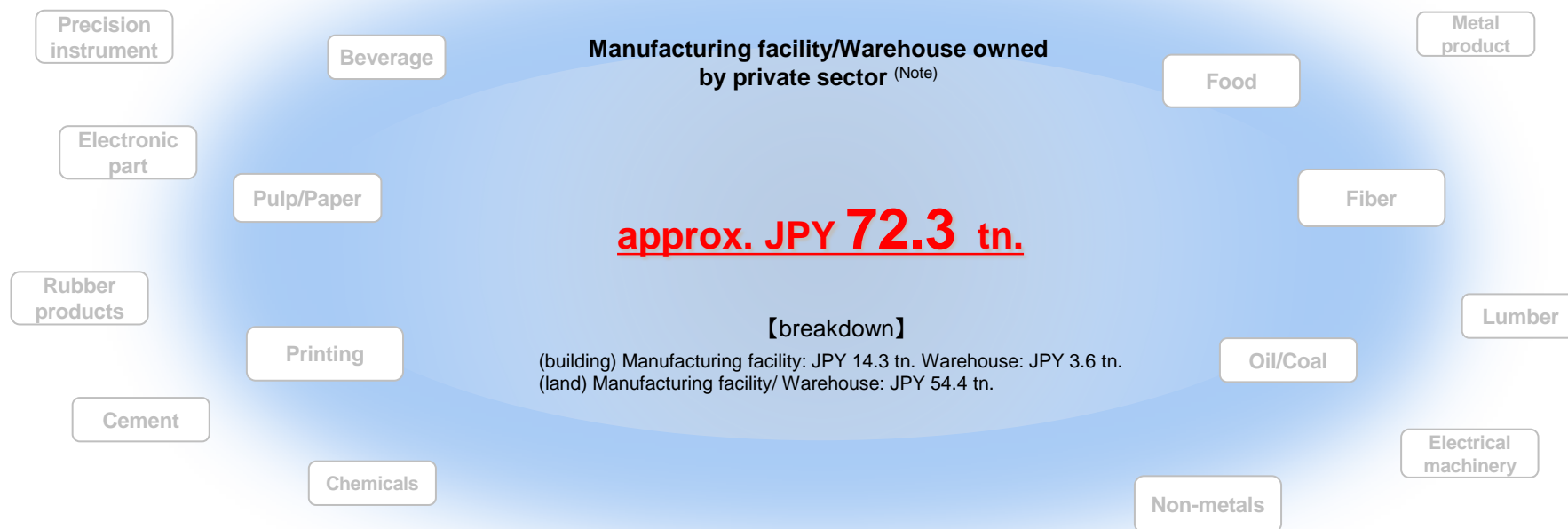
(Note3) Source: Ministry of Land, Infrastructure, Transport and Tourism

(Note4) Source: ARES J-REIT REPORT (July 2016)

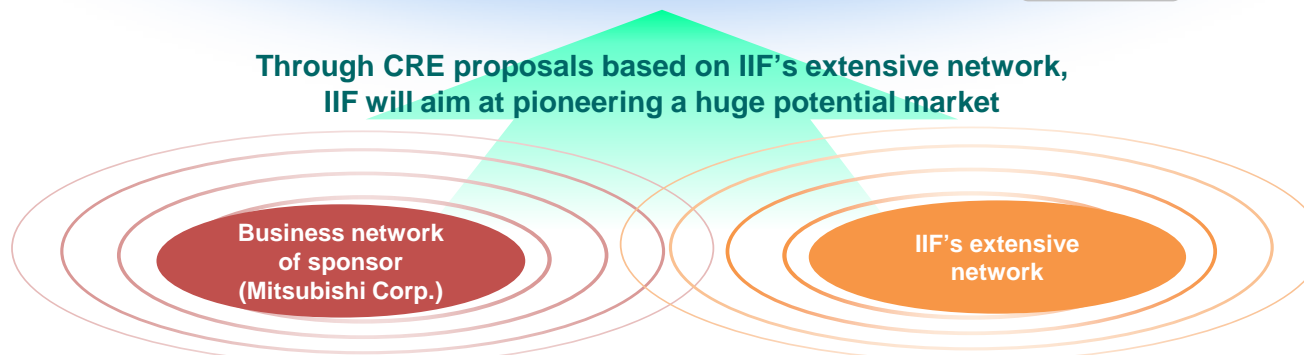
Potentials of manufacturing facility investments

Continuously lead acquisition of the high potential manufacturing facility market

**Start of securitization of manufacturing-facility assets,
which presents a large potential market**



**Through CRE proposals based on IIF's extensive network,
IIF will aim at pioneering a huge potential market**



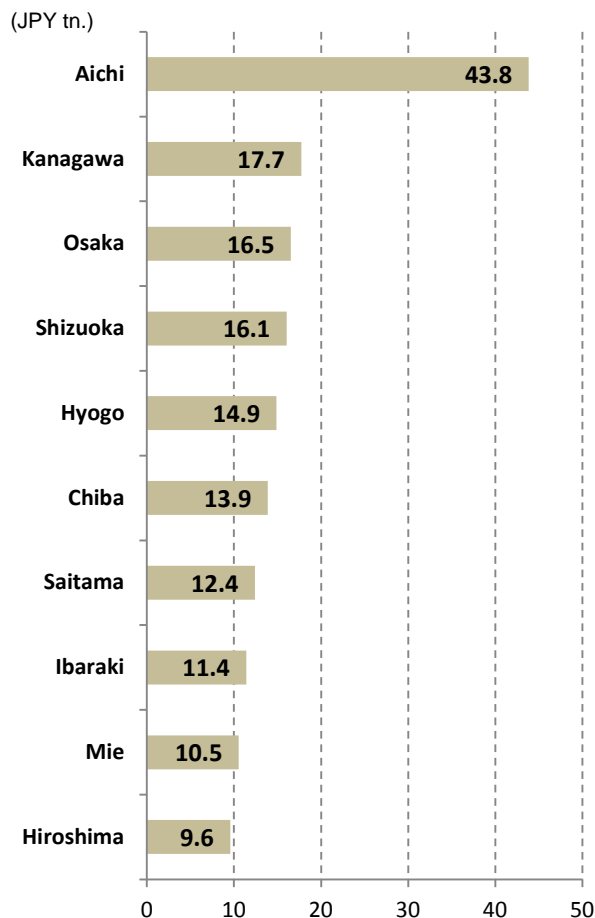
- Operating with over 200 bases and over 600 consolidated subsidiaries in Japan and overseas
- Leverage business network across various industries

- Rich network established through CRE propositions efforts
- Established trust with a wide range of industries, including the public sector

Manufacturing facilities Location Trends

Top 10 prefectures in terms of amount of products shipped

Manufacturing facilities in Japan are concentrated in areas surrounding the three major cities and Tokai region

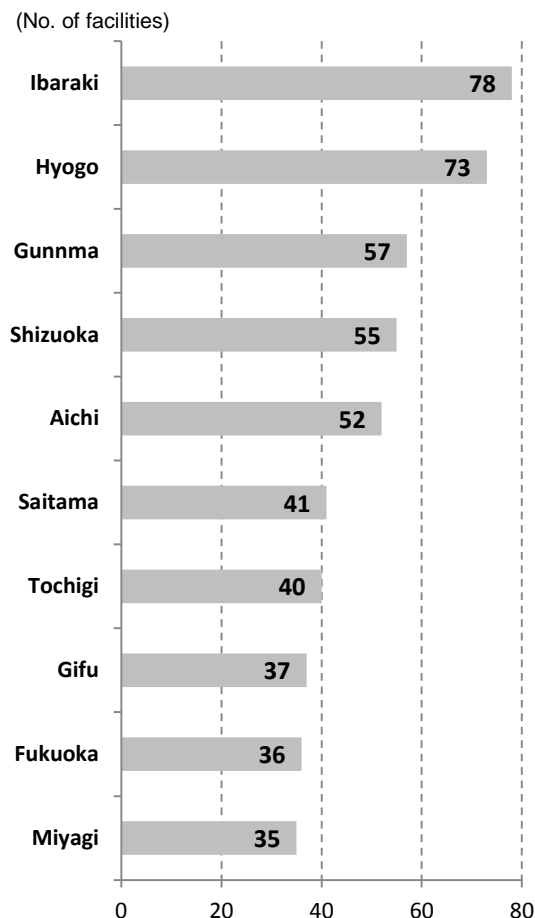


(Source) Ministry of Economy, Trade and Industry, "Census of Manufacture", 2014

(Note) The value of products shipped is defined as the total value of annual income from manufactured goods shipments, receipts for production done to others, shipments for scraps and salable refuse, and other revenue, including internal tax on consumption and consumption tax.

Top 10 prefectures in terms of the no. of manufacturing facilities

Manufacturing facilities construction from now on will be concentrated inland areas of Kanto and Tokai region



(Source) Ministry of Economy, Trade and Industry, "Survey of Factory Location Trends: 2015 Preliminary Report (January–December)"

(Note) Only includes sites throughout Japan with ground area of 1,000 m² or more that were acquired or leased for the purpose of building factories or work places for manufacturing, electric (excluding hydraulic and geothermal power plants), gas or heat supply businesses.

Reasons to choose locations

(No. of responses)

Proximity to HQ and other factories of its own	308
Land price	195
A lot in an industrial park	197
Proximity to markets	126
Aid from national/local governments	135
Proximity of affiliated companies	132
Less limitation due to surrounding environment	118
Access to labor/talents	154
Access to expressway	109
Sincerity/enthusiasm/speed of local government	105
Access to raw materials	78
Access to distribution and service-industry operations	33
Personal contact with other managers	31
Access to industrial water supply	24
Access to airport, seaport, and rail	27
Share location with other companies	4
Developed academic research institute	11
Others	116

Reasons to choose locations in Japan rather than abroad

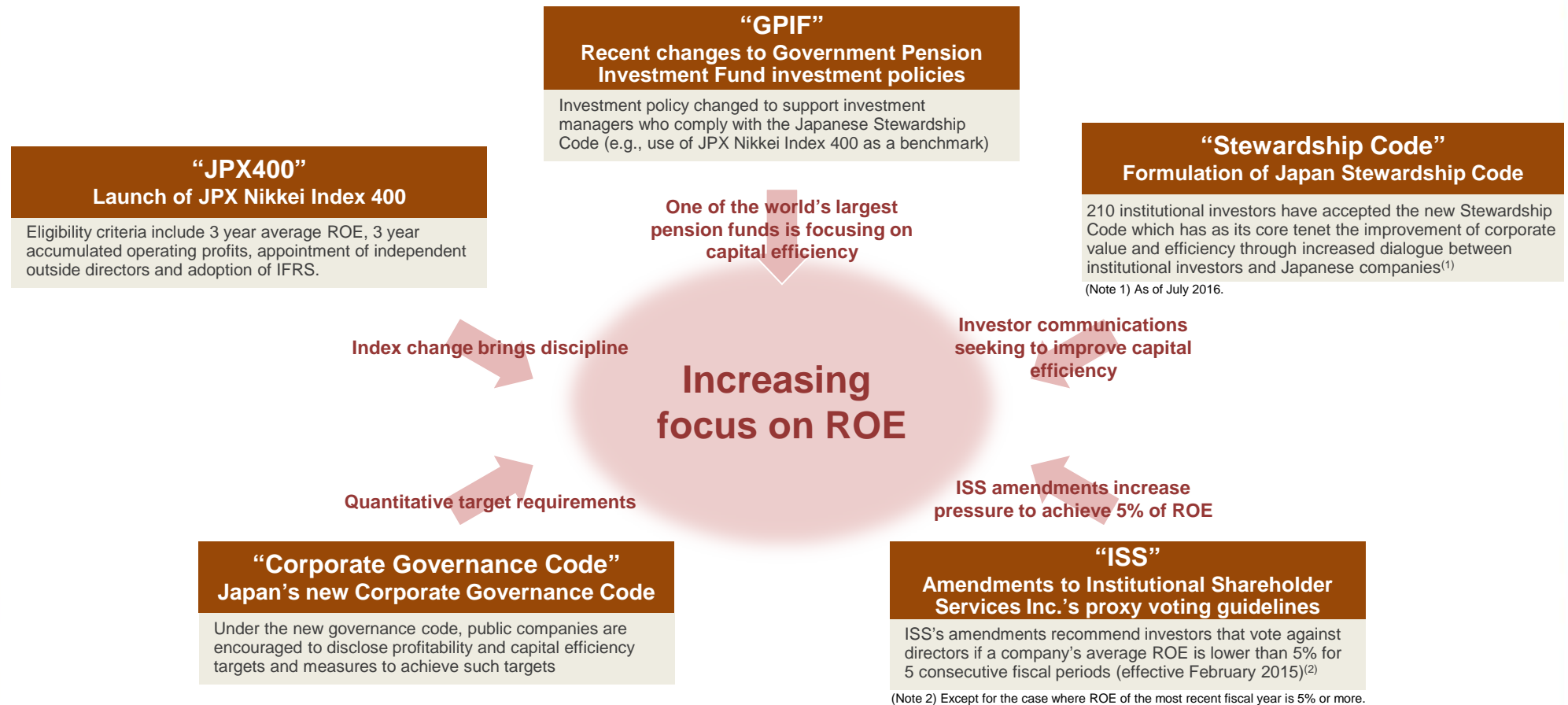
(No. of responses)

Access to good labor	11
Access to raw materials	5
Proximity to markets	10
Proximity of affiliated companies	5
Aid/cooperation from national/local government	9
Political stability and security	4
Organized industrial foundation	4
Developed service-industry operations for the location	0
Developed academic research institute	1
Organized distribution system	3
Care for intellectual property right	2
Others	5

Potential for CRE (1)

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.

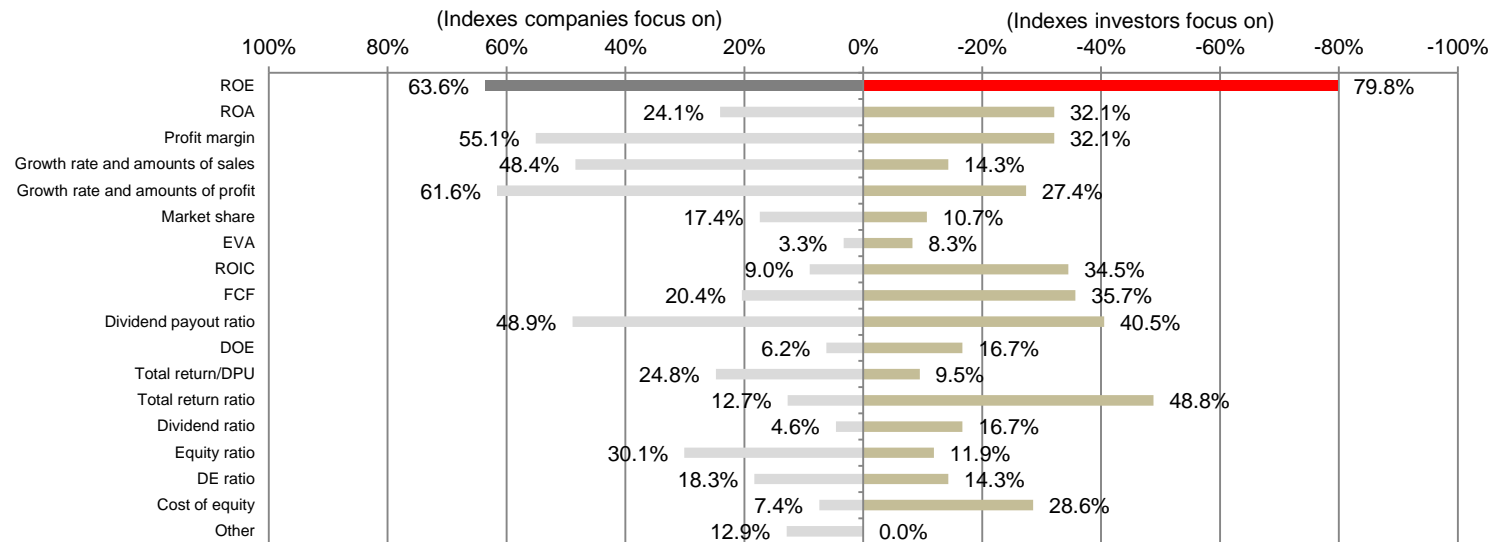


**Capture acquisition opportunities through CRE proposals
which take advantage of the increasing awareness regarding capital efficiency**

Potential for CRE (2)

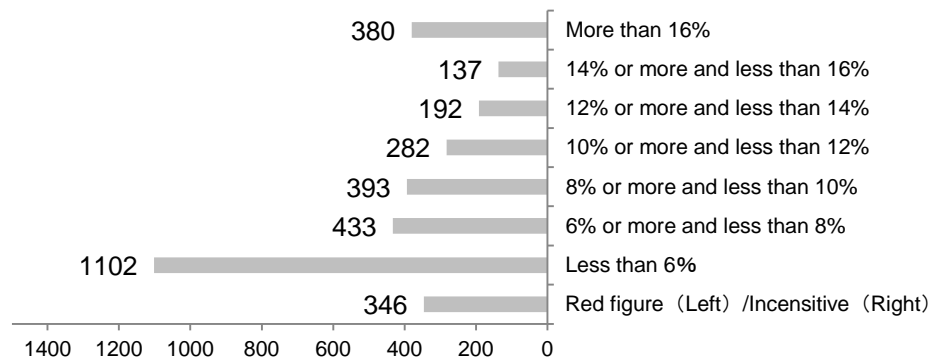
Increasing focus on CRE through capital market

Indexes recommended to emphasize as business objectives

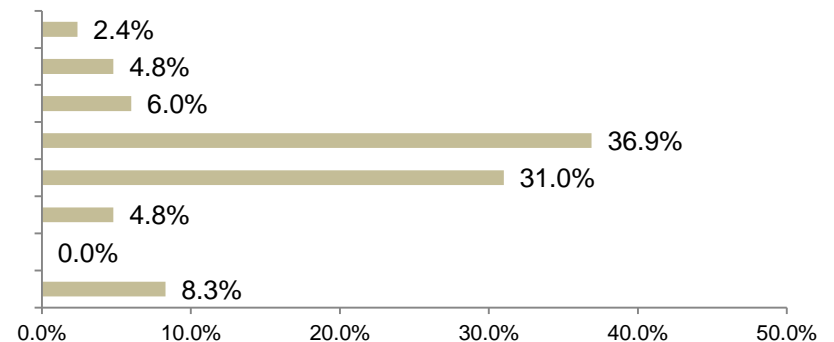


ROE target recommended in the medium-to-long term

Distribution of ROE target of Japanese companies



ROE target investors want

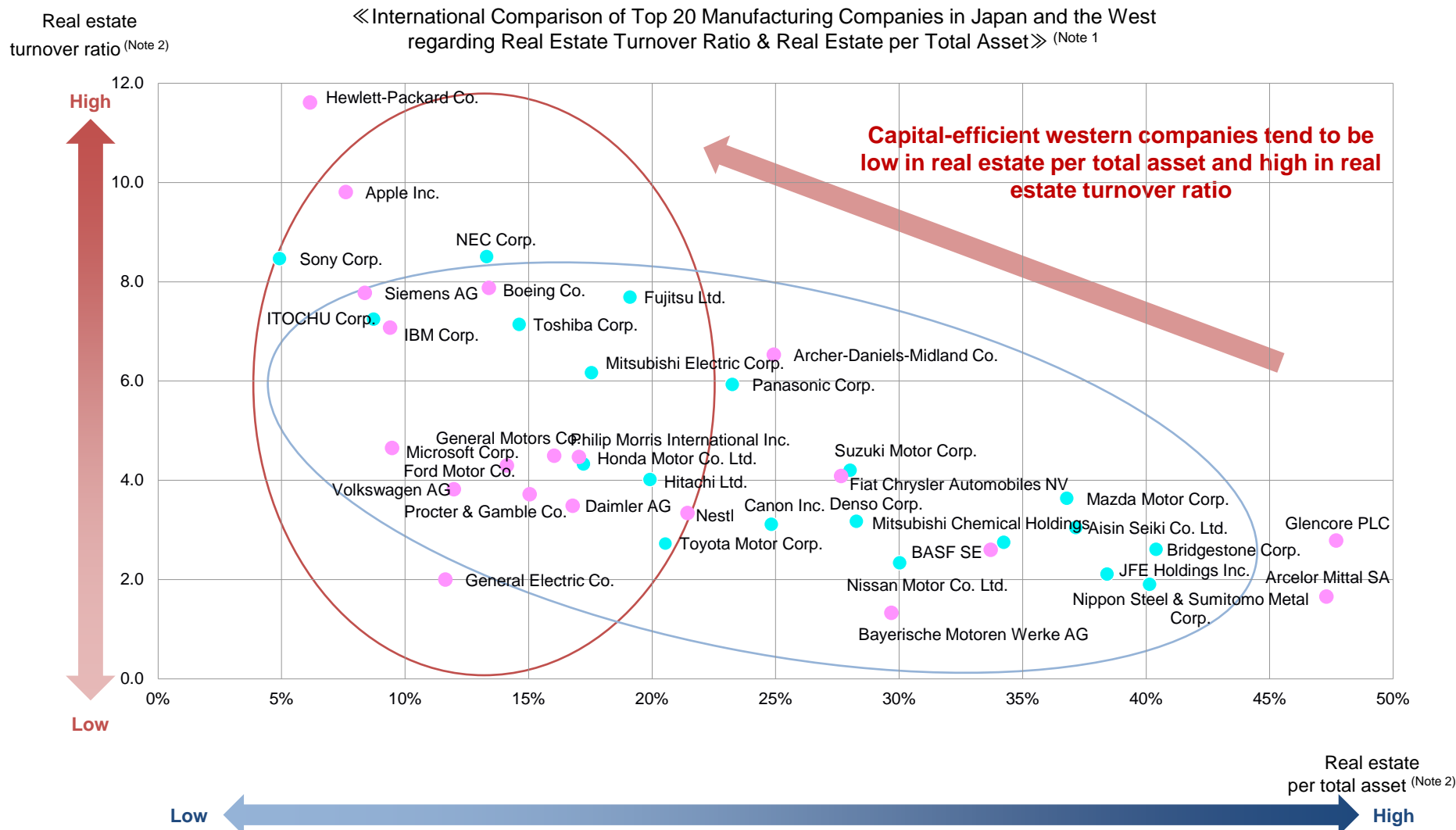


(Source) 2015 survey by the Life Association of Japan

Potential for CRE (3)

Seek external growth opportunities through CRE proposals as a solution provider

■ Possibility of accelerating off-balance transaction in manufacturing industry



(Source) Bloomberg, Company disclosure, The 2015 IndustryWeek 1000

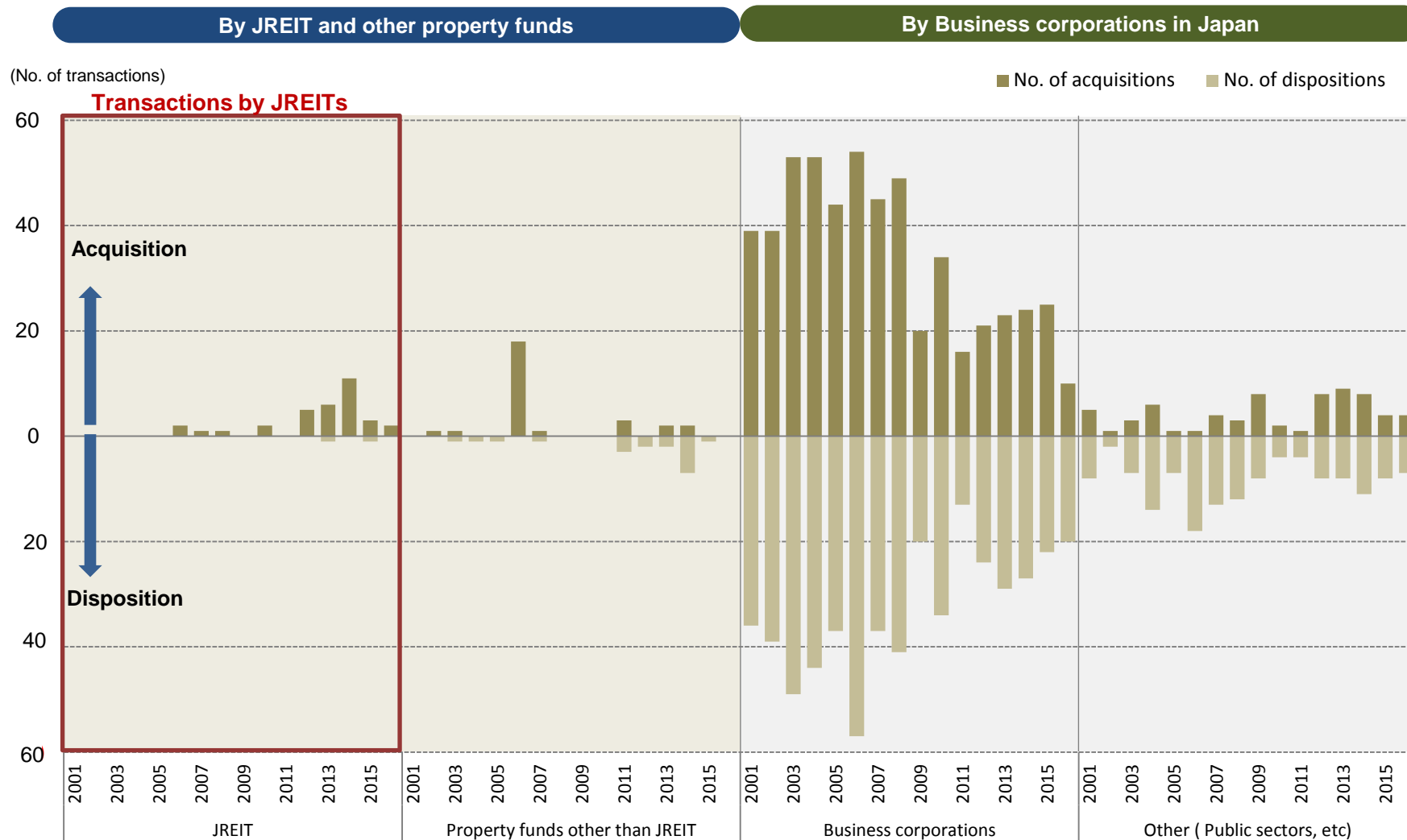
(Note 1) Based on The 2015 Industry Week 1000, extract top 20 manufacturing companies in revenue excluding companies in petroleum industry (as of 7/21/2016)

(Note 2) Real estate turnover ratio=revenue / net tangible fixed asset, Real estate per total asset=net tangible fixed asset / total asset

Potential for CRE (4)

Pioneer opportunities as the first mover where main players today for industrial properties are business corporations

No. of transactions in industrial facilities sector (Note 1)



(Source) Japan Real Estate Institute

(Note 1) "Industrial facilities" indicates manufacturing facilities, R&D centers, Data Centers, infrastructure facilities and other industrial properties, does not include logistics facilities

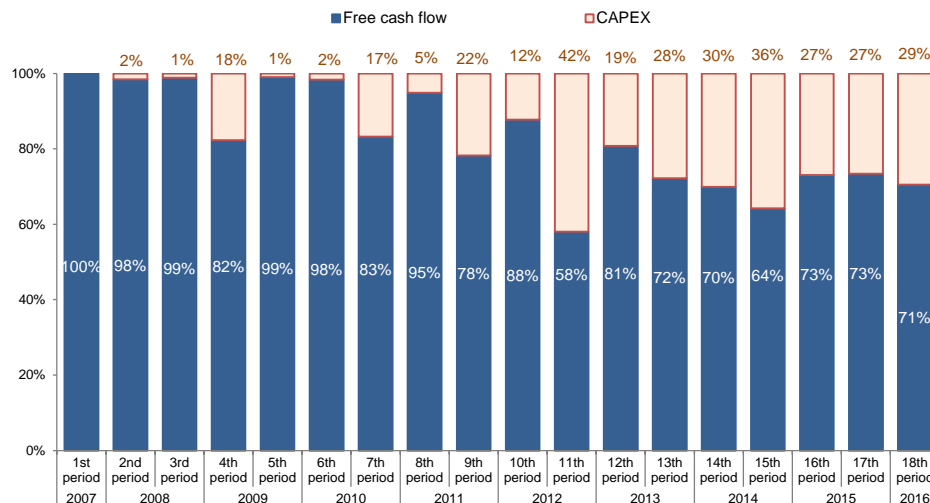
(Note 2) As of June 30, 2016

Our Policy for Use of Free Cash Flows: For Continuous Growth of Equity

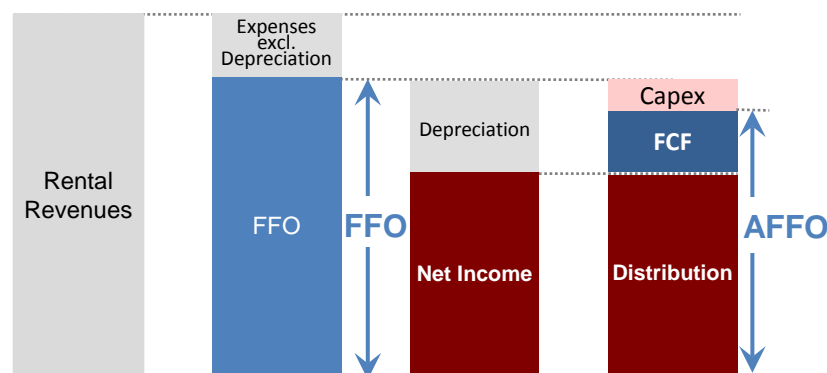
Our Income / Cash Flow Structure

Average FCF JPY **636** mn. / per fiscal period

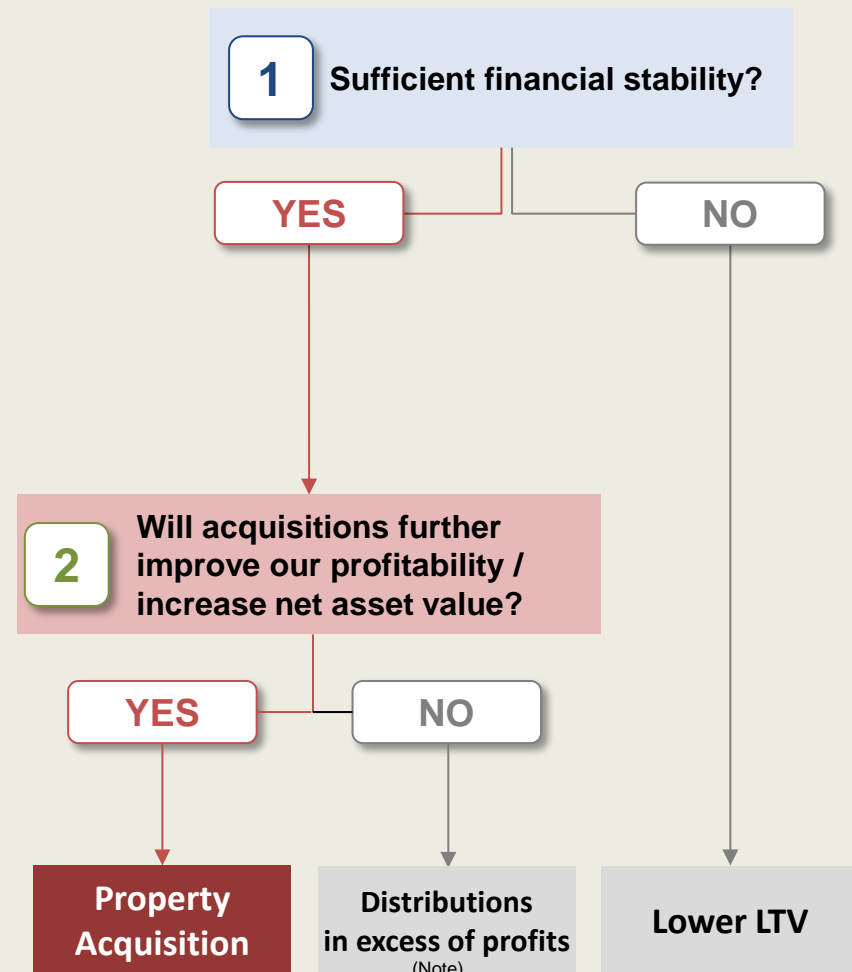
※(since IPO, exclude 1st fiscal period)



<Cash Flow Structure> (Image)



Decision tree to select the best alternative

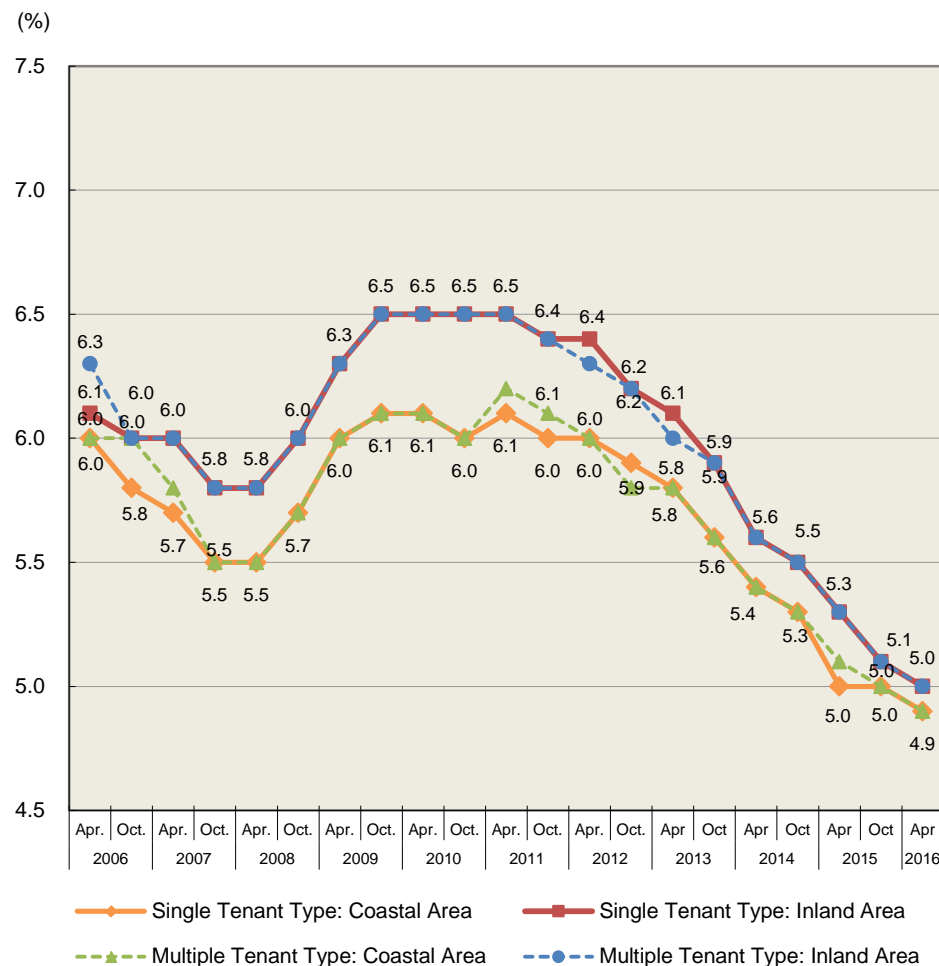


(Note) Excludes temporary distributions in excess of profits when DPU is expected to decrease temporarily due to issuance of new investment units or other similar causes

Overview of the Logistics Market (1)

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

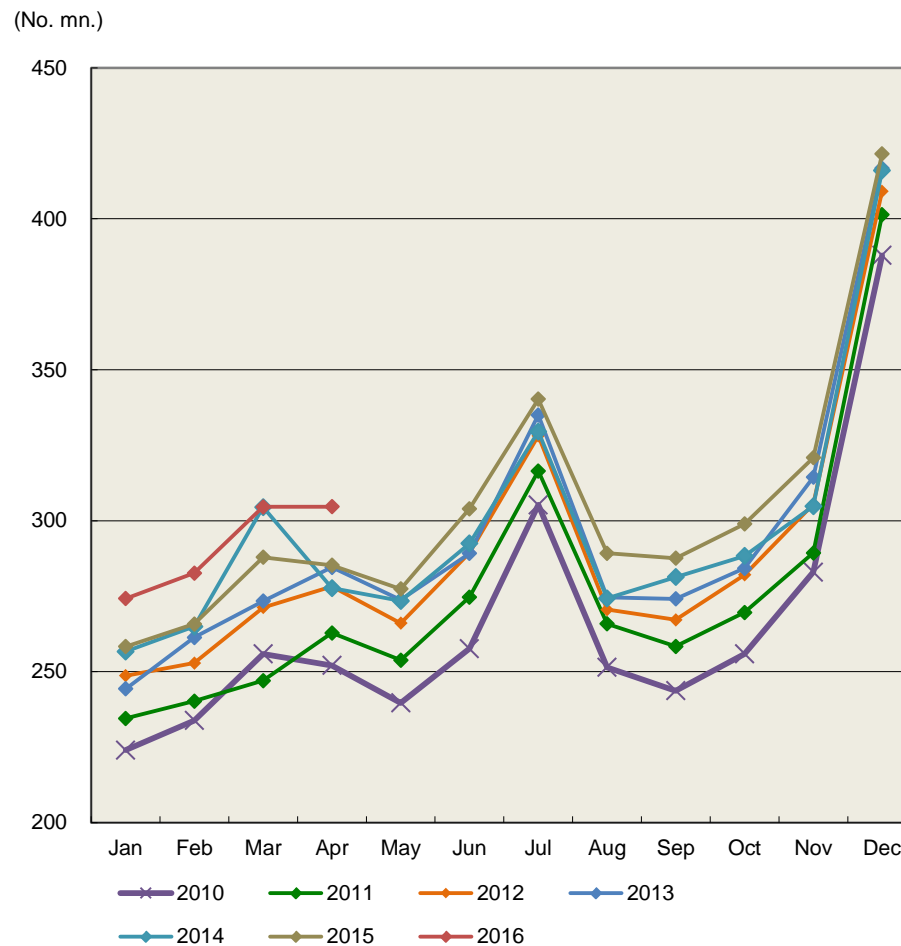
Expected Cap Rate of Logistics Properties and Warehouses (Location: Tokyo)



(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

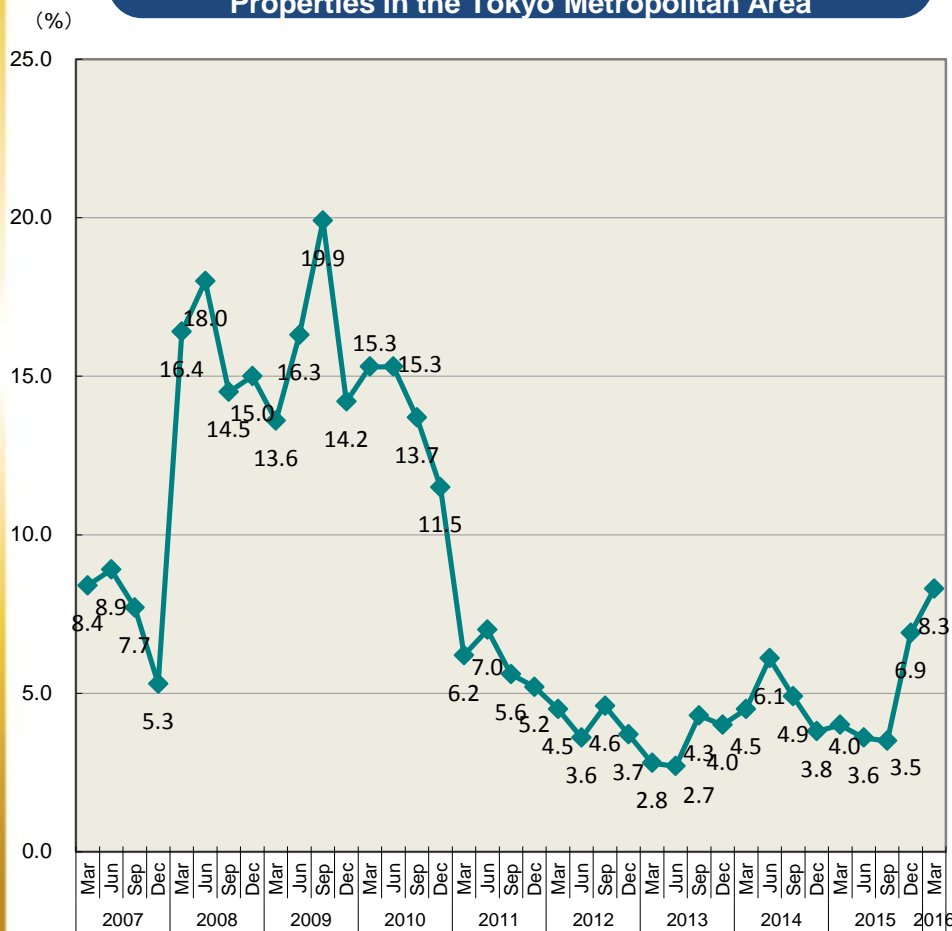


(Source) Ministry of Land, infrastructure, Transport and Tourism

Overview of the Logistics Market (2)

■ Due to supply of new large-scale facilities, vacancy rate in 1Q reached to 8.3%; the rate for existing facilities remains low

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

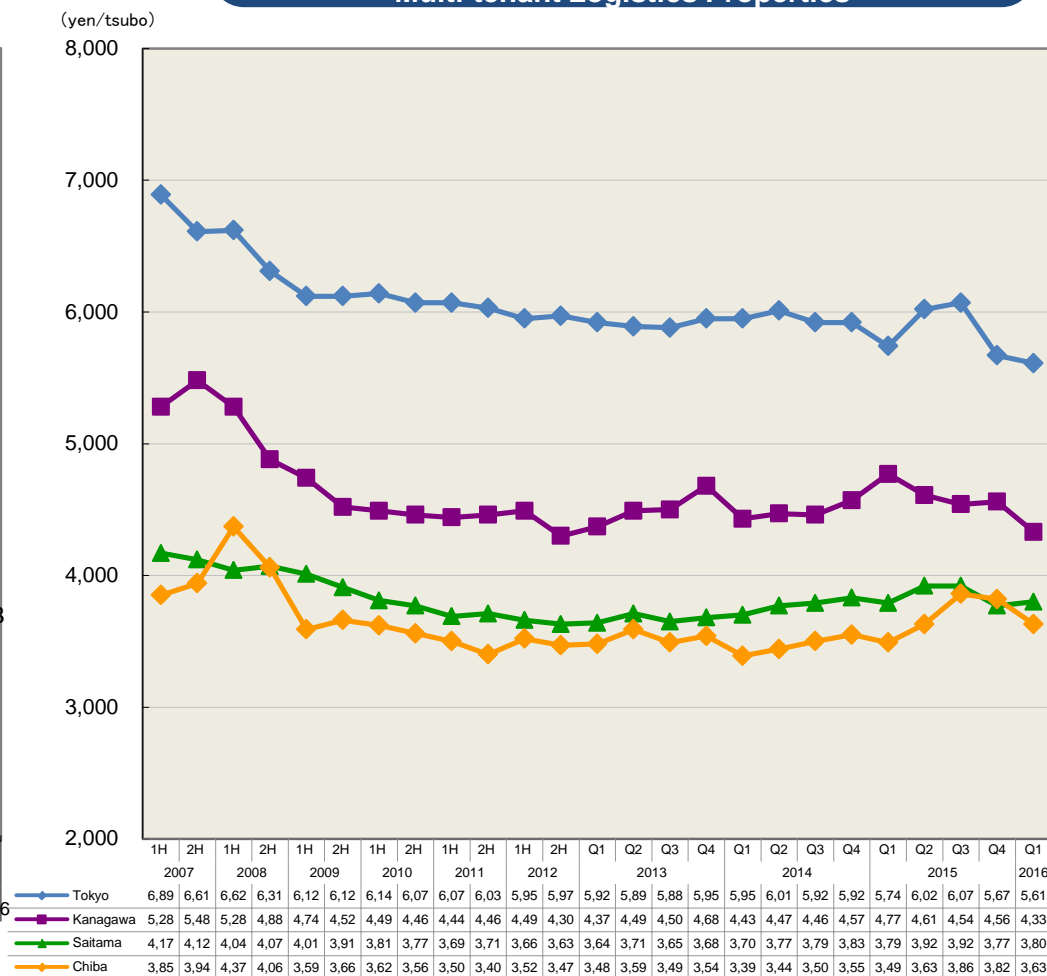


*Vacancy rate covers 82 multi-type facilities with floor area of 10,000 tsubo and more in the Tokyo metropolitan area (Tokyo, Kanagawa, Chiba and Saitama)

(Source) CBRE: Industrial Market Report

■ Regarding Tokyo area, due to large supply, demand/supply balance was disturbed for a while. Asking rent level dropped; actual rent level is expected to remain flat

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



(Note) Based on CBRE Data

Unit Price Performance (Jan 4, 2010 ~ Aug 10, 2016)



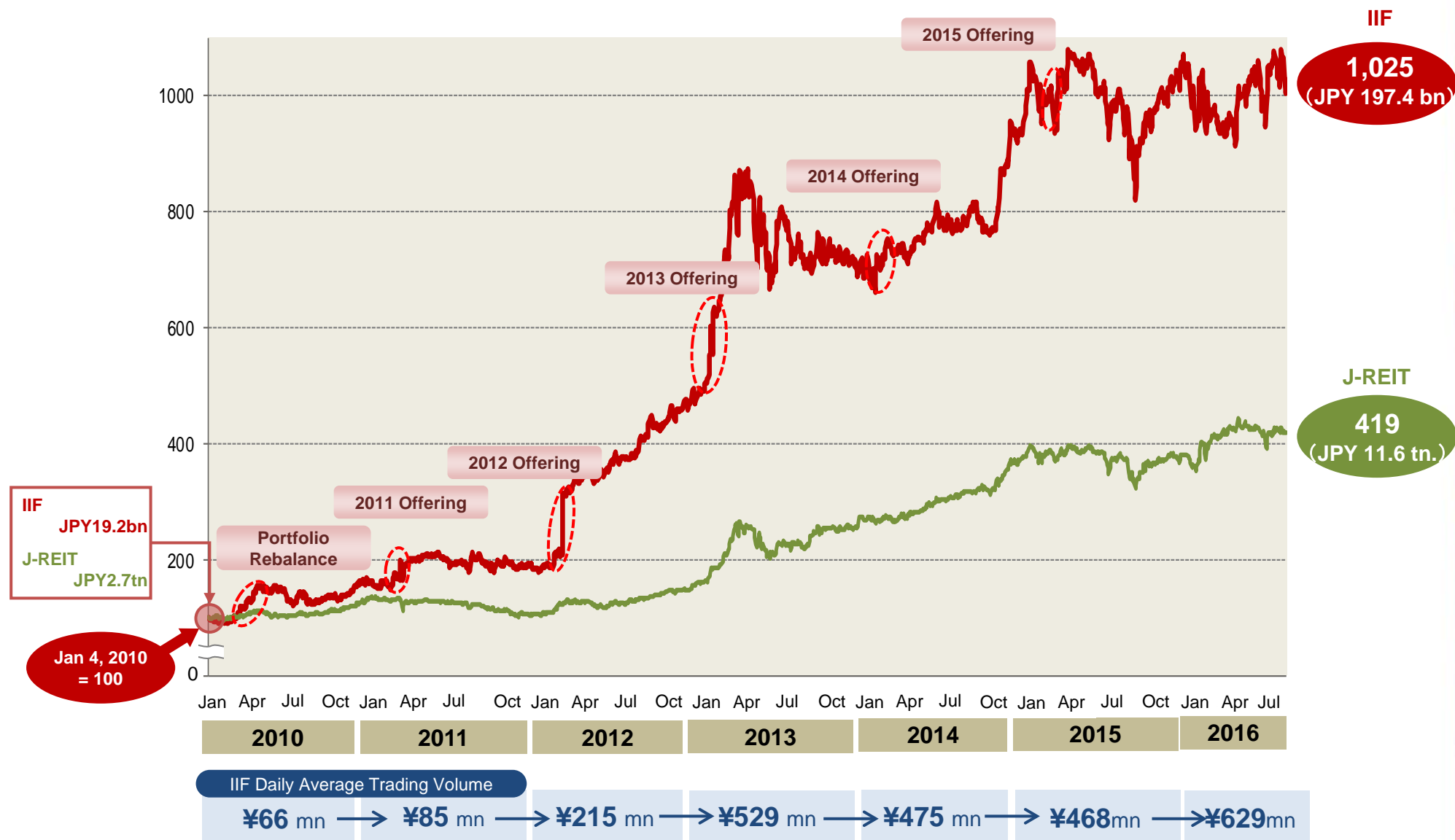
(Note 1) Indices are based on closing prices

(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 ~ Aug 10, 2016)



(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

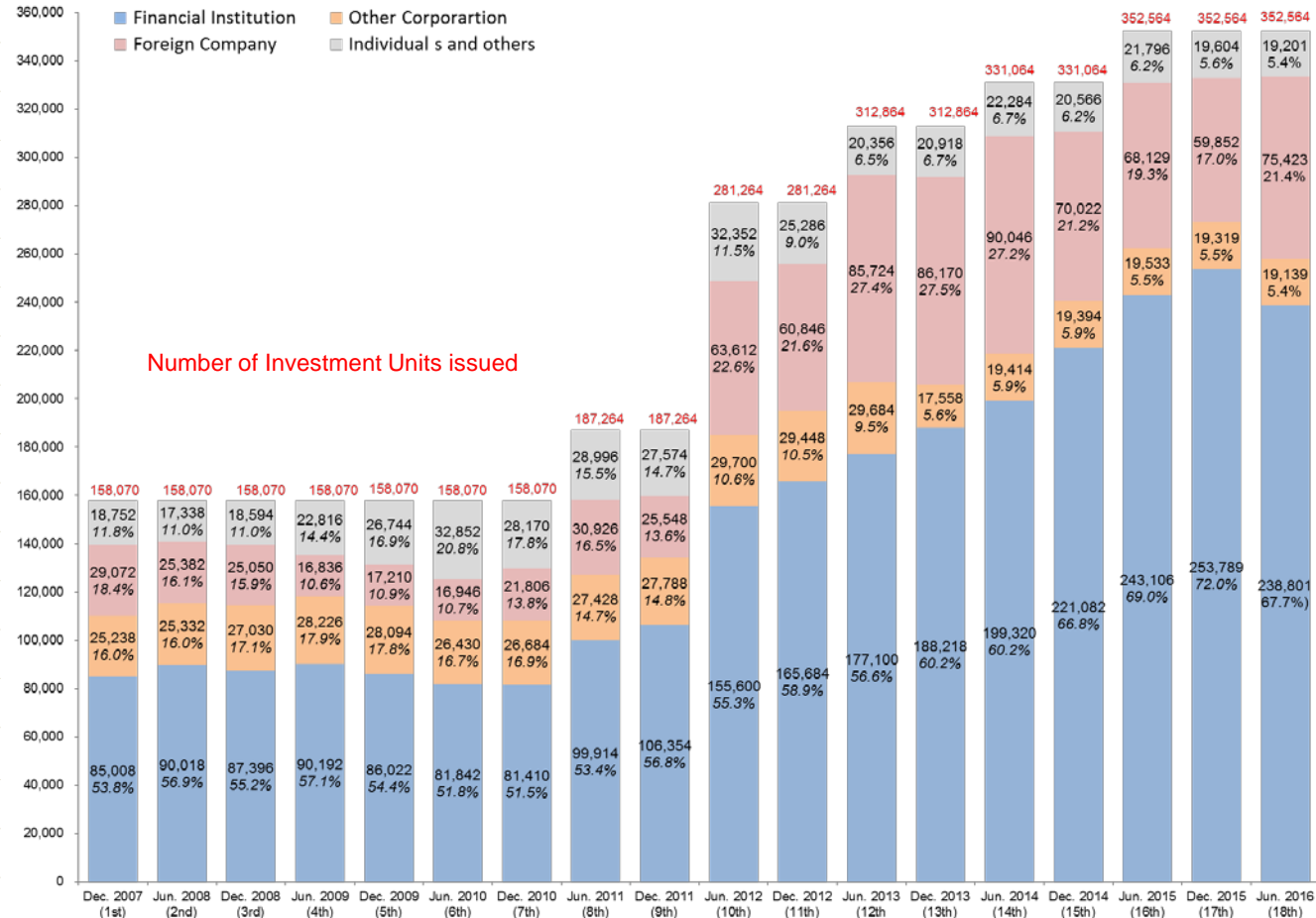
(Source) Bloomberg

Investors' Attributes

Top 20 Investors as of the End of Jun 2016

Rank	Name	Number of Units Held	Ownership Ratio (%)
1	Japan Trustee Services Bank, Ltd. (Trust Account)	53,267	15.10
2	Master Trust Bank of Japan, Ltd. (Trust Account)	35,961	10.19
3	Trust & Custody Services Bank, Ltd. (Securities Investment Trust Account)	28,056	7.95
4	NOMURA BANK (LUXEMBOURG) S.A.	19,725	5.59
5	Nomura Trust and Banking Co., Ltd. (Trust Account)	12,800	3.63
6	The Chugoku Bank	7,874	2.23
7	Mitsubishi Corporation	6,400	1.81
8	Joyo Bank, Ltd.	5,558	1.57
9	Mizuho Trust & Banking Co., Ltd.	5,279	1.49
10	Development Bank of Japan Inc.	5,000	1.41
11	The Chukyo Bank, Ltd.	4,606	1.30
12	Trust & Custody Services Bank, Ltd. (Cash in Trust Taxable Account)	4,571	1.29
13	The Hachijuni Bank, Ltd.	4,530	1.28
14	CBLDN THREADNEEDLE SPECIALIST INVESTMENT FUNDS ICVC-GLOBAL EQUITY INCOME FUND	3,926	1.11
15	THE HOKURIKU BANK, LTD.	3,583	1.01
16	The Bank of Kyoto, Ltd.	3,473	0.98
17	STATE STREET LONDON CARE OF STATE STREET BANK AND TRUST, BOSTON SSBTC A/C UK LONDON BRANCH CLIENTS- UNITED KINGDOM	3,255	0.92
18	CBNY DFA INTERNATIONAL REAL ESTATE SECURITIES PORTFOLIO	3,153	0.89
19	Nippon Toshu Fukyu Co., Ltd.	3,140	0.89
20	CBLDN STICHTING PENSIOENFONDS METAAL ENTECHNIEK	2,936	0.83
Total of Top 20		217,093	61.57

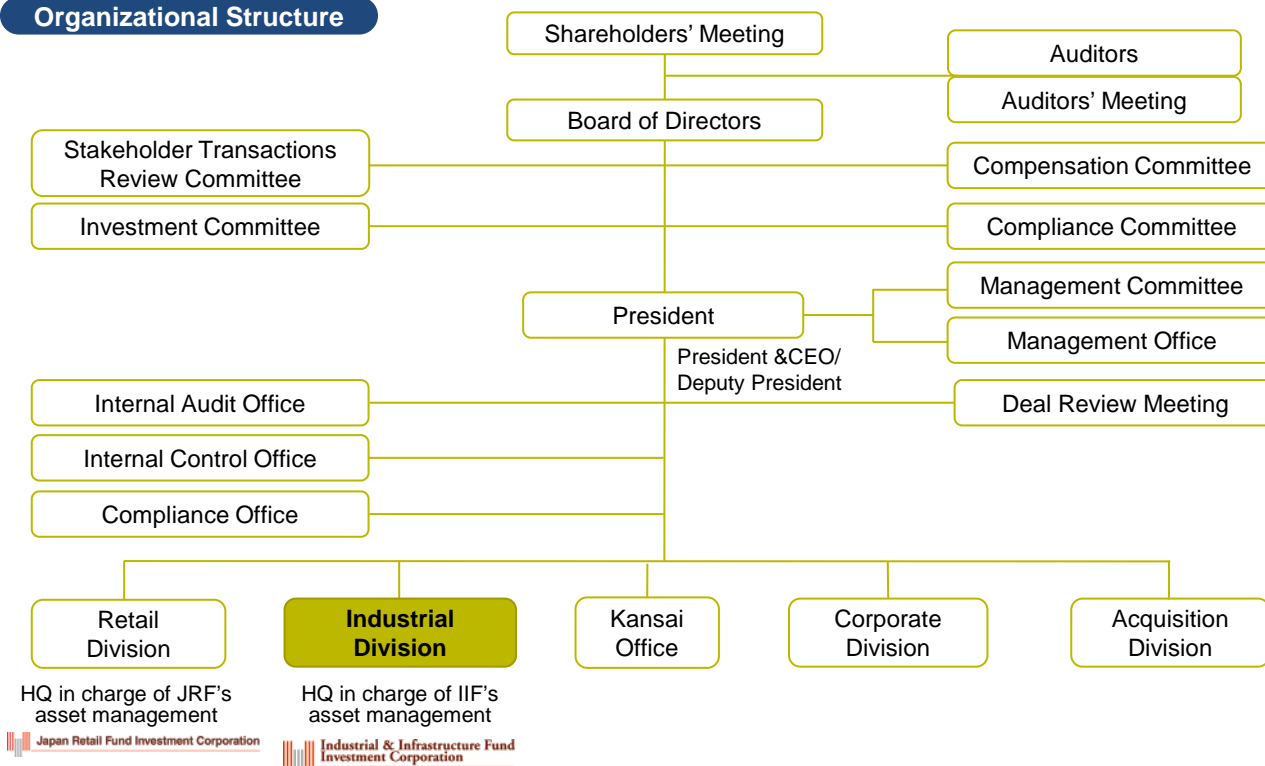
Unit holder Composition



(Note) IIF implemented a split of its investment units on a two-for-one basis with January 1, 2015 as the effective date. Investment units above from 1st to 15th period are calculated that investments are twice those as of the end of each period.

Overview of the Asset Management Company

Organizational Structure



Asset Management Company:
Number of Directors and Employees 117
(excluding part-time directors and employees)

Number of Licensed Persons Out of the Above

• Licensed Real Estate Agents	42
• First-class Architects	9
• Real Estate Appraisers	6
• Certified Member of Security Analysts Association of Japan	4
• CPA	1
• Certified Tax Accountants	1
• MBA (including US and UK)	3

(Note) As of Aug.1 2016

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 jun. 30, 2016

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)