



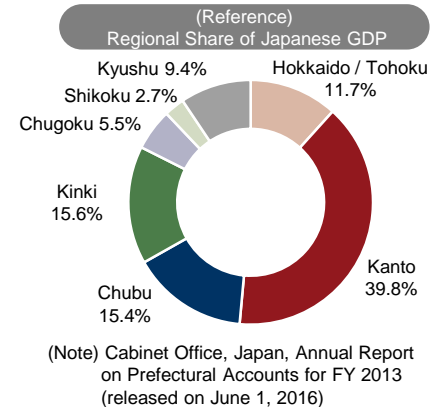
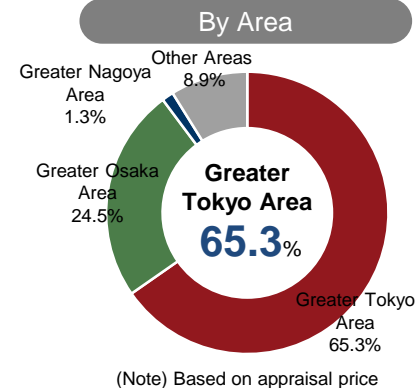
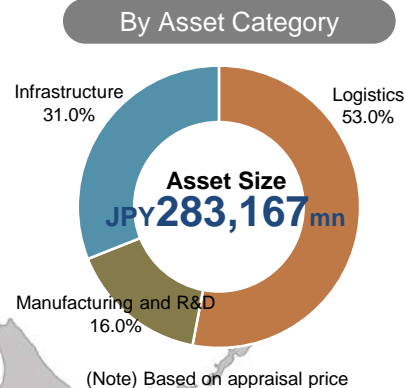
Industrial & Infrastructure Fund
Investment Corporation

Investor Presentation For the Dec 2016 (19th) Period ～Appendix～



Mitsubishi Corp UBS Realty

Our portfolio after new 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 new acquisitions (Cont'd)

Greater Tokyo Area 34 properties

Logistics: 19 properties, Manufacturing/R&D: 10 properties, Infrastructure: 5 properties

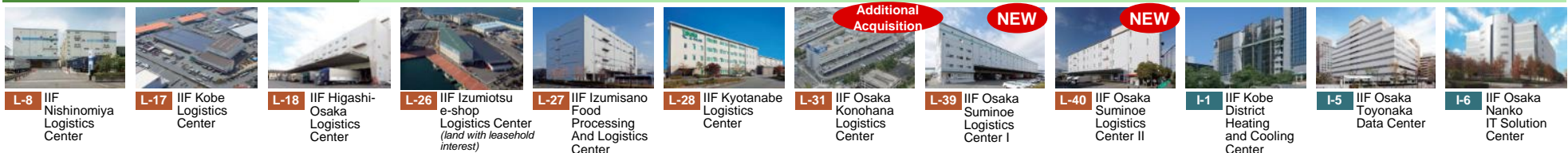


Greater Nagoya Area (Note 3) 2 properties

Logistics: 1 property, Infrastructure: 1 property

Greater Osaka Area 12 properties

Logistics: 9 properties, Infrastructure: 3 properties



Other Areas (Note 4) 11 properties

Logistics: 10 properties, Manufacturing/R&D: 1 property



【New acquisition】 Yokosuka Technology Center



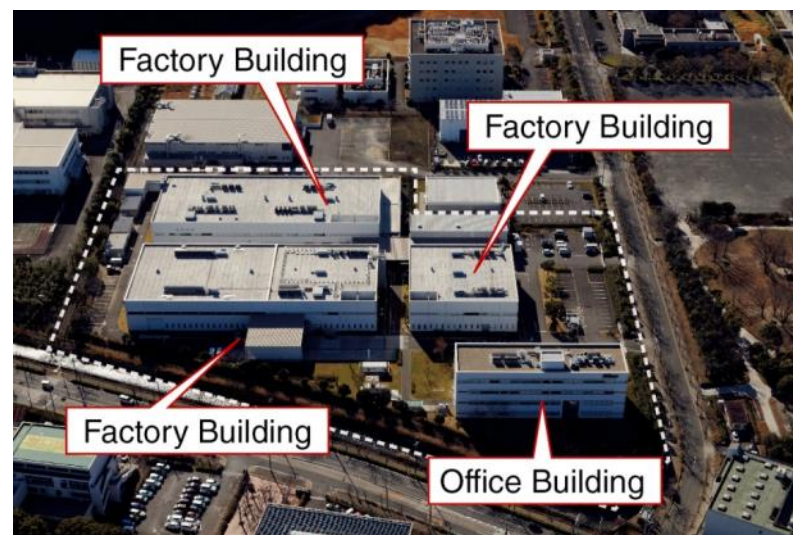
Long-term Usability

- Production plant of Nikon's precision equipment business, engaging in manufacturing of units and parts for industry-leading FPD(1) lithography systems
- The tenants have been continually making a series of capital investments since the opening in 2004 as "Yokosuka Branch of Yokohama Plant". The operation is continually being conducted as "Yokosuka Plant" since 2012

Versatility

- Located in Kurihama Techno Park, in which production plants and R&D centers of major domestic manufacturers are concentrated within walking distance of the closest station and near an expressway interchange
- Highly-versatile facility that can meet approximately needs of various industries' manufacturing plant; plants with eave height of approximately 11m are equipped with an open ceiling space and cranes
- The fact that Nikon rents the property as a plant from Komatsu NTC, the seller and former user of the property, demonstrates the versatility of the property as one which can be adapted for various types of tenants from different industries

Acquisition price		JPY 4,000 mn
NOI Yield based on stabilized forecast (Based on Appraisals)	before depreciation	7.2% (7.3%)
	after depreciation	6.6% (6.7%)
Tenant		Nikon Corporation
Occupancy rate		100%
Lease type		Ordinary Lease
Contract term (Remaining term)		10.0 years (9.3 years)
Cancellation before maturity / Rent revision		Not allowed for 5 years / Not allowed in general



【New acquisition】 IIF Shonan Technology Center



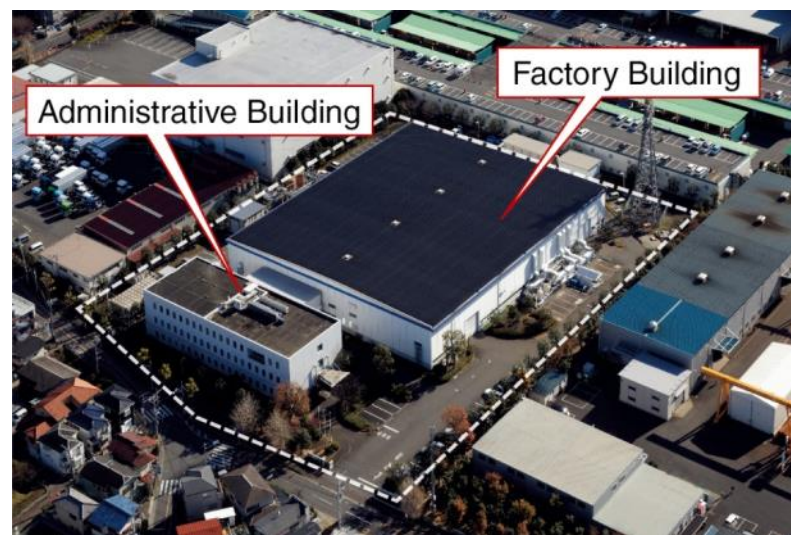
Long-term Usability

- Started operation in 2006 as Shonan Branch of Nikon Sagami-hara Plant, engaging in development and manufacturing of high-precision glass materials and optical parts for FPD Photomask (1) to contribute to Nikon's core businesses

Versatility

- Located in an industrial complex packed with large-scale manufacturing plants and logistics facilities, which provides good traffic accessibility as it is within walking distance of the nearest station and very close to expressway interchanges
- One-story plant with an eave height of approximately 11m and equipped with a crane and broad space with pillar intervals of 6m x 10m; versatility enables it to serve various industries
- The fact that Nikon rents the property as a plant from Komatsu NTC, the seller and former user of the property, demonstrates the versatility of the property as one which can be adapted for various types of tenants from different industries

Acquisition price		JPY 1,200 mn
NOI Yield based on stabilized forecast (Based on Appraisals)	before depreciation	6.6% (6.8%)
	after depreciation	6.2% (6.4%)
Tenant		Nikon Corporation
Occupancy rate		100%
Lease type		Ordinary Lease
Contract term (Remaining term)		10.0 years (9.3 years)
Cancellation before maturity / Rent revision		Not allowed for 3 years/ Not allowed in general



IIF Yokosuka Technology Center/IIF Shonan Technology Center (Cont'd)

- Location with good access to broad area through transportation



- Acquisition based on CRE proposal to the seller Komatsu NTC and the tenant Nikon

Offering solutions



NTC
Komatsu NTC Ltd.

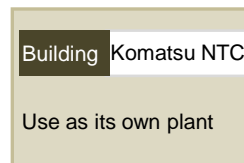
- Used to occupy both of the properties as a plant, which was later relocated to and consolidated into its Toyama Plant (Head Office)
- Explore ways to improve capital efficiency through sales of non-core assets

Nikon

- Hoped to continue to use as a production site because it appreciated versatility

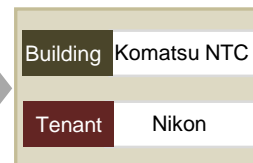
Illustrative Transaction Scheme

(Original state)



Land Komatsu NTC

(Before acquisition)

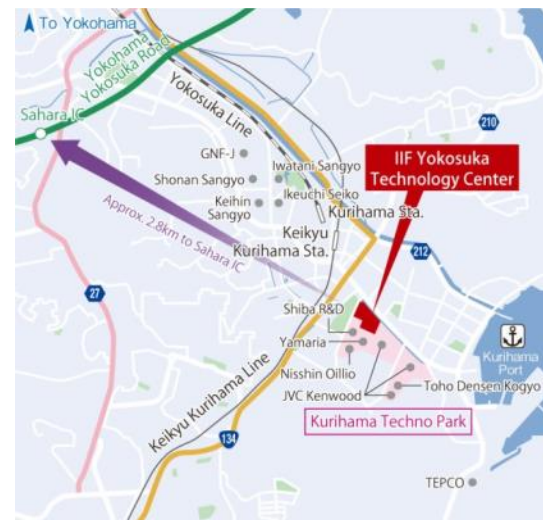


Komatsu NTC

(After acquisition)



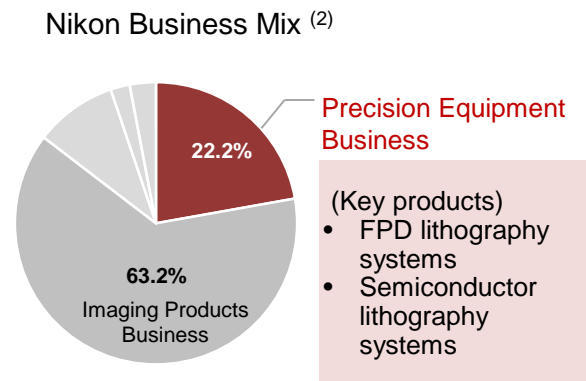
Industrial & Infrastructure Fund Investment Corporation



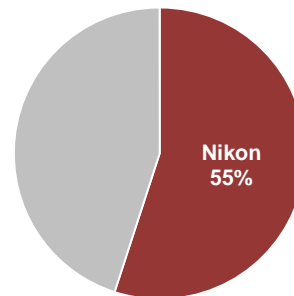
IIF Yokosuka Technology Center/IIF Shonan Technology Center (Cont'd)

■ Acquisition of plants playing key roles in manufacturing of Nikon's FPD ⁽¹⁾ lithography systems

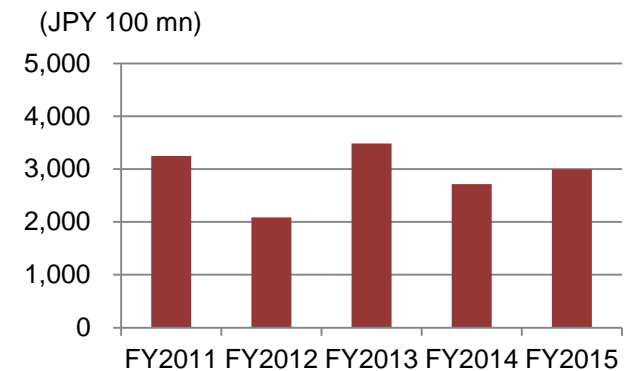
FPD lithography systems manufacturing is one of the core operations within the precision equipment business of Nikon where the company has the largest share in the global market (FY2016/3). As the FPD lithography systems market is expected to continue to grow steadily, the tenant is expected to continue to use these two facilities as a manufacturing plant supporting its highly-advanced technologies



Nikon's Global Share in FPD Lithography Systems Market ⁽³⁾



Trends of FPD Manufacturing Equipment



Source: Semiconductor Equipment Association of Japan. "Market Forecast Report Semiconductor and FPD Manufacturing Equipment"

<Operations at IIF Yokosuka Technology Center>

Operations	Outline
<p>IIF Yokosuka Technology Center</p> <p>Assembly of FPD lithography systems and manufacturing of parts</p>	 <p>FPD lithography systems print fine circuits on glass plates to display images on LCDs used in TV, PC and smartphones, etc. In order to keep up with the trend of larger LCDs, IIF Yokosuka Technology Center mainly engages in assembly of main units of FPD lithography systems and manufacturing of other parts and units, which can be adopted to larger and finer circuits.</p>

Source: Images are reprinted from Nikon's website

(1) FPD stands for "Flat Panel Display", the collective term of flat-panel displays
 (2) Source: Consolidated sales of Nikon for the period ended in March 2016
 (3) Based on the Nikon's estimate for the period ended in March 2016

【New acquisition】 IIF Fukuoka Hakozaki Logistics Center I (60% Co-ownership Interest)



Long-term Usability

- The tenant has continued occupying the facility since the completion as its important base in Kyushu region

Versatility

- 24/7-available Fukuoka/Hakozaki waterfront area, an important point for traffic because of its vicinity to the interchange, port of Hakata, Fukuoka airport and railway cargo terminal station, where manufacturing plants and logistics facilities are accumulated
- High-grade multi-tenant logistics facility newly built in 2008, equipped with four freight elevators and four vertical conveyers
- Double-sided truck berths at the 1st floor enable cross-docking operation

Acquisition price		JPY 3,115 mn
NOI Yield based on stabilized forecast (Based on Appraisals)	before depreciation	4.5% (4.9%)
	after depreciation	3.5% (4.0%)
Tenant		Fukuoka Soko Co., Ltd., etc.
Occupancy rate		100%
Lease type		Fixed-term leasehold
Contract term (Remaining term)		10.0 years (0.9 years)
Cancellation before maturity / Rent revision		Not allowed in general/ Negotiable



【Anticipated acquisition】 IIF Fukuoka Hakozaki Logistics Center II (60% Co-ownership Interest)



Long-term Usability

- The tenant is highly likely to continue occupying the facility using it as its important base in Kyushu region

Versatility

- 24/7-available Fukuoka/Hakozaki waterfront area, an important point for traffic because of its vicinity to the interchange, port of Hakata, Fukuoka airport and railway cargo terminal station, where manufacturing plants and logistics facilities are accumulated
- Location near the urban district helping the tenant to ensure workforce easily
- New facility built in 2008 and equipped with three freight elevators and three vertical conveyers enabling the tenant to handle many type of cargo
- Floor-plate shaped space at the 1st floor which can be partitioned into up to four sections and is equipped with double-sided truck berths

Anticipated acquisition price		JPY 5,451 mn
NOI Yield Based on stabilized forecast (Based on Appraisals)	before depreciation	4.4% (5.0%)
	after depreciation	3.6% (4.2%)
Tenant		NTT Logisico Inc., etc
Occupancy rate		100%
Lease type		Fixed-term leasehold
Contract term (Remaining term)		10.0 years (3.7 years)
Cancellation before maturity / Rent revision		Not allowed in general / Not allowed



IIF Fukuoka Hakozaki Logistics Center I/II (60% Co-ownership Interest)

- Logistics facilities at prime locations in vicinity to Hakata area and with good access to the port, airport and expressways



- Acquisition with an eye to potential extension (IIF Fukuoka Hakozaki Logistics Center II)

An extension project is now under way on the premises of IIF Fukuoka Hakozaki Logistics Center II and a non-binding letter of agreement ⁽¹⁾ concerning the project has already been executed as of today

【Expected completion image of the extension】



This picture is created with an expected completion image and it might differ from the actual building.

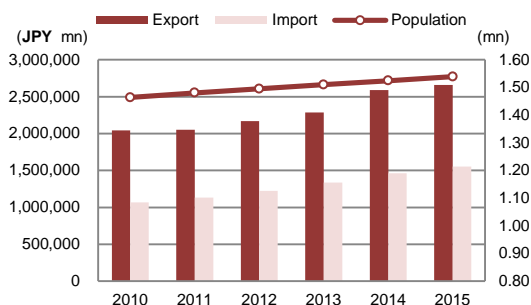
【Layout of the extension】



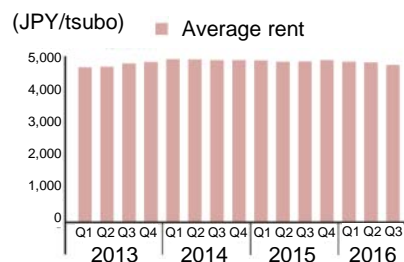
- Actual rent for logistics facilities in Fukuoka remains high as population and trade volume are in upward trend

【Historical trade volume at Hakata port and Fukuoka airport (left axis) and population (right axis) in Fukuoka】

【Average Rent Revenue for Logistics Facilities in Fukuoka】



Source: "Overview of Economy in Fukuoka City (October 2016)", Economy, Tourism & Culture Bureau, Fukuoka City
 "Historical Population in Fukuoka (October 2016)"
 Fukuoka Planning and Coordination Bureau



Source: CBRE Japan

Outline of Project Agreement (Letter of Agreement) ⁽¹⁾

- A Japanese non-financial corporation, the seller of this property, plans to build a building on the land by the end of February 2018, and to rent the building to a potential tenant and to transfer the building to IIF after its completion upon certain conditions
- Overview of the building
 - Use: Warehouse and office
 - Structure: 3-storied steel construction
 - Total floor area: approx. 10,000m²

(Note 1) The letter of agreement does not have legal binding power and IIF does not have any specific plan for acquiring the extension property

【New acquisition】

IIF Osaka Suminoe Logistics Center I (75% Co-ownership Interest)



Long-term Usability

- Continuity evidenced by the fixed-term building lease contract of 20 years
- The tenant's logistics hub covering Western Japan as a warehouse for home appliances

Versatility

- Located in favorable location for both land transportation and marine transportation as it is approximately 2.3km from the closest expressway interchange and approximately 5km from Osaka Nanko Container Wharf. The area is designated as a restricted industrial zone which allows the 24-hour operation
- Rare large-scale logistics facility with high specification and market-competitiveness

Acquisition price		JPY 9,075 mn
NOI Yield based on stabilized forecast (Based on Appraisals)	before depreciation	4.2% (5.3%)
	after depreciation	3.3% (4.4%)
Tenant		Toshiba Logistics Corporation
Occupancy rate		100%
Lease type		Fixed-term leasehold
Contract term (Remaining term)		20.0 years (8.9 years)
Cancellation before maturity / Rent revision		Allowed (1 year notice) / Negotiable



Efficient structure with three sided truck berth

Highly versatile inner specification



【New acquisition】

IIF Osaka Suminoe Logistics Center II (75% Co-ownership Interest)



Acquisition price		¥ 1,905 mn
NOI Yield based on stabilized forecast (Based on Appraisals)	before depreciation	4.7% (5.3%)
	after depreciation	4.1% (4.6%)
Tenant		Toshiba Logistics Corporation
Occupancy rate		100%
Lease type		Ordinary Lease
Contract term (Remaining term)		1.0 years (0.3years)
Cancellation before maturity / Rent revision		Allowed (3 months notice) / Not allowed in general

Long-term Usability

- Tenant's hub of domestic transportation as a warehouse for semiconductors as well as a base for export

Versatility

- Located in favorable location for both land transportation and marine transportation as it is approximately 2.1km from the closest expressway interchange and approximately 5km from Osaka Nanko Container Wharf. The area is designated as a restricted industrial zone which allows the 24-hour operation.
- Walking distance from Kitakagaya Station of the Osaka Municipal Subway Yotsubashi line and easy to secure labor force from adjacent residential area



【Additional acquisition】

IIF Osaka Konohana Logistics Center (49% Co-ownership Interest)



Acquisition price		JPY 4,263 mn
NOI Yield based on stabilized forecast (Based on Appraisals)	before depreciation	4.9% (4.9%)
	after depreciation	4.1% (4.1%)
Tenant		Sagawa Express Co., Ltd.
Occupancy rate		100.0%
Lease type		Ordinary Lease
Contract term (Remaining term)		36.3 years (9.8 years)
Cancellation before maturity / Rent revision		Not allowed in general / Negotiable

Long-term Usability

- A key site for Sagawa Express in the Kansai area
- Large-scale replacement of equipment by the tenant in 2015

Versatility

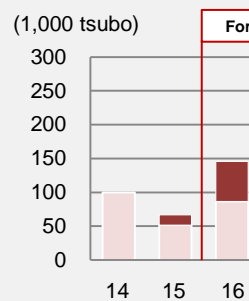
- Good location near an expressway exit and a cargo station, approximately 6km from Osaka city center
- Shin-Osaka Post Office located next to the facility supports its perception as a prime location as a logistics base

- Location proximate to big consumption area with an advantage in ensuring workforce based on the enhanced traffic convenience



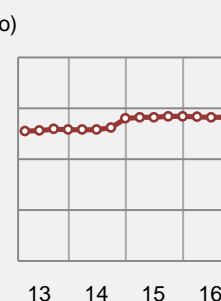
- Stable Performance of actual rent for logistics facilities in Kinki Area

【New Supply of Logistics Facilities in the Greater Osaka】



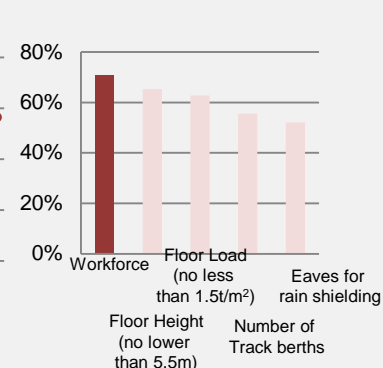
Source: CBRE July 2016

【Historical Trends in the Rent Index for LMT Facilities in the Greater Osaka】



Source: CBRE Japan 2016 3Q

【Five Most Important Points for Establishing Logistics Facilities】



Source: CBRE
Researched in Jan 2015. n=144

【New acquisition】

IIF Itabashi Logistics Center (60% Co-ownership Interest)



Long-term Usability

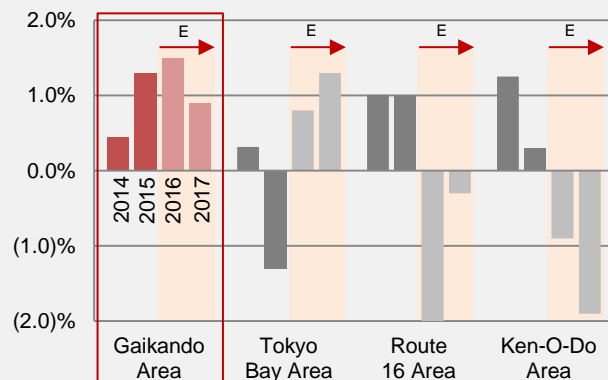
Versatility

- The facility built on the premise that the tenant would occupy and utilize it as an important base of 3PL operation⁽¹⁾, as “Tokyo Sogo Butsuryu Center (Tokyo Integrated Logistics Center)”
- Long-term lease contract of 20 years (expiring in 2027)
- Collection and delivery station in northern Tokyo, located in the Tokyo-Gaikan Expressway Area and having good access to National Route 17 and Shuto Expressway No.5 Ikebukuro Route
- Specifications of floor load and ceiling height provides versatility as an urban-type distribution center

Acquisition price		JPY 1,031 mn
NOI Yield based on stabilized forecast (Based on Appraisals)	before depreciation	4.4% (4.9%)
	after depreciation	3.7% (4.2%)
Tenant		Higashi Twenty One Co., Ltd.
Occupancy rate		100.0%
Lease type		Ordinary Lease
Contract term (Remaining term)		20.0 years (10.1 years)
Cancellation before maturity / Rent revision		Not allowed in general / Negotiable

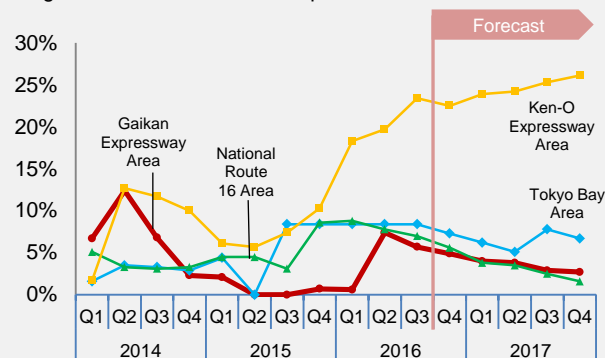
Actual rent is steady and vacancy rate remains low in logistics facilities in Tokyo-Gaikan Area

【Historical Rent Trends⁽²⁾】

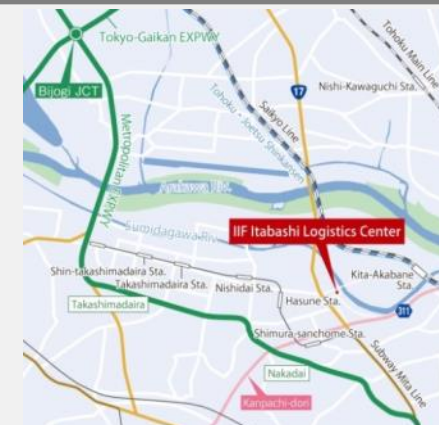


Source: CBRE

【Historical Vacancy Rate Trends of Logistics Facilities in the Metropolitan Area⁽³⁾】

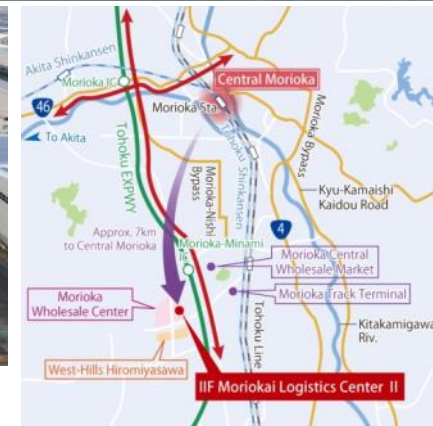


Source: CBRE



- (1) 3PL (third party logistics) is a company's use of third party businesses to outsource elements of such company's distribution and fulfillment services.
- (2) Figures for 2016 and after are not actual values and are represented by estimates as of July 2016 based on the CBRE survey; thus, these figures may differ from actual values.
- (3) Figures for 2016 and after are not actual values and are represented by estimates as of October 2016 based on the CBRE survey; thus, these figures may differ from actual values.

IIF Hamura Logistics Center (Left) / [New acquisition] IIF Morioka Logistics Center II (Right)



Acquisition price		JPY 820 mn
NOI Yield based on stabilized forecast (Based on Appraisals)	before depreciation	5.4% (5.4%)
	after depreciation	4.4% (4.4%)
Tenant	Coca-Cola East Japan Co., Ltd.	
Occupancy rate	100.0%	
Lease type	Fixed-term leasehold	
Contract term (Remaining term)	8 years (7.4 years)	
Cancellation before maturity / Rent revision	Not allowed for 5 years in general / Not allowed	

Long-term Usability

- An important shipping center that covers the western Tokyo area of Coca-Cola East Japan
- Fixed-term leasehold contract of 8 years (not allowed to cancel for the first 5 years from the contract start date)

Versatility

- One-storied warehouse with low-floor, enabling direct transportation from trucks and forklifts, is available not only for beverage distribution but also for metals, paper and other heavy goods
- Located in an industrial area with a concentration of plants and logistics facilities which allows 24-hour operation
- Easy to re-load from large trucks to small trucks and making the facility convenient for high-frequency deliveries

Acquisition price		JPY 1,302 mn
NOI Yield based on stabilized forecast (Based on Appraisals)	before depreciation	6.3% (7.3%)
	after depreciation	5.6% (6.6%)
Tenant	MiyagoRyutsu Co., Ltd	
Occupancy rate	100.0%	
Lease type	Fixed-term leasehold	
Contract term (Remaining term)	3 years (3.0 years)	
Cancellation before maturity / Rent revision	Not allowed in general / Not allowed	

Long-term Usability

- A fixed-term lease contract will be executed with Miyago Logistics, a major 3PL operator based in Tohoku
- An important base covering broader northern Tohoku areas for the planned end-tenant, a leading general store

Versatility

- Location in Morioka area, a major logistics hub of Tohoku, enabling efficient distribution to three northern prefectures: Aomori, Akita and Iwate
- Shape and specifications tailored to regional characteristics, as evidenced by indoor truck berths which allow for efficient operation even in snow conditions

[New acquisition] IIF Ota Logistics Center (Left) / [New acquisition] IIF Sendai Taiwa Logistics Center (Right)



Acquisition price		JPY 1,010 mn
NOI Yield based on stabilized forecast (Based on Appraisals)	before depreciation	6.6% (6.5%)
	after depreciation	5.7% (5.6%)

Tenant	Meitetsu Transportation Co., Ltd.
Occupancy rate	100.0%
Lease type	Fixed-term leasehold
Contract term (Remaining term)	20 years (8.8 years)
Cancellation before maturity / Rent revision	Not allowed in general / Not allowed in general

Long-term Usability

- Continuity evidenced by the fixed-term building lease contract of 20 years (not allowed to cancel during the term)
- Dedicated to specialized loading freight business for Meitetsu Transportation

Versatility

- Location facing National Route 17, which is easy to connect to Iseaki IC of Kita-Kanto Expressway and Tokyo area
- One-story facility equipped with goods disposal space at the center of the building and north-south double-sided truck berths for the distribution efficiency
- A large number of parking lots, which are key factors to a secure workforce

Acquisition price		JPY 1,480 mn
NOI Yield based on stabilized forecast (Based on Appraisals)	before depreciation	6.0% (6.0%)
	after depreciation	4.8% (4.8%)

Tenant	Miyago Logistics
Occupancy rate	100.0%
Lease type	Fixed-term leasehold
Contract term (Remaining term)	3 years (1.8 years)
Cancellation before maturity / Rent revision	Allowed (6 months notice) / Negotiable

Long-term Usability

- Key logistics base supporting the national distribution network of a leading beverage manufacturer, the end-tenant
- Low-floor warehouse equipped with wide truck yards helping truck movements, which is well-suited to cargo owners handling heavy goods

Versatility

- Broad-area distribution hub in Tohoku with good traffic access, located just about 500m from the Taiwa IC of the Tohoku Expressway
- Rain canopy placed between two warehouses allowing for all weather operations

IIF Urayasu Machinery Maintenance Center (Land with Leasehold Interest) (Left) / IIF Kakegawa Manufacturing Center (Land with Leasehold Interest) (Right)



Acquisition price		JPY 1,300 mn
NOI Yield based on stabilized forecast (Based on Appraisals)	before depreciation	6.1% (6.1%)
	after depreciation	6.1% (6.1%)
Tenant		Nishio Rent All Co., Ltd.
Occupancy rate		100.0%
Lease type		Fixed term land lease agreement for business purposes
Contract term (Remaining term)		49 years (47.9 years)
Cancellation before maturity / Rent revision		Not allowed for 10 years / Not allowed in general

Long-term Usability

- One of the largest operating bases of Nishio Rent All, a major construction equipment leasing company, located in the Tokyo Bay area
- Strong continuity under a fixed-term business lease contract of 49 years (not allowed to cancel for the first 10 years)

Versatility

- Located in a prime industrial and logistics area with 30-minute access to central Tokyo, with easy access to the Maihama Entrance (about 1.0km) and Urayasu expressway interchange (about 2.4km) of the Metropolitan Expressway Bayshore Route
- Located in the Urayasu Tekko Danchi, one of the largest steel complexes in Japan



Acquisition price		JPY 1,540 mn
NOI Yield based on stabilized forecast (Based on Appraisals)	before depreciation	5.6% (5.6%)
	after depreciation	5.6% (5.6%)
Tenant		CxS Corporation
Occupancy rate		100.0%
Lease type		Fixed term land lease agreement for business purposes
Contract term (Remaining term)		30 years (28.7 years)
Cancellation before maturity / Rent revision		Not allowed for 10 years / Not allowed in general

Long-term Usability

- CxS, one of the largest companies in the commercial detergent sector. Location of its one and only manufacturing plant
- Strong continuity under a fixed-term business lease contract of 30 years (not allowed to cancel for the first 10 years)

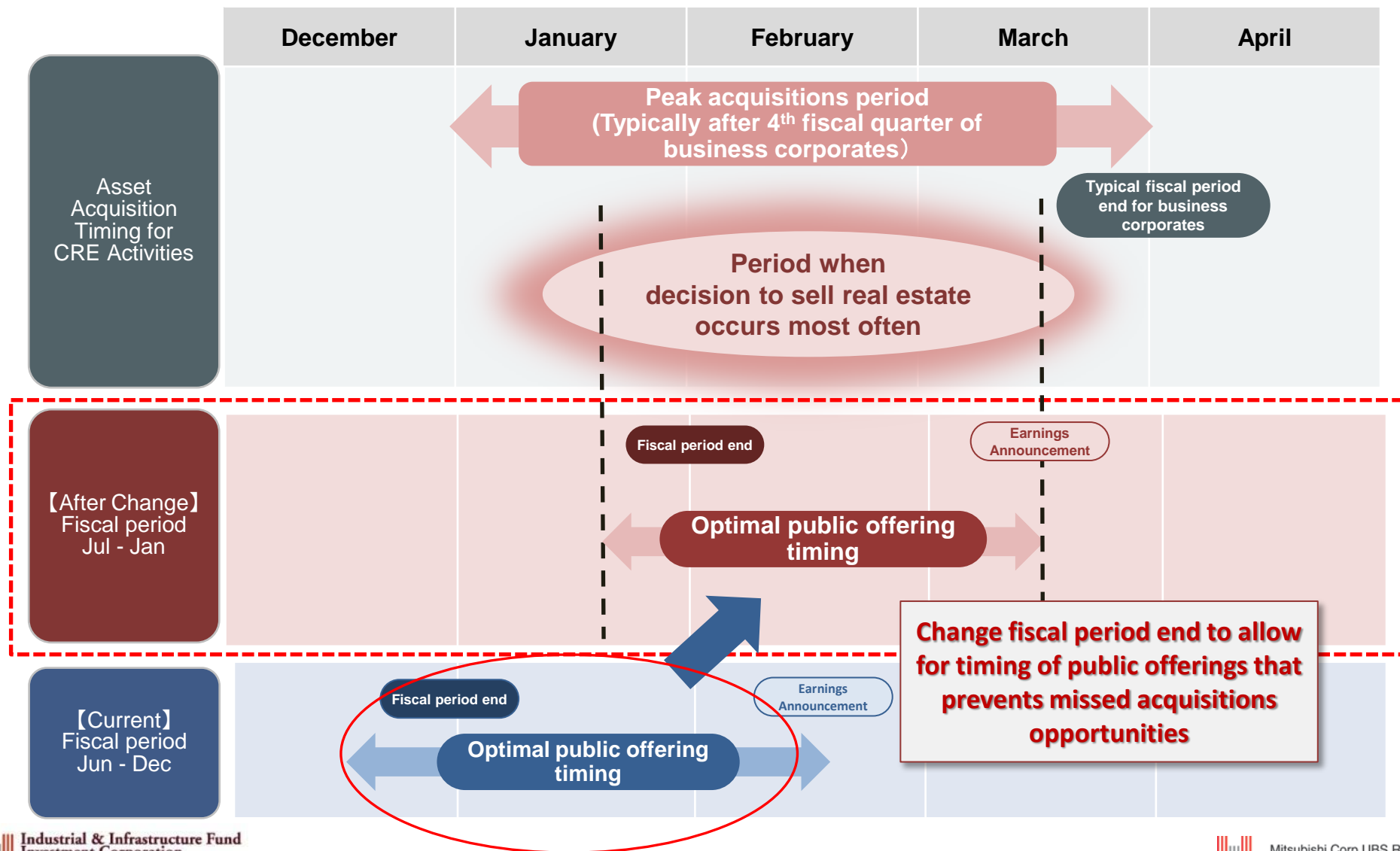
Versatility

- Located in the center of Japan's three biggest metropolitan areas; good traffic access to key consumption areas
- Located within Kakegawa City East Industrial Park (or "Ecopolis Industrial Park") surrounded by a number of manufacturing plants and other industrial real estate properties, with strong demand for plant sites

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

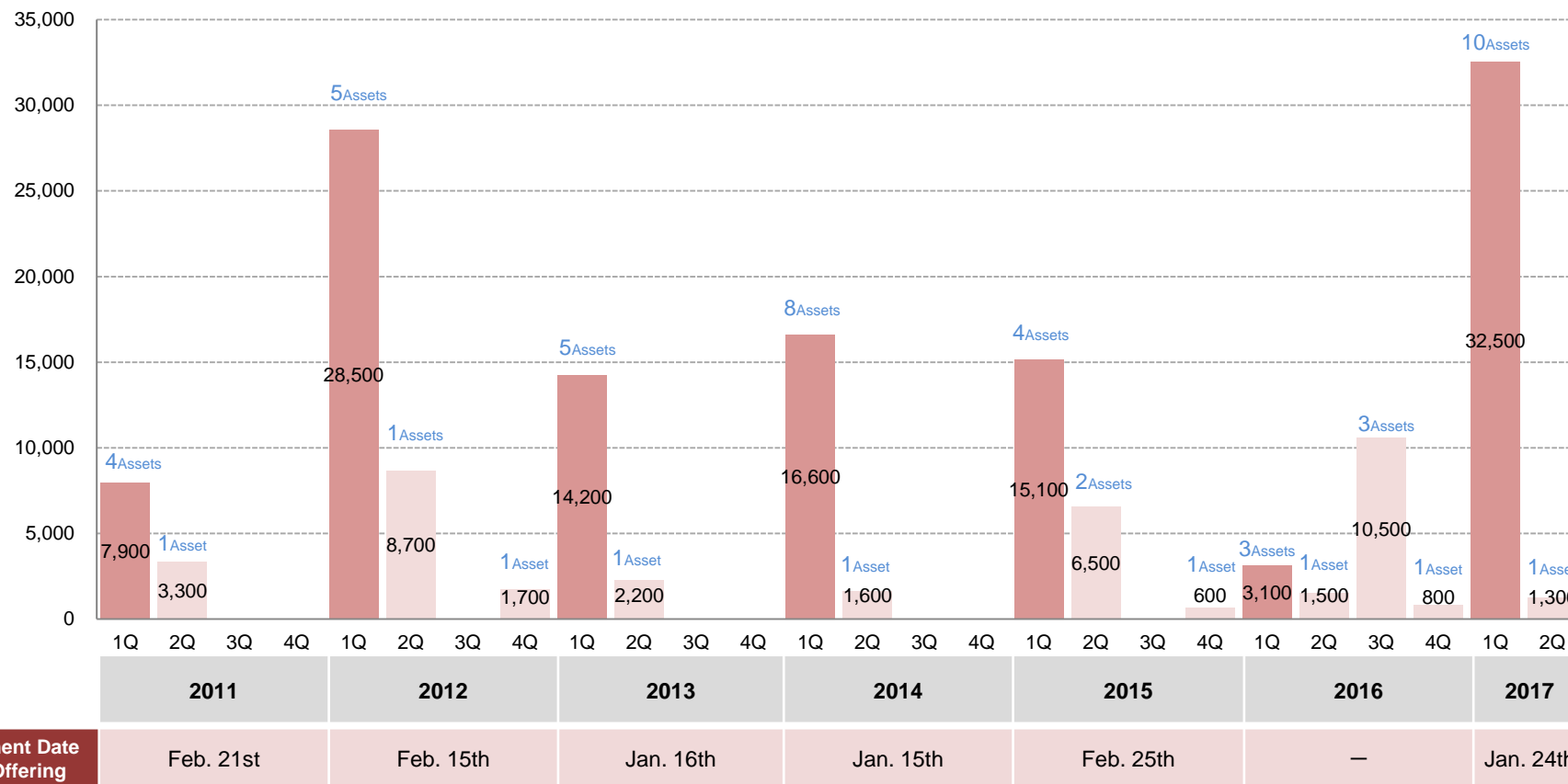


Change of fiscal period (2)

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

■ Acquisition timing, price and property number

Total Acquisition Price
(JPY mn.)



Announcement Date
of Public Offering

Feb. 21st

Feb. 15th

Jan. 16th

Jan. 15th

Feb. 25th

—

Jan. 24th

Overview of temporary distribution in excess of profit (TDEP) ①

Temporary distribution in excess of profit

Policy
Introduced

Response to Tax
Code Reform

Item

(A) Distribution with decrease of investment capital under tax laws

(B) Distributions of allowance for temporary difference adjustment

Summary

Distributions funded from depreciation expense and other sources

Distributions to reduce burden of taxation due to inconsistency between taxation and accounting or deductible equity items

Tax treatment
of
distributions

Treated as redemption of investment capital, and therefore treated as deemed transfer income (Sometimes partially treated as deemed transfer income)

Treated as distributions, and therefore as dividend income (Note)

Temporary distribution in excess of profit possible only when DPU is expected to decrease temporarily due to issuance of new investment units or other similar causes

In case deferred losses on hedges or other losses are generated, implement temporary distribution in excess of profit to lighten (avoid) tax burden

(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

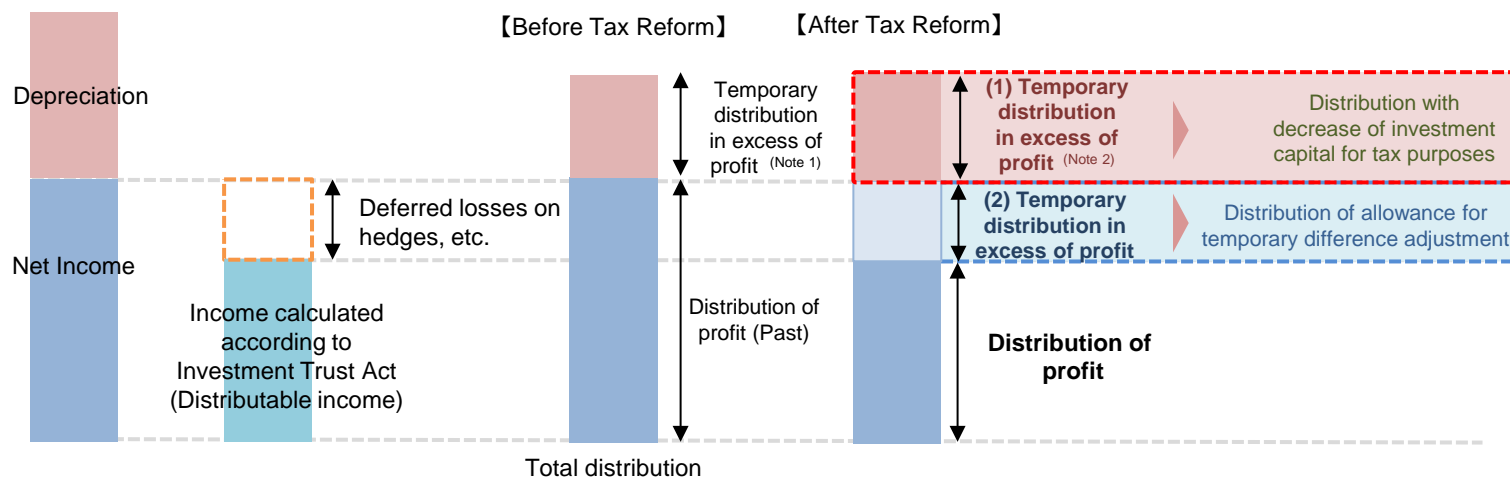
- ✓ When dilution or incurrence of considerable expense in connection with the acquisition of assets or issuance of new investment units is expected and the amount of distribution per unit is likely to temporarily decrease in a certain amount, IIF may distribute the amount of cash determined by IIF as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



Temporary distribution in excess of profit introduced this time around (Implement as needed according to cash distribution policies)

Temporary distribution in excess of profit created as response to Tax Code Reforms (When deferred losses on hedges or other losses occur)

(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)	Age of a building (Note 2)	Acquisition Price (million yen)		Appraisal Value as of the End of Period (million yen) (Note 3)		Total Leasable Area (Note 4)		Occupancy Rate (Note 5)	PML (Note 6)	
						Percentage		Percentage		Percentage			
L-1	IIF Shinonome Logistics Center (Note 7)	Koto-ku, Tokyo	Feb 2006	11.2 years	13,700	5.6%	16,642	5.9%	27,493.29m ²	2.3%	100.0%	4.6%	
L-4	IIF Noda Logistics Center	Noda-shi, Chiba	Mar 2006	11.1 years	6,500	2.6%	8,400	3.0%	38,828.10m ²	3.2%	100.0%	0.3%	
L-5	IIF Shinsuna Logistics Center	Koto-ku, Tokyo	Jun 1998	18.9 years	5,300	2.1%	6,750	2.4%	5,741.75m ²	0.5%	100.0%	6.4%	
L-6	IIF Atsugi Logistics Center	Atsugi-shi, Kanagawa	Jan 2005	12.3 years	2,100	0.9%	2,170	0.8%	10,959.68m ²	0.9%	100.0%	8.7%	
L-7	IIF Koshigaya Logistics Center	Koshigaya-shi, Saitama	Sep 1985	31.6 years	2,000	0.8%	2,640	0.9%	10,113.50m ²	0.8%	100.0%	2.6%	
L-8	IIF Nishinomiya Logistics Center	Nishinomiya-shi, Hyogo	May 1997	20.0 years	2,159	0.9%	2,970	1.0%	17,200.00m ²	1.4%	100.0%	9.9%	
L-9	IIF Narashino Logistics Center (land with leasehold interest)	Narashino-shi, Chiba	—	—	1,190	0.5%	2,460	0.9%	19,834.71 m ²	1.6%	100.0%	—	
L-10	IIF Narashino Logistics Center II (Note 8) (land with leasehold interest) (building with leasehold interest)	Narashino-shi, Chiba	—	—	3,350	1.4%	6,290	2.2%	58,070.00m ²	4.8%	100.0%	—	
			Apr 1991	26.1 years	1,200	0.5%			25,835.16m ²	2.1%	100.0%	9.2%	
L-11	IIF Atsugi Logistics Center II	Atsugi-shi, Kanagawa	Oct 1992	24.5 years	3,100	1.3%	3,850	1.4%	20,661.13m ²	1.7%	100.0%	7.6%	
L-12	IIF Yokohama Tsuduki Logistics Center	Yokohama-shi, Kanagawa	Sep 1998	18.6 years	2,350	1.0%	3,140	1.1%	9,464.03m ²	0.8%	100.0%	8.7%	
L-13	IIF Saitama Logistics Center	Saitama-shi, Saitama	Dec 1989	27.4 years	1,490	0.6%	2,040	0.7%	8,995.00m ²	0.7%	100.0%	4.2%	
L-14	IIF Nagoya Logistics Center	Nagoya-shi, Aichi	Apr 1990	27.1 years	1,050	0.4%	1,520	0.5%	8,721.01m ²	0.7%	100.0%	9.1%	
L-15	IIF Atsugi Logistics Center III	Atsugi-shi, Kanagawa	Oct 1981	35.5 years	2,290	0.9%	3,000	1.1%	16,584.64m ²	1.4%	100.0%	7.3%	
L-16	IIF Kawaguchi Logistics Center	Kawaguchi-shi, Saitama	Apr 2002	15.0 years	1,770	0.7%	4,080	1.4%	11,705.02m ²	1.0%	100.0%	10.7%	
L-17	IIF Kobe Logistics Center	Kobeshi, Hyogo	Jan 2001	16.3 years	5,193	2.1%	6,920	2.4%	39,567.74m ²	3.2%	100.0%	5.5%	
L-18	IIF Higashi Osaka Logistics Center	Higashi Osaka-shi, Osaka	Nov 1991	25.5 years	2,280	0.9%	3,120	1.1%	20,495.06m ²	1.7%	97.3%	9.0%	
L-19	IIF Kashiwa Logistics Center	Kashiwa-shi, Chiba	Nov 1990	26.4 years	1,810	0.7%	2,670	0.9%	17,373.53m ²	1.4%	100.0%	4.4%	
L-20	IIF Misato Logistics Center	Misato-shi, Saitama	Feb 2007	10.2 years	3,550	1.4%	4,950	1.7%	19,019.71 m ²	1.6%	100.0%	4.0%	
L-21	IIF Iruma Logistics Center	Iruma-shi, Saitama	Dec 2010	6.4 years	3,184	1.3%	4,030	1.4%	17,881.65m ²	1.5%	100.0%	5.8%	
L-22	IIF Tosu Logistics Center	Tosu-shi, Saga	Feb 2007	10.2 years	1,570	0.6%	1,890	0.7%	13,862.05m ²	1.1%	100.0%	0.8%	
L-23	IIF Inzai Logistics Center	Inzai-shi, Chiba	Feb 2007	10.2 years	1,060	0.4%	1,310	0.5%	5,490.00m ²	0.5%	100.0%	4.7%	
L-24	IIF Morioka Logistics Center	Shiwa-gun, Iwate	Aug 2005	11.7 years	600	0.2%	1,200	0.4%	8,001.57 m ²	0.7%	100.0%	1.9%	
L-25	IIF Hiroshima Logistics Center	Hiroshima-shi, Hiroshima	Dec 2013	3.4 years	3,540	1.4%	4,370	1.5%	22,768.24m ²	1.9%	100.0%	4.8%	
L-26	IIF Izumiotsu e-shop Logistics Center(land with leasehold interest)	Izumiotsu-shi, Osaka	—	—	4,000	1.6%	4,370	1.5%	48,932.00m ²	4.0%	100.0%	—	
L-27	IIF Izumisano Food Processing andLogistics Center	Izumisano-shi, Osaka	Oct 1996	20.6 years	860	0.3%	1,040	0.4%	13,947.83m ²	1.1%	100.0%	12.3%	
L-28	IIF Kyotanabe Logistics Center	Kyotanabe-shi, Kyoto	Mar 2007	10.1 years	5,730	2.3%	6,930	2.4%	33,243.99m ²	2.7%	100.0%	5.6%	
L-29	IIF Fukuoka Koga Vehicle Logistics Center(land with leasehold interest)	Koga-shi, Fukuoka	—	—	860	0.3%	965	0.3%	30,815.97 m ²	2.5%	100.0%	—	
L-30	IIF Fukuoka Higashi Logistics Center	Fukuoka-shi, Fukuoka	Jan 1997	20.3 years	1,860	0.8%	2,030	0.7%	11,262.86m ²	0.9%	100.0%	0.2%	
L-31	IIF Osaka Konohana Logistics Center	Osaka-shi, Osaka	Jan 1991	26.3 years	8,700	3.5%	8,850	3.1%	46,262.20m ²	3.8%	100.0%	9.6%	
L-32	IIF Kazo Logistics Center	Kazo-shi, Saitama	Apr 1989	28.1 years	2,361	1.0%	2,570	0.9%	17,744.41 m ²	1.5%	100.0%	8.2%	
L-33	IIF Hamura Logistics Center	Hamura-shi, Tokyo	Jul 1991	25.8 years	820	0.3%	864	0.3%	3,892.66m ²	0.3%	100.0%	4.2%	
L-34	IIF Fukuoka Hakozaki Logistics Center I (Note 9)	NEW	Fukuoka-shi, Fukuoka	Feb 2008	9.2 years	3,115	1.3%	3,170	1.1%	14,999.86m ²	1.2%	100.0%	0.4%
L-35	IIF Fukuoka Hakozaki Logistics Center II (Note 9)	NEW	Fukuoka-shi, Fukuoka	Mar 2008	9.1 years	5,451	2.2%	5,530	2.0%	25,338.99m ²	2.1%	100.0%	0.2%
L-36	IIF Itabashi Logistics Center (Note 9)	NEW	Itabashi-ku, Tokyo	May 2007	10.0 years	1,031	0.4%	1,070	0.4%	3,034.61m ²	0.2%	100.0%	5.8%
L-37	IIF Sendai Taiwa Logistics Center	NEW	Kurokawa-gun, Miyagi	Jan 2006	11.3 years	1,480	0.6%	1,560	0.6%	15,290.75m ²	1.3%	100.0%	2.4%
L-38	IIF Ota Logistics Center	NEW	Ota-shi, Gunma	Feb 2006	11.2 years	1,010	0.4%	1,140	0.4%	6,900.01m ²	0.6%	100.0%	7.0%
L-39	IIF Osaka Suminoe Logistics Center I (Note 10)	NEW	Osaka-shi, Osaka	Mar 2006	11.1 years	9,075	3.7%	10,100	3.6%	39,150.98m ²	3.2%	100.0%	4.8%
L-40	IIF Osaka Suminoe Logistics Center II (Note 10)	NEW	Osaka-shi, Osaka	Jul 1991	25.8 years	1,905	0.8%	2,000	0.7%	9,224.82m ²	0.8%	100.0%	3.9%
L-41	IIF Morioka Logistics Center II	NEW	Shiwa-gun, Iwate	Mar 1997	20.1 years	1,302	0.5%	1,490	0.5%	12,383.30m ²	1.0%	100.0%	1.7%
Logistics Centers Total				16.2 years	121,897	49.4%	150,091	53.0%	787,091.81 m ²	64.5%	99.9%		

Our Portfolio (2)

Manufacturing / R&D, Infrastructure Facilities and Portfolio Total

Property Number	Name of Property	Location	Date Completed (Note 1)	Age of a building (Note 2)	Acquisition Price (million yen)		Appraisal Value as of the End of Period (million yen) (Note 3)		Total Leasable Area (Note 4)		Occupancy Rate (Note 5)	PML (Note 6)
						Percentage		Percentage		Percentage		
F-1	IIF Totsuka Technology Center (land with leasehold interest)	Yokohama-shi, Kanagawa	—	—	4,500	1.8%	5,340	1.9%	31,442.47㎡	2.6%	100.0%	—
F-2	IIF Yokohama Tsuduki Technology Center	Yokohama-shi, Kanagawa	Feb 1996	21.2 years	1,100	0.4%	1,350	0.5%	4,655.48㎡	0.4%	100.0%	3.3%
F-3	IIF Mitaka Card Center	Mitaka-shi, Tokyo	Apr 1994	23.0 years	8,700	3.5%	10,200	3.6%	21,615.01㎡	1.8%	100.0%	6.7%
F-5	IIF Kamata R&D Center	Ohta-ku, Tokyo	Jun 1988	28.9 years	7,200	2.9%	8,400	3.0%	21,896.56㎡	1.8%	100.0%	7.7%
F-6	IIF Kawasaki Science Center	Kawasaki-shi, Kanagawa	May 2014	3.0 years	2,168	0.9%	2,950	1.0%	4,857.73㎡	0.4%	100.0%	9.7%
F-7	IIF Sagami-hara R&D Center	Sagami-hara-shi, Kanagawa	Jul 1989	27.9 years	3,100	1.3%	3,650	1.3%	14,304.37㎡	1.2%	98.3%	8.5%
F-8	IIF Yokohama Shinyamashita R&D Center	Yokohama-shi, Kanagawa	Aug 2007	9.7 years	3,810	1.5%	4,150	1.5%	4,887.83㎡	0.4%	100.0%	5.0%
F-9	IIF Kakegawa Manufacturing Center (land with leasehold interest)	Kakegawa-shi, Shizuoka	—	—	1,540	0.6%	1,770	0.6%	66,171.92㎡	5.4%	100.0%	—
F-10	IIF Urayasu Machinery Maintenance Center (land with leasehold interest)	Urayasu-shi, Chiba	—	—	1,300	0.5%	1,670	0.6%	7,925.94㎡	0.6%	100.0%	—
F-11	IIF Yokosuka Technology Center	NEW Yokosuka-shi, Kanagawa	Jul 1994	22.8 years	4,000	1.6%	4,430	1.6%	13,779.77㎡	1.1%	100.0%	5.0%
F-12	IIF Shonan Technology Center	NEW Koza-gun, Kanagawa	Jul 1994	22.8 years	1,200	0.5%	1,320	0.5%	7,244.71㎡	0.6%	100.0%	4.8%
Manufacturing and R&D Facilities Total				21.7 years	38,618	15.7%	45,230	16.0%	198,781.79㎡	16.3%	99.9%	—
I-1	IIF Kobe District Heating and Cooling Center	Kobe-shi, Hyogo	Apr 1990	27.1 years	18,100	7.3%	14,600	5.2%	11,292.79㎡	0.9%	100.0%	4.7%
I-2	IIF Haneda Airport Maintenance Center	Ohta-ku, Tokyo	Jun 1993	23.9 years	41,110	16.7%	41,600	14.7%	81,995.81㎡	6.7%	100.0%	M1 : 4.5% M2 : 3.2%
I-3	IIF Zama IT Solution Center	Zama-shi, Kanagawa	Nov 1988	28.5 years	5,384	2.2%	5,530	2.0%	10,931.89㎡	0.9%	100.0%	7.3%
I-4	IIF Shinagawa Data Center	Shinagawa-ku, Tokyo	Aug 1989	27.7 years	4,900	2.0%	6,850	2.4%	19,547.11㎡	1.6%	100.0%	8.9%
I-5	IIF Osaka Toyonaka Data Center	Toyonaka-shi, Osaka	Sep 1991	25.6 years	5,600	2.3%	6,040	2.1%	20,027.14㎡	1.6%	100.0%	3.8%
I-6	IIF Osaka Nanko IT Solution Center	Osaka-shi, Osaka	Mar 1992	25.1 years	1,150	0.5%	2,380	0.8%	18,435.93㎡	1.5%	100.0%	5.4%
I-7	IIF Nagoya Port Tank Terminal (land with leasehold interest)	Nagoya-shi, Aichi	—	—	1,900	0.8%	2,270	0.8%	51,583.70㎡	4.2%	100.0%	—
I-8	IIF Shinagawa IT Solution Center	Shinagawa-ku, Tokyo	Feb 1993	24.3 years	7,200	2.9%	7,830	2.8%	7,089.62㎡	0.6%	100.0%	7.7%
I-9	IIF Higashimatsuyama Gas Tank Maintenance Center(land with leasehold interest)	Higashimatsuyama-shi, Saitama	—	—	690	0.3%	746	0.3%	12,880.38㎡	1.1%	100.0%	—
Infrastructure Facilities Total				25.2 years	86,034	34.9%	87,846	31.0%	233,784.37㎡	19.2%	100.0%	—
Portfolio Total				20.2 years	246,549	100.0%	283,167	100.0%	1,219,657.97㎡	100.0%	99.9%	3.0%

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

(Note 2) "Age of building" refers to the age as of May 1, 2017.

(Note 3) "Appraisal Value as of the End of Period" refers to the appraisal value as of Dec 31, 2016, Dec 1, 2016 for IIF Fukuoka Hakozaiki Logistics Center I, IIF Fukuoka Hakozaiki Logistics Center II, IIF Itabashi Logistics Center, IIF Sendai Taiwa Logistics Center, IIF Ota Logistics Center, IIF Osaka Suminoe Logistics Center I, IIF Osaka Suminoe Logistics Center II, IIF Morioka Logistics Center II, IIF Yokosuka Technology Center and IIF Yokosuka Technology Center.

(Note 4) "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 5) "Occupancy rate" is based on the lease contracts which will be effective as of May 1, 2017.

(Note 6) "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 7) 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 8) 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 9) Total Leasable Area and Appraisal Value for IIF Fukuoka Hakozaiki Logistics Center I, IIF Fukuoka Hakozaiki Logistics Center II and IIF Itabashi Logistics Center is in regards to the 60% of Co-ownership interest of the trust beneficiary interests.

(Note 10) Total Leasable Area and Appraisal Value for IIF Osaka Suminoe Logistics Center I and IIF Osaka Suminoe Logistics Center II is in regards to the 75% of Co-ownership interest of the trust beneficiary interests.

Lease Contracts (1)

Logistics 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	Lease Term Remaining (Note 4)
L-1	IIF Shinonome Logistics Center	Sagawa Express Co., Ltd.	795	4.9%	Fixed-Term Lease	2006/2/21 ~ 2026/2/20	20.0 years	8.8 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	4.0 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	4.0 years
L-6	IIF Atsugi Logistics Center	Sagawa Express Co., Ltd.	358	2.2%	Ordinary Lease	1998/7/15 ~ 2018/7/14	20.0 years	1.2 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	0.2 years
L-8	IIF Nishinomiya Logistics Center	Kabushikigaisya Tsukasa	151	0.9%	Fixed-Term Lease	2011/1/1 ~ 2020/12/31	10.0 years	3.7 years
		Suzuyo Corporation	119	0.7%	Fixed-Term Lease	2005/8/25 ~ 2036/5/15	30.7 years	19.1 years
			63	0.4%	Fixed-Term Lease	2016/5/16 ~ 2036/5/15	20.0 years	19.1 years
L-9	IIF Narashino Logistics Center (land with leasehold interest)	Kajima Leasing Corporation/JA Mitsui Leasing, Ltd.	Not Disclosed	-	Fixed-Term Lease	2001/9/1 ~ 2021/8/31	20.0 years	4.3 years
L-10	IIF Narashino Logistics Center II (Note 5)	Mitsubishi UFJ Trust and Banking Corporation	232	1.4%	Fixed-Term Lease	2011/4/28 ~ 2061/4/26	50.0 years	44.0 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	11.8 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	5.3 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	6.9 years
L-14	IIF Nagoya Logistics Center	MM Corporation	134	0.8%	Fixed-Term Lease	2014/12/1 ~ 2019/11/30	5.0 years	2.6 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	2.8 years
L-16	IIF Kawaguchi Logistics Center	Tokyo Logistics Factory Co., Ltd.	Not Disclosed	-	Fixed-Term Lease	2017/2/1 ~ 2022/1/31	5.0 years	4.8 years
L-17	IIF Kobe Logistics Center	Hitachi Transport System Metropolitan Co., Ltd.	Not Disclosed	-	Fixed-Term Lease	2014/7/1 ~ 2024/6/30	10.0 years	7.2 years
L-18	IIF Higashi Osaka Logistics Center	Nissin Corporation	Not Disclosed	-	Ordinary Lease	2013/2/7 ~ 2024/9/30	11.7 years	7.4 years
		Settsu Warehouse Co., Ltd.	Not Disclosed	-	Fixed-Term Lease	2011/4/1 ~ 2023/3/31	12.0 years	5.9 years
		Sega Logistics Service Co., Ltd.	Not Disclosed	-	Ordinary Lease	2016/8/1 ~ 2018/9/30	2.2 years	1.4 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	0.6 years
L-20	IIF Msato Logistics Center	Takuyo Co., Ltd.	Not Disclosed	-	Ordinary Lease	2007/3/9 ~ 2022/3/31	15.1 years	4.9 years
L-21	IIF Iruma Logistics Center	Daiichi Freight System Inc.	Not Disclosed	-	Fixed-Term Lease	2011/1/15 ~ 2041/1/14	30.0 years	23.7 years
L-22	IIF Tosu Logistics Center	Sagawa Express Co., Ltd.	Not Disclosed	-	Ordinary Lease	2015/10/1 ~ 2017/9/30	2.0 years	0.4 years
		Hinode Corporation	Not Disclosed	-	Ordinary Lease	2007/9/27 ~ 2021/6/30	13.8 years	4.2 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	4.9 years
L-24	IIF Morioka Logistics Center	Nippon Access, Inc.	Not Disclosed	-	Fixed-Term Lease	2015/10/21 ~ 2022/10/20	7.0 years	5.5 years
L-25	IIF Hiroshima Logistics Center	Muroo Co., Ltd.	Not Disclosed	-	Fixed-Term Lease	2014/1/9 ~ 2029/1/8	15.0 years	11.7 years
L-26	IIF Izumiotsu e-shop Logistics Center (land with leasehold interest)	Kohnan Shoji Co., Ltd.	Not Disclosed	-	Fixed-Term Lease	2004/10/1 ~ 2024/9/30	20.0 years	7.4 years
L-27	IIF Izumisano Food Processing and Logistics Center	Nakano Shokai Co., Ltd.	Not Disclosed	-	Fixed-Term Lease	2015/3/24 ~ 2025/3/31	10.0 years	7.9 years
L-28	IIF Kyotanabe Logistics Center	Takara Butsuryu Inc.	Not Disclosed	-	Ordinary Lease	2007/3/30 ~ 2017/12/31	10.8 years	0.7 years
L-29	IIF Fukuoka Koga Vehicle Logistics Center(land with leasehold interest)	ORIX Auto Corporation	Not Disclosed	-	Fixed-Term Lease	2015/5/29 ~ 2035/5/28	20.0 years	18.1 years
L-30	IIF Fukuoka Higashi Logistics Center	Toll Express Japan Co., Ltd.	Not Disclosed	-	Fixed-Term Lease	2016/2/24 ~ 2031/2/23	15.0 years	13.8 years
L-31	IIF Osaka Konohana Logistics Center	Sagawa Express Co., Ltd.	Not Disclosed	-	Ordinary Lease	1990/11/16 ~ 2027/2/28	36.3 years	9.8 years
L-32	IIF Kazo Logistics Center	PIP Co., Ltd.	Not Disclosed	-	Fixed-Term Lease	2016/3/11 ~ 2026/3/10	10.0 years	8.9 years
L-33	IIF Hamura Logistics Center	Coca-Cola East Japan Co., Ltd.	Not Disclosed	-	Fixed-Term Lease	2016/10/1 ~ 2024/9/30	8.0 years	7.4 years
L-34	IIF Fukuoka Hakozaki Logistics Center I	Fukuoka Soko Co., Ltd.	Not Disclosed	-	Fixed-Term Lease	2008/3/21 ~ 2018/3/20	10.0 years	0.9 years
		Fukuoka Soko Co., Ltd.	Not Disclosed	-	Fixed-Term Lease	2015/8/1 ~ 2018/7/31	3.0 years	1.3 years
		Sagawa Express Co., Ltd.	Not Disclosed	-	Fixed-Term Lease	2015/8/1 ~ 2018/7/31	3.0 years	1.3 years
L-35	IIF Fukuoka Hakozaki Logistics Center II	Nippon Express Co., Ltd.	Not Disclosed	-	Fixed-Term Lease	2015/6/1 ~ 2020/5/31	5.0 years	3.1 years
		NTT LOGISCO Inc.	Not Disclosed	-	Fixed-Term Lease	2011/1/1 ~ 2020/12/31	10.0 years	3.7 years
		SENKO Co., Ltd.	Not Disclosed	-	Fixed-Term Lease	2016/8/1 ~ 2021/7/31	5.0 years	4.3 years
		MITSUMI-SOKO Supply Chain Solutions, Inc.	Not Disclosed	-	Fixed-Term Lease	2015/4/1 ~ 2020/3/31	5.0 years	2.9 years
L-36	IIF Itabashi Logistics Center	Higashi Twenty One Co., Ltd.	Not Disclosed	-	Ordinary Lease	2007/5/31 ~ 2027/5/31	20.0 years	10.1 years
L-37	IIF Sendai Taiwa Logistics Center	Miyago Logistics Co., Ltd.	Not Disclosed	-	Ordinary Lease	2016/3/1 ~ 2019/2/28	3.0 years	1.8 years
L-38	IIF Ota Logistics Center	Meitetsu Unyu Co., Ltd.	Not Disclosed	-	Fixed-Term Lease	2006/3/1 ~ 2026/2/28	20.0 years	8.8 years
L-39	IIF Osaka Suminoe Logistics Center I	Toshiba Logistics Corporation	Not Disclosed	-	Fixed-Term Lease	2006/3/31 ~ 2026/3/30	20.0 years	8.9 years
L-40	IIF Osaka Suminoe Logistics Center II	Toshiba Logistics Corporation	Not Disclosed	-	Ordinary Lease	2016/9/1 ~ 2017/8/31	1.0 years	0.3 years
L-41	IIF Morioka Logistics Center II	Miyago Logistics Co., Ltd.	Not Disclosed	-	Fixed-Term Lease	2017/5/1 ~ 2020/4/30	3.0 years	3.0 years

Lease Contracts (2)

Manufacturing / R&D, 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	Lease Term Remaining (Note 4)
F-1	IIF Totsuka Technology Center (land with leasehold interest)	Taisei Corporation	276	1.7%	Fixed-Term Lease	2010/3/31 ~ 2040/3/30	30.0 years	22.9 years
F-2	IIF Yokohama Tsuduki Technology Center	TÜV Rheinland Japan Ltd.	117	0.7%	Fixed-Term Lease	2008/10/1 ~ 2030/9/30	22.0 years	13.4 years
F-3	IIF Mitaka Card Center	JCB Co., Ltd.	730	4.5%	Ordinary Lease	2002/8/30 ~ 2019/2/28	16.5 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	8.9 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	12.0 years
F-7	IIF Sagami R&D Center	Micron Memory Japan Inc.	Not Disclosed	-	Ordinary Lease	2017/4/1 ~ 2018/3/31	1.0 years	0.9 years
		Micron Memory Japan Inc.	Not Disclosed	-	Ordinary Lease	2017/4/1 ~ 2018/3/31	1.0 years	0.9 years
		SINCERE Corporation	Not Disclosed	-	Ordinary Lease	2017/4/1 ~ 2018/3/31	1.0 years	0.9 years
		Nittsu NEC Logistics, Ltd.	Not Disclosed	-	Ordinary Lease	2017/4/1 ~ 2018/3/31	1.0 years	0.9 years
		NEC Corporation	Not Disclosed	-	Loan for use	2017/3/20 ~ 2018/3/19	1.0 years	0.9 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	10.3 years
F-9	IIF Kakegawa a Manufacturing Center (land with leasehold interest)	CxS Corporation	Not Disclosed	-	Fixed-Term Lease	2015/12/28 ~ 2045/12/26	30.0 years	28.7 years
F-10	IIF Urayasu Machinery Maintenance Center (land with leasehold interest)	NISHIO RENT ALL Co., Ltd.	Not Disclosed	-	Fixed-Term Lease	2016/3/31 ~ 2065/3/30	49.0 years	47.9 years
F-11	IIF Yokosuka Technology Center	NEW Nikon Corporation	Not Disclosed	-	Ordinary Lease	2016/9/1 ~ 2026/8/31	10.0 years	9.3 years
F-12	IIF Shonan Technology Center	NEW Nikon Corporation	Not Disclosed	-	Ordinary Lease	2016/9/1 ~ 2026/8/31	10.0 years	9.3 years
I-1	IIF Kobe District Heating and Cooling Center	Osaka Gas Co., Ltd.	640	3.9%	Fixed-Term Lease	2012/6/7 ~ 2024/6/6	12.0 years	7.1 years
			11	0.1%	Fixed-Term Lease	2012/6/7 ~ 2024/6/6	12.0 years	7.1 years
			9	0.1%	Fixed-Term Lease	2012/7/1 ~ 2024/6/6	11.9 years	7.1 years
			1	0.0%	Fixed-Term Lease	2015/9/1 ~ 2024/6/6	8.8 years	7.1 years
I-2	IIF Haneda Airport Maintenance Center	Japan Airlines Co., Ltd.	1,888	11.6%	Fixed-Term Lease	2010/8/10 ~ 2025/12/31	15.4 years	8.7 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	4.2 years
I-4	IIF Shinagawa a Data Center	XYMAX Corporation	Not Disclosed	-	Fixed-Term Lease	2012/3/7 ~ 2022/3/6	10.0 years	4.9 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	8.4 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	5.8 years
I-7	IIF Nagoya Port Tank Terminal (land with leasehold interest)	Chemical Logitech Co., Ltd.	Not Disclosed	-	Fixed-Term Lease	2014/2/7 ~ 2064/1/6	49.9 years	46.7 years
I-8	IIF Shinagawa a IT Solution Center	Not Disclosed	Not Disclosed	-	Ordinary Lease	2015/9/1 ~ 2017/8/31	2.0 years	0.3 years
		Hitachi Systems, Ltd.	Not Disclosed	-	Ordinary Lease	Not Disclosed		
		Hitachi Systems, Ltd.	Not Disclosed	-	Ordinary Lease	Not Disclosed		
		Not Disclosed	Not Disclosed	-	Ordinary Lease	2016/9/15 ~ 2020/9/14	4.0 years	3.4 years
		Not Disclosed	Not Disclosed	-	Fixed-Term Lease	2015/11/13 ~ 2045/11/30	30.1 years	28.6 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	28.6 years
Portfolio Average Lease Term							15.1 years	8.3 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.

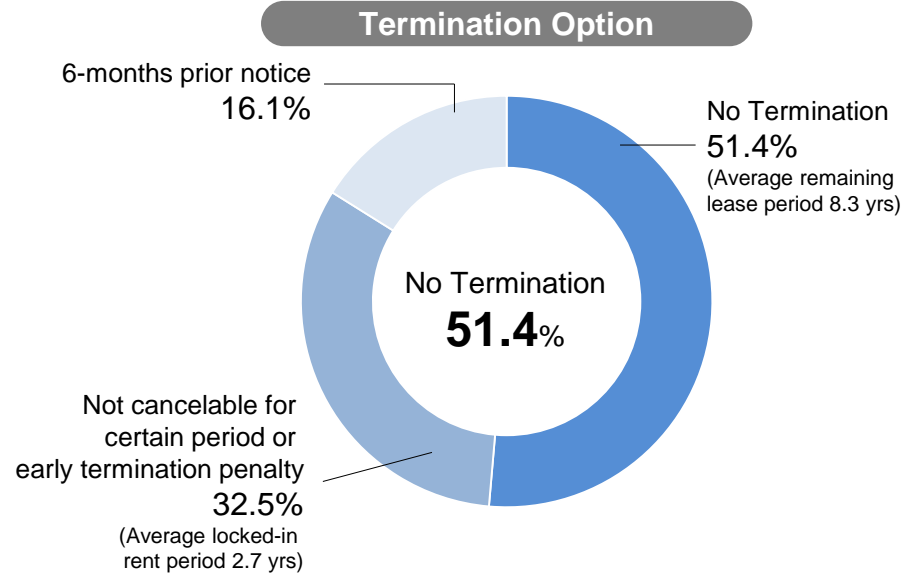
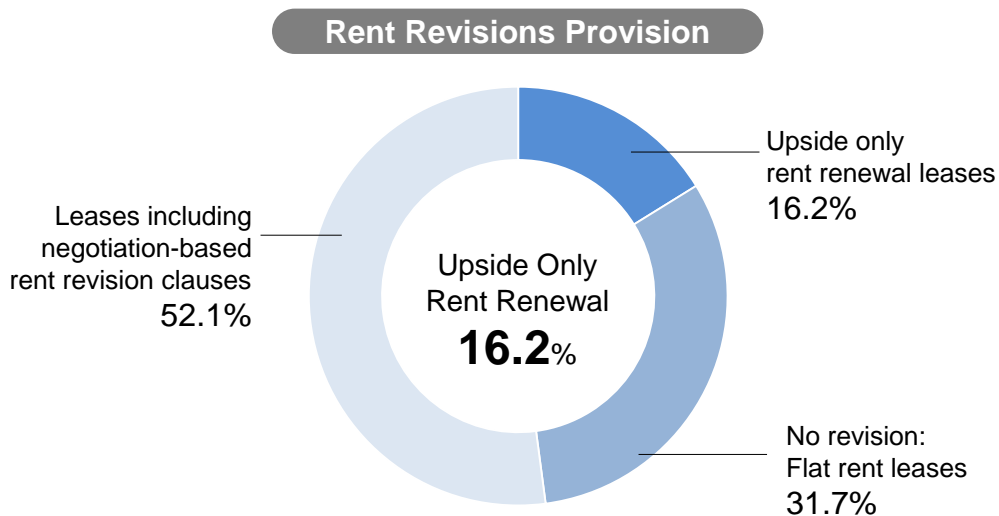
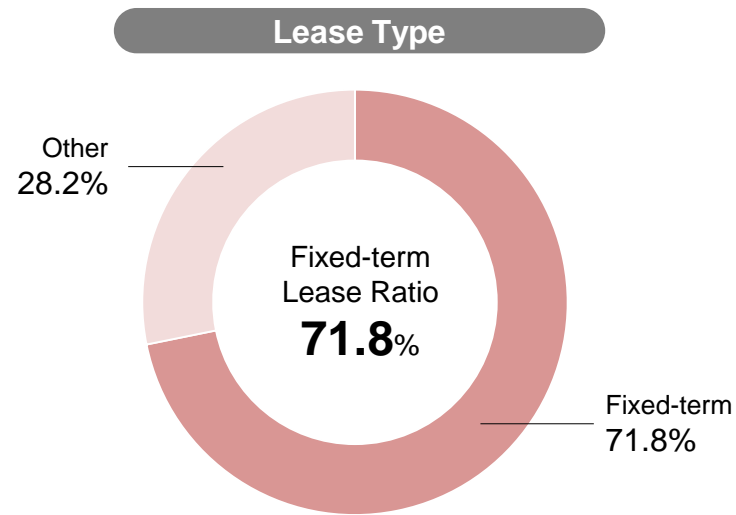
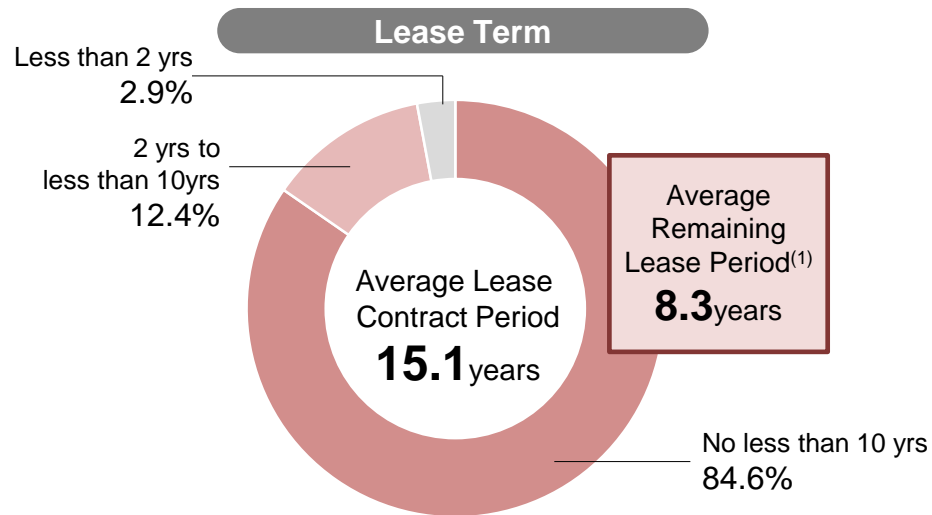
(Note 2) "Annual Rent" and "Lease Term" are based on lease agreements concluded with tenants prior to Aug 16, 2016. With respect to renewed lease agreements renewed Lease Term and Annual Rent is provided.

(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.

Lease Contracts (3)



(Note 1) Based on estimated annual rent as of May 1, 2017

Appraisal Values (1)

Logistics Facilities

Property Number	Name of Property	Book Value (JPY MM)	Unrealized Capital Gain (JPY MM)	Appraisal Value as of the End of Period (JPY MM)(1)				Applied Rate(1)							
				End of 19th Period			End of 18th Period	Direct Capitalization Method	DCF Method		Period-rarlier Levels				
				Appraisal Value	Period-Over-period	Period-Over-period (%)	Appraisal Value	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(2)	13,068	+ 3,573	16,642	+159	+ 1.0%	16,483	4.4%	4.0%	4.6%	(0.1p)	(0.1p)	(0.1p)		
L-4	IIF Noda Logistics Center	5,517	+ 2,882	8,400	+150	+ 1.8%	8,250	4.7%	4.5%	4.9%	(0.1p)	(0.1p)	(0.1p)		
L-5	IIF Shinsuna Logistics Center	5,199	+ 1,550	6,750	+40	+ 0.6%	6,710	4.5%	4.2%	4.6%	(0.1p)	(0.1p)	(0.1p)		
L-6	IIF Atsugi Logistics Center	1,627	+ 542	2,170	+0	0.0%	2,170	5.2%	4.8%	5.3%	0.0p	0.0p	0.0p		
L-7	IIF Koshigaya Logistics Center	1,817	+ 822	2,640	+30	+ 1.1%	2,610	5.0%	4.7%	5.1%	(0.1p)	(0.1p)	(0.1p)		
L-8	IIF Nishinomiya Logistics Center	2,029	+ 940	2,970	+70	+ 2.4%	2,900	5.2%	5.0%	5.4%	(0.2p)	(0.1p)	(0.1p)		
L-9	IIF Narashino Logistics Center (land with leasehold)	1,223	+ 1,236	2,460	+10	+ 0.4%	2,450	---	4.7%	---	---	0.0p	---		
L-10	IIF Narashino Logistics Center II	4,650	+ 1,639	6,290	+100	+ 1.6%	6,190	5.0%	4.8%	5.2%	(0.1p)	(0.1p)	(0.1p)		
L-11	IIF Atsugi Logistics Center II	3,251	+ 598	3,850	+50	+ 1.3%	3,800	4.9%	4.6%	5.2%	(0.1p)	(0.1p)	(0.1p)		
L-12	IIF Yokohama Tsuduki Logistics Center	2,329	+ 810	3,140	+60	+ 1.9%	3,080	4.7%	4.5%	4.9%	(0.1p)	(0.1p)	(0.1p)		
L-13	IIF Saitama Logistics Center	1,486	+ 553	2,040	+30	+ 1.5%	2,010	5.2%	4.9%	5.4%	(0.1p)	(0.1p)	(0.1p)		
L-14	IIF Nagoya Logistics Center	1,160	+ 359	1,520	+20	+ 1.3%	1,500	5.7%	5.4%	6.0%	(0.1p)	(0.1p)	(0.1p)		
L-15	IIF Atsugi Logistics Center III	2,393	+ 606	3,000	+60	+ 2.0%	2,940	5.1%	4.8%	5.3%	(0.1p)	(0.1p)	(0.1p)		
L-16	IIF Kawaguchi Logistics Center	2,040	+ 2,039	4,080	+70	+ 1.7%	4,010	4.7%	4.5%	4.8%	(0.1p)	(0.1p)	(0.1p)		
L-17	IIF Kobe Logistics Center	5,213	+ 1,706	6,920	+120	+ 1.8%	6,800	4.9%	4.7%	5.1%	(0.1p)	(0.1p)	(0.1p)		
L-18	IIF Higashi Osaka Logistics Center	2,457	+ 662	3,120	+80	+ 2.6%	3,040	5.3%	4.9%	5.3%	(0.2p)	(0.1p)	(0.1p)		
L-19	IIF Kashiwa Logistics Center	1,861	+ 808	2,670	+10	+ 0.4%	2,660	5.3%	4.8%	5.4%	0.0p	0.0p	0.0p		
L-20	IIF Misato Logistics Center	3,515	+ 1,434	4,950	+90	+ 1.9%	4,860	4.6%	4.4%	4.7%	(0.1p)	(0.1p)	(0.1p)		
L-21	IIF Iruma Logistics Center	3,164	+ 865	4,030	+50	+ 1.3%	3,980	5.2%	4.7%	5.6%	(0.1p)	(0.1p)	(0.1p)		
L-22	IIF Tosu Logistics Center	1,543	+ 346	1,890	+20	+ 1.1%	1,870	5.3%	5.1%	5.4%	(0.1p)	(0.1p)	(0.1p)		
L-23	IIF Inzai Logistics Center	1,047	+ 262	1,310	+40	+ 3.1%	1,270	5.6%	5.4%	5.7%	(0.2p)	(0.2p)	(0.2p)		
L-24	IIF Morioka Logistics Center	586	+ 613	1,200	+20	+ 1.7%	1,180	6.1%	5.9%	6.2%	(0.1p)	(0.1p)	(0.1p)		
L-25	IIF Hiroshima Logistics Center	3,470	+ 899	4,370	+50	+ 1.2%	4,320	5.4%	5.2%	5.5%	(0.1p)	(0.1p)	(0.1p)		
L-26	IIF Izumiotsu e-shop Logistics Center(land with leasehold interest)	4,179	+ 190	4,370	+20	+ 0.5%	4,350	---	4.9%	---	---	(0.1p)	---		
L-27	IIF Izumisano Food Processing andLogistics Center	947	+ 92	1,040	+0	0.0%	1,040	5.1%	4.7%	5.2%	0.0p	0.0p	0.0p		
L-28	IIF Kyotanabe Logistics Center	5,861	+ 1,068	6,930	+100	+ 1.5%	6,830	5.0%	4.7%	5.1%	(0.1p)	(0.1p)	(0.1p)		
L-29	IIF Fukuoka Koga Vehicle Logistics Center(land with leasehold interest)	914	+ 50	965	+3	+ 0.3%	962	---	5.6%	---	---	(0.1p)	---		
L-30	IIF Fukuoka Higashi Logistics Center	1,943	+ 86	2,030	(10)	(0.5%)	2,040	5.0%	4.6%	5.1%	0.0p	0.0p	0.0p		
L-31	IIF Osaka Konohana Logistics Center(3)(4)	4,476	+ 33	4,510	(40)	(0.9%)	4,550	4.4%	4.2%	4.6%	0.0p	0.0p	0.0p		
L-32	IIF Kazo Logistics Center(3)	2,622	△52	2,570	(20)	(0.8%)	2,590	5.0%	4.7%	5.1%	0.0p	0.0p	0.0p		
L-33	IIF Hamura Logistics Center(3)	928	△64	864	+0	0.0%	864	4.8%	Until 5th 4.7% From 6th to 8th 4.8% After 9th 4.9%	5.0%	0.0p	Until 5th 0.0p From 6th to 8th 0.0p After 9th 0.0p	0.0p		
Logistics Centers Total		92,531	+ 27,159	119,691	+1,382	+ 1.2%	118,309								

(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 Dec 31, 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) "End of 18th Period" and "period over period" refer to figures provided in the respective appraisal reports at the acquisition.

(Note 4) "Appraisal Value as of the End of Period" for IIF Osaka Konohana Logistics Center applies only to 51% quasi-co-ownership interests of the trust beneficiary interests..

Appraisal Values (2)

Manufacturing / R&D, Infrastructure facilities and Portfolio Total

Property Number	Name of Property	Book Value (JPY MM)	Unrealized Capital Gain (JPY MM)	Appraisal Value as of the End of Period (JPY MM)(1)				Applied Rate(1)						
				End of 19th Period			End of 18th Period	Direct Capitalization Method	DCF Method		Period-rarlier Levels			
				Appraisal Value	Period-Over-period	Period-Over-period (%)	Appraisal Value	Capitalization Rate	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	+ 786	5,340	+30	+ 0.6%	5,310	---	5.1%	---	---	(0.1p)	---	
F-2	IIF Yokohama Tsuduki Technology Center	1,166	+ 183	1,350	+10	+ 0.7%	1,340	5.5%	5.4%	5.8%	(0.1p)	(0.1p)	(0.1p)	
F-3	IIF Mitaka Card Center	9,153	+ 1,046	10,200	+250	+ 2.5%	9,950	5.5%	5.3%	5.7%	(0.1p)	(0.1p)	(0.1p)	
F-5	IIF Kamata R&D Center	7,451	+ 948	8,400	+20	+ 0.2%	8,380	5.4%	5.1%	5.6%	(0.1p)	(0.1p)	(0.1p)	
F-6	IIF Kawasaki Science Center	2,139	+ 810	2,950	+50	+ 1.7%	2,900	5.3%	5.1%	5.5%	(0.1p)	(0.1p)	(0.1p)	
F-7	IIF Sagamihara R&D Center	3,241	+ 408	3,650	+30	+ 0.8%	3,620	5.5%	5.2%	5.6%	(0.1p)	(0.1p)	(0.1p)	
F-8	IIF Yokohama Shinyamashita R&D Center	3,956	+ 193	4,150	(20)	(0.5%)	4,170	4.8%	4.4%	4.9%	0.0p	0.0p	0.0p	
F-9	IIF Kakegawa Manufacturing Center (land with leasehold interest)	1,572	+ 197	1,770	+0	0.0%	1,770	0.0%	5.1%	0.0%	---	0.0p	---	
F-10	IIF Urayasu Machinery Maintenance Center (land with leasehold interest)	1,345	+ 324	1,670	+20	+ 1.2%	1,650	4.8%	4.0%	5.1%	(0.1p)	(0.1p)	(0.1p)	
Manufacturing and R&D Facilities Total		34,579	+ 4,900	39,480	+390	+ 1.0%	39,090							
I-1	IIF Kobe District Heating and Cooling Center	16,530	Δ1,930	14,600	(100)	(0.7%)	14,700	4.4%	3.6%	4.6%	(0.1p)	(0.1p)	(0.1p)	
I-2	IIF Haneda Airport Maintenance Ceter	39,172	+ 2,427	41,600	+500	+ 1.2%	41,100	4.4%	3.5%	4.8%	0.0p	0.0p	(0.1p)	
I-3	IIF Zama IT Solution Center	5,222	+ 307	5,530	(10)	(0.2%)	5,540	7.2%	5.8%	7.8%	0.0p	0.0p	0.0p	
I-4	IIF Shinagawa Data Center	5,157	+ 1,692	6,850	+0	0.0%	6,850	4.5%	4.8%	5.2%	(0.1p)	(0.1p)	(0.1p)	
I-5	IIF Osaka Toyonaka Data Center	5,624	+ 415	6,040	+80	+ 1.3%	5,960	5.9%	4.9%	5.4%	(0.2p)	(0.1p)	(0.1p)	
I-6	IIF Osaka Nanko IT Solution Center	1,252	+ 1,127	2,380	+40	+ 1.7%	2,340	6.1%	5.7%	6.8%	(0.1p)	(0.1p)	(0.1p)	
I-7	IIF Nagoya Port Tank Terminal	1,998	+ 271	2,270	+20	+ 0.9%	2,250	5.5%	4.7%	6.2%	(0.1p)	(0.1p)	(0.1p)	
I-8	IIF Nagoya Port Tank Terminal	7,542	+ 287	7,830	+70	+ 0.9%	7,760	4.9%	4.4%	4.9%	(0.2p)	0.0p	0.0p	
I-9	IIF Higashimatsuyama Gas Tank Maintenance Center(land with leasehold interest) ^(Notes3)	729	+ 16	746	1	+ 0.1%	745	---	4.9%	---	---	0.0p	---	
Infrastructure Facilities Total		83,226	+ 4,615	87,846	+601	+ 0.7%	87,245							
Portfolio Total		210,342	+ 36,674	247,017	+2,373	+ 1.0%	244,644							

(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 Dec 31, 2016

Appraisal Values (3)

New Properties Acquired / to be Acquired in the July 2017(20th) Period

Property Number	Name of Property	Acquisition Price (JPY MM)	Appraisal Value(1) (JPY MM)	Estimated Capital Gain (JPY MM)	Capitalization Rate by Direct Capitalization Method(1)	Discount Rate by DCF Method(1)	Terminal Capitalization Rate by DCF Method(1)	Date of Appraisal Value
L-31	IIF Osaka Konohana Logistics Center(2)	4,263	4,340	+ 77	4.4%	4.2%	4.6%	Dec. 1, 2016
L-34	IIF Fukuoka Hakozaki Logistics Center I (3)	3,115	3,170	+ 55	4.6%	4.2%	4.6%	Dec. 1, 2016
L-35	IIF Fukuoka Hakozaki Logistics Center II (4)	5,451	5,530	+ 79	4.6%	4.2%	4.6%	Dec. 1, 2016
L-36	IIF Itabashi Logistics Center (5)	1,031	1,070	+ 39	4.6%	4.1%	4.6%	Dec. 1, 2016
L-37	IIF Sendai Taiwa Logistics Center	1,480	1,560	+ 80	5.5%	5.1%	5.7%	Dec. 1, 2016
L-38	IIF Ota Logistics Center	1,010	1,140	+ 130	5.6%	Until 9th 5.5% After 10th 5.7%	5.8%	Dec. 1, 2016
L-39	IIF Osaka Suminoe Logistics Center I (6)	9,075	10,100	+ 1,025	4.4%	4.5%	4.6%	Dec. 1, 2016
L-40	IIF Osaka Suminoe Logistics Center II (7)	1,905	2,000	+ 95	4.5%	4.6%	4.7%	Dec. 1, 2016
L-41	IIF Morioka Logistics Center II	1,302	1,490	+ 188	6.1%	5.7%	6.1%	Jan. 0, 1900
Logistics Facilities		28,632	30,400	+ 1,768				
F-11	IIF Yokosuka Technology Center	4,000	4,430	+ 430	5.6%	5.3%	5.7%	Dec. 1, 2016
F-12	IIF Shonan Technology Center	1,200	1,320	+ 120	5.2%	4.9%	5.3%	Dec. 1, 2016
Manufacturing and R&D Facilities Total		5,200	5,750	+ 550				
Total Additional Properties		33,832	36,150	+ 2,318				

(Note 1) The Appraisal Value, Capitalization Rate (Direct Capitalization Method) and Terminal Capitalization Rate (DCF Method) refer to figures provided in the respective appraisal reports as of Dec 1, 2016

(Note 2) Appraisal Value for IIF Osaka Konohana Logistics Center applies only to 49% quasi-co-ownership interests of the trust beneficiary interests.

(Note 3) Appraisal Value for IIF Fukuoka Hakozaki Logistics Center I applies only to 60% quasi-co-ownership interests of the trust beneficiary interests.

(Note 4) Appraisal Value for IIF Fukuoka Hakozaki Logistics Center II applies only to 60% quasi-co-ownership interests of the trust beneficiary interests.

(Note 5) Appraisal Value for IIF Itabashi Logistics Center applies only to 60% quasi-co-ownership interests of the trust beneficiary interests.

(Note 6) Appraisal Value for IIF Osaka Suminoe Logistics Center I applies only to 75% quasi-co-ownership interests of the trust beneficiary interests.

(Note 7) Appraisal Value for IIF Osaka Suminoe Logistics Center II applies only to 75% quasi-co-ownership interests 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)	
	18th	19th	18th	19th	18th	19th	18th	19th	18th	19th	18th	19th	18th	19th	18th	19th	18th	19th
	182days	184days	182days	184days	182days	184days	182days	184days	182days	184days	182days	184days	182days	184days	182days	184days	182days	184days
Days																		
Rent	397	397			173	178			75	75	59							
Others	2	2			-	-			0	0	0							
Total rental business income	400	400			173	178			75	75	60							
Taxes and public dues	30	30	Not Disclosed	Not Disclosed	16	16	Not Disclosed	Not Disclosed	3	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			0	0	1							
Insurance cost and trust fee	0	0			0	0			0	0	2							
Others	0	0			0	0			0	0	0							
Total rental business expenses	32	32			17	18			6	6	12							
N O I	367	367	181	207	156	159	47	47	69	69	47	82	38	38	175	176	113	113
Depreciation and amortization	43	43	48	48	11	11	31	31	23	24	10	19	-	-	6	6	17	17
Rental business profit	324	324	133	159	144	148	16	15	45	44	37	62	38	38	169	169	95	95
Total deposits (Ending balance)	1,378	1,378	Not Disclosed	Not Disclosed	161	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)	
	18th	19th	18th	19th	18th	19th	18th	19th	18th	19th	18th	19th	18th	19th	18th	19th	18th	19th
	182days	184days	182days	184days	182days	184days	182days	184days	182days	184days	182days	184days	182days	184days	182days	184days	182days	184days
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	-														
Insurance cost and trust fee			0	0														
Others			1	1														
Total rental business expenses			5	5														
N O I	77	77	61	61	42	42	76	72	105	105	177	177	86	88	67	68	116	116
Depreciation and amortization	10	9	10	10	5	6	11	11	8	8	36	36	8	9	8	9	17	17
Rental business profit	66	67	50	50	36	36	65	60	97	97	140	141	77	79	58	59	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 (Izumiotou)		L27 (Izumisano)		L28 (Kyotanabe)		L29 (Fukuoka Koga)	
	18th	19th	18th	19th	18th	19th	18th	19th	18th	19th	18th	19th	18th	19th	18th	19th	18th	19th
	182days	184days	182days	184days	182days	184days	182days	184days	182days	184days	182days	184days	182days	184days	182days	184days	182days	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	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	53	52	37	37	37	37	119	119	116	110	32	28	181	174	28	27
Depreciation and amortization	23	23	9	9	5	5	5	5	25	25	-	0	7	7	32	32	-	-
Rental business profit	83	83	43	43	31	31	32	32	94	94	116	110	25	21	149	142	28	27
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)

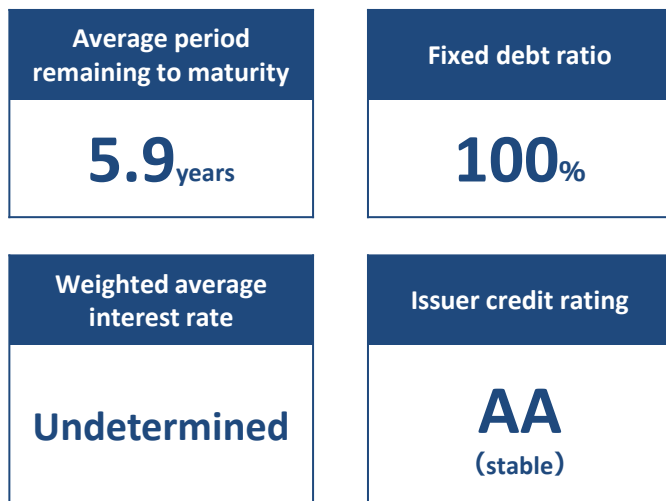
Item	L30 (Fukuoka Higashi)		L31 (Osaka Konohana)		L32 (Kazo)		L33 (Hamura)		F1 (Totsuka)		F2 (Yokohama Tsuzuki)		F3 (Mitaka)		F4 (Shinonome R&D)		F5 (Kamata)	
	18th 165days	19th 184days	18th 0days	19th 184days	18th 0days	19th 122days	18th 0days	19th 10days	18th 182days	19th 184days	18th 182days	19th 184days	18th 182days	19th 184days	18th 182days	19th 184days	18th 182days	19th 184days
Days																		
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	Not							16	16	8	8	47	47	Not	Not	Not	Not
Management expenses	Disclosed	Disclosed							-	-	6	6	3	3	Disclosed	Disclosed	Disclosed	Disclosed
Repair expenses									-	-	4	8	-	4				
Insurance cost and trust fee									0	0	0	0	1	1				
Others									0	0	0	0	1	0				
Total rental business expenses									17	17	19	23	53	57				
N O I	48	57	-	121	-	49	-	1	137	137	38	34	311	307	343	139	236	235
Depreciation and amortization	4	4	-	16	-	5	-	0	-	-	4	4	42	43	61	51	25	27
Rental business profit	43	52	-	104	-	43	-	0	137	137	34	30	268	264	281	88	210	208
Total deposits (Ending balance)	Not Disclosed	Not Disclosed	-	Not Disclosed	-	Not Disclosed	-	Not Disclosed	276	276	92	92	182	182	Not Disclosed	Not Disclosed	Not Disclosed	Not Disclosed

Item	F6 (Kawasaki)		F7 (Sagamihara)		F8 (Shinyamashita)		F9 (Kakegawa)		F10 (Urayasu)		I1 (Kobe)		I2 (Haneda)		I3 (Zama)		I4 (Shinagawa)	
	18th 182days	19th 184days	18th 182days	19th 184days	18th 122days	19th 184days	18th 77days	19th 184days	18th 92days	19th 184days	18th 182days	19th 184days	18th 182days	19th 184days	18th 182days	19th 184days	18th 182days	19th 184days
Days																		
Rent											330	330	1,375	1,380				
Others											0	0	2	2				
Total rental business income											330	330	1,377	1,382				
Taxes and public dues	Not	Not	Not	Not	Not	Not	Not	Not	Not	Not	11	11	85	85	Not	Not	Not	Not
Management expenses	Disclosed	Disclosed	Disclosed	Disclosed	Disclosed	Disclosed	Disclosed	Disclosed	Disclosed	Disclosed	0	0	0	0	Disclosed	Disclosed	Disclosed	Disclosed
Repair expenses											0	3	-	-				
Insurance cost and trust fee											1	1	6	6				
Others											0	0	347	352				
Total rental business expenses											14	16	439	443				
N O I	82	83	130	131	0	110	20	47	20	40	316	313	938	939	201	201	169	173
Depreciation and amortization	23	23	12	13	0	19	-	-	-	-	127	127	236	238	35	35	28	29
Rental business profit	58	59	117	118	0	90	20	47	20	40	189	186	702	700	165	165	140	143
Total deposits (Ending balance)	Not Disclosed	Not Disclosed	Not Disclosed	Not Disclosed	Not Disclosed	Not Disclosed	Not Disclosed	Not Disclosed	Not Disclosed	Not Disclosed	2,155	2,155	974	974	Not Disclosed	Not Disclosed	Not Disclosed	Not Disclosed

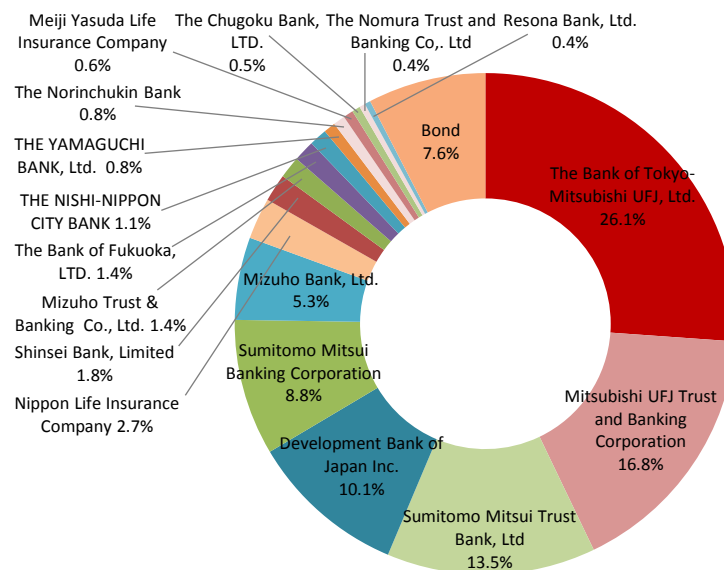
Item	I5 (Osaka Toyonaka)		I6 (Osaka Nanko)		I7 (Nagoya Port)		I8 (Shinagawa ITSC)		I9 (Higashimatsuyama)		17th (Actual)	18th (Actual)
	18th 182days	19th 184days	18th 182days	19th 184days	18th 182days	19th 184days	18th 182days	19th 184days	18th 182days	19th 184days		
Days												
Rent											7,468	7,670
Others											417	352
Total rental business income											7,886	8,022
Taxes and public dues	Not	Not	Not	Not	Not	Not	Not	Not	Not	Not	644	691
Management expenses	Disclosed	Disclosed	Disclosed	Disclosed	Disclosed	Disclosed	Disclosed	Disclosed	Disclosed	Disclosed	168	150
Repair expenses											66	81
Insurance cost and trust fee											36	38
Others											764	706
Total rental business expenses											1,680	1,667
N O I	165	176	69	69	62	62	166	135	18	18	6,206	6,355
Depreciation and amortization	26	26	9	9	-	-	20	22	-	-	1,083	1,130
Rental business profit	139	149	59	60	62	62	146	113	18	18	5,122	5,224
Total deposits (Ending balance)	Not Disclosed	Not Disclosed	Not Disclosed	Not Disclosed	Not Disclosed	Not Disclosed	Not Disclosed	Not Disclosed	Not Disclosed	Not Disclosed	10,550	9,517

Debt Stability

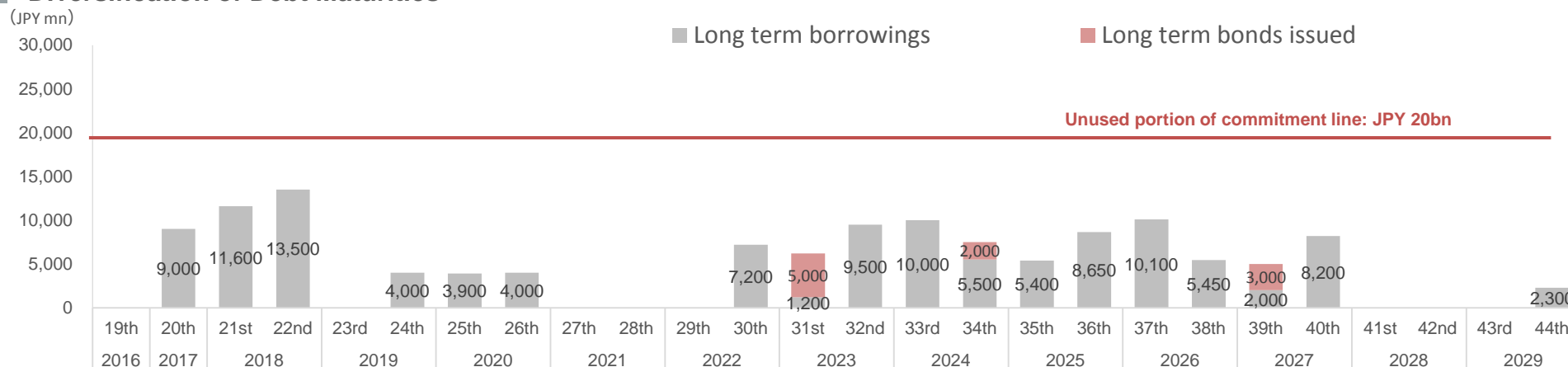
Key Indices^(Note1)



Breakdown of Lender Formation



Diversification of Debt Maturities



(Note 1) Outstanding balance as of March 31, 2017 is described

(Note 2) Average borrowing period as of March 31, 2017 is described

(Note 3) Average borrowing interest rate is undetermined, because the applicable interest rate is not yet determined

Debt Stability

Lender Status

Classification	Outstanding Balance (JPY MM)(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	0.5 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	0.9 years
	Sumitomo Mitsui Trust Bank, Limited	2,350							
	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	0.5 years
	Sumitomo Mitsui Trust Bank, Limited	3,080							
	Development Bank of Japan Inc.	1,000	1,000		2.22000	Mar. 29, 2024	Fixed (Note 4)	12 years	7.0 years
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	1,000	1,000		1.90500	Mar. 30, 2022	Fixed (Note 4)	10 years	5.0 years
	Sumitomo Mitsui Banking Corporation	500	500		1.90500	Mar. 31, 2022	Fixed (Note 4)	10 years	5.0 years
	Development Bank of Japan Inc.	2,000	2,000		1.90000	Mar. 29, 2022	Fixed	10 years	5.0 years
	Mizuho Bank, Ltd.	1,500	1,500		1.56100	Mar. 31, 2020	Fixed (Note 4)	8 years	3.0 years
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	565		Mar. 30, 2012					
	Mitsubishi UFJ Trust and Banking Corporation	520	1,500		1.32375	Mar. 29, 2019	Fixed (Note 4)	7 years	2.0 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	2.0 years
	Nippon Life Insurance Company	1,000	1,000		1.42000	Jun. 30, 2020	Fixed	8 years	3.3 years
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	583	583	Jun. 29, 2012	1.17500	Jun. 28, 2019	Fixed (Note 4)	7 years	2.2 years
	Sumitomo Mitsui Banking Corporation	417	417		1.17500	Jun. 28, 2019	Fixed (Note 4)	7 years	2.2 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	2.5 years
	Sumitomo Mitsui Banking Corporation	1,626	1,626		1.15750	Sep. 30, 2019	Fixed (Note 4)	7 years	2.5 years
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	1,000	1,000		1.29000	Feb. 6, 2023	Fixed	10 years	5.9 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	5.9 years
	Sumitomo Mitsui Trust Bank, Limited	966							
	Sumitomo Mitsui Banking Corporation	500	500		1.38980	Feb. 6, 2023	Fixed (Note 4)	10 years	5.9 years
	Nippon Life Insurance Company	500	500		1.55000	Feb. 6, 2023	Fixed	10 years	5.9 years
	Mizuho Bank, Ltd.	1,000	1,000	Feb. 6, 2013	1.48980	Feb. 6, 2023	Fixed (Note 4)	10 years	5.9 years
	Shinsei Bank, Ltd.	500	500		1.38980	Feb. 6, 2023	Fixed (Note 4)	10 years	5.9 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	4.9 years
	Sumitomo Mitsui Trust Bank, Limited	138							
	Sumitomo Mitsui Banking Corporation	500	500		1.22750	Feb. 4, 2022	Fixed (Note 4)	9 years	4.9 years
	Development Bank of Japan Inc.	1,000	1,000		1.83000	Feb. 5, 2025	Fixed	12 years	7.9 years
	Sumitomo Mitsui Trust Bank, Limited	2,500	2,500		1.68475	Jun. 30, 2023	Fixed (Note 4)	10 years	6.9 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	3.3 years
	THE YAMAUCHI BANK, Ltd.	500							
	Nippon Life Insurance Company	2,000	2,000		1.75000	Jun. 28, 2024	Fixed	11 years	7.3 years
	Mizuho Bank, Ltd.	1,500	1,500		1.64650	Jun. 30, 2022	Fixed (Note 4)	9 years	5.3 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	6.6 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	6.8 years
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	700	700		1.31000	Aug. 6, 2024	Fixed	10.5 years	7.4 years
	Sumitomo Mitsui Banking Corporation	900	900		1.24100	Feb. 6, 2024	Fixed (Note 4)	10 years	6.9 years
	THE YAMAUCHI BANK, Ltd.	500	500		1.14000	Aug. 4, 2023	Fixed	9.5 years	6.4 years
	THE NISHINIPPON CHITIBANK, LTD.	500	500	Feb. 6, 2014	1.03150	Aug. 5, 2022	Fixed (Note 4)	8.5 years	5.4 years
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	451							
	Mitsubishi UFJ Trust and Banking Corporation	418	1,200		0.92790	Feb. 4, 2022	Fixed (Note 4)	8 years	4.9 years
	Sumitomo Mitsui Trust Bank, Limited	331							

(Note 1) Outstanding balance as of March 31, 2017 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 of March 31, 2017. The average is calculated by weighting the rate for each borrowing according to the borrowing amount

(Note 4) The average is calculated by weighting the remaining term of each borrowing according to the borrowing amount

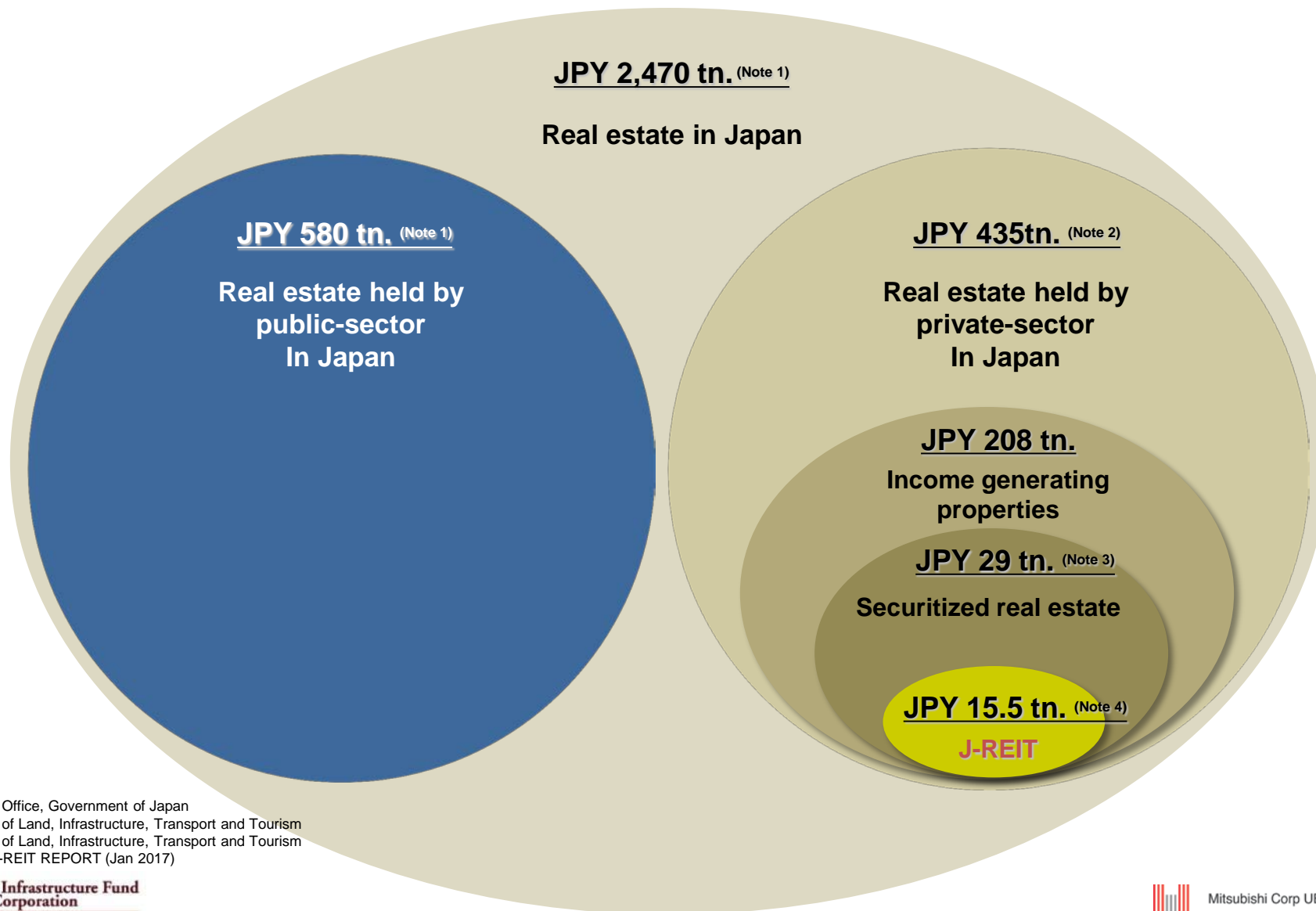
(Note 5) The remaining term for the existing borrowing is calculated with the base date as of March 31, 2017.

(Note 6) Long term borrowing includes a current portion of long term borrowing

	Classification	Outstanding Balance (JPY MM)(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.		602							
	Mitsubishi UFJ Trust and Banking Corporation		557	1,600	Mar. 13, 2014	1.27175	Mar. 13, 2024	Fixed (Note 4)	10 years	7.0 years
	Sumitomo Mitsui Trust Bank, Limited		442							
	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	9.0 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	9.0 years
	Development Bank of Japan Inc.		1,000	1,000	Mar. 31, 2015	1.26000	Mar. 31, 2027	Fixed	12 years	10.0 years
	Meiji Yasuda Life Insurance Company		850	850	Mar. 31, 2015	1.19000	Mar. 31, 2026	Fixed	11 years	9.0 years
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.		1,350	1,350	Mar. 16, 2015	0.98000	Mar. 14, 2025	Fixed	10 years	8.0 years
	Sumitomo Mitsui Trust Bank, Limited		1,500	1,500	Mar. 31, 2015	0.98000	Mar. 31, 2025	Fixed	10 years	8.0 years
	Shinsei Bank, Ltd.		850	850	Mar. 16, 2015	1.01740	Mar. 14, 2025	Fixed (Note 4)	10 years	8.0 years
	Mizuho Trust & Banking Co., Ltd.		850	850	Mar. 16, 2015	1.01740	Mar. 14, 2025	Fixed (Note 4)	10 years	8.0 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	7.5 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	0.91900	Sep. 30, 2024	Fixed (Note 4)	9.5 years	7.5 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	5.5 years
	Mizuho Bank, Ltd.		800	800	Apr. 15, 2016	0.54500	Mar. 31, 2026	Fixed (Note 4)	10 years	9.0 years
	The Bank of Fukuoka, LTD.		800	800	Apr. 15, 2016	0.50130	Mar. 31, 2026	Fixed	10 years	9.0 years
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.		2,000	2,000	Aug. 31, 2016	0.44000	Aug. 31, 2026	Fixed (Note 4)	10 years	9.4 years
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.		1,600	1,600	Feb. 17, 2017	0.48500	Aug. 15, 2025	Fixed	8.5 years	8.4 years
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.		1,129	3,000						
	Mitsubishi UFJ Trust and Banking Corporation		1,041		Mar. 6, 2017	Undetermined	Sep. 4, 2026	Fixed	9.5 years	9.4 years
	Sumitomo Mitsui Trust Bank, Limited		830							
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.		1,684	4,500						
	Mitsubishi UFJ Trust and Banking Corporation		1,562		Mar. 6, 2017	Undetermined	Mar. 6, 2026	Fixed	9 years	8.9 years
	Sumitomo Mitsui Trust Bank, Limited		1,244							
	Sumitomo Mitsui Trust Bank, Limited		1,500	1,500	Mar. 6, 2017	Undetermined	Mar. 6, 2025	Fixed	8 years	7.9 years
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.		1,090	2,900						
	Mitsubishi UFJ Trust and Banking Corporation		1,009		Mar. 17, 2017	Undetermined	Sep. 17, 2025	Fixed	8.5 years	8.5 years
	Sumitomo Mitsui Trust Bank, Limited		800							
	Development Bank of Japan Inc.		1,000	1,000	Mar. 17, 2017	Undetermined	Mar. 16, 2029	Fixed	12 years	12.0 years
	Mizuho Bank, Ltd.		1,000	1,000	Mar. 17, 2017	Undetermined	Mar. 17, 2027	Fixed	10 years	10.0 years
	The Bank of Fukuoka, LTD.		1,000	1,000	Mar. 17, 2017	Undetermined	Mar. 17, 2027	Fixed	10 years	10.0 years
	Mizuho Trust & Banking Co., Ltd.		1,000	1,000	Mar. 17, 2017	Undetermined	Mar. 17, 2027	Fixed	10 years	10.0 years
	THE NISHINIPPON CHITIBANK, LTD.		1,000	1,000	Mar. 17, 2017	Undetermined	Mar. 17, 2027	Fixed	10 years	10.0 years
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.		1,000	1,000	Mar. 17, 2017	Undetermined	Mar. 17, 2026	Fixed	9 years	9.0 years
Sumitomo Mitsui Banking Corporation		1,500	1,500	Mar. 17, 2017	Undetermined	Mar. 17, 2025	Fixed	8 years	8.0 years	
The Notochukin Bank		1,000	1,000	Mar. 17, 2017	Undetermined	Mar. 17, 2025	Fixed	8 years	8.0 years	
The Bank of Tokyo-Mitsubishi UFJ, Ltd.		2,106								
Mitsubishi UFJ Trust and Banking Corporation		1,949	5,600	Mar. 31, 2017	Undetermined	Sep. 30, 2025	Fixed	8.5 years	8.5 years	
Sumitomo Mitsui Trust Bank, Limited		1,546								
Mitsubishi UFJ Trust and Banking Corporation		1,000	1,000	Mar. 31, 2017	Undetermined	Mar. 31, 2027	Fixed	10 years	10.0 years	
Sumitomo Mitsui Banking Corporation		600	600	Mar. 31, 2017	Undetermined	Mar. 31, 2025	Fixed	8 years	8.0 years	
Shinsei Bank, Ltd.		1,000	1,000	Mar. 31, 2017	Undetermined	Mar. 31, 2027	Fixed	10 years	10.0 years	
Development Bank of Japan Inc.		1,300	1,300	Mar. 31, 2017	Undetermined	Mar. 30, 2029	Fixed	12 years	12.0 years	
Mizuho Bank, Ltd.		1,200	1,200	Mar. 31, 2017	Undetermined	Mar. 31, 2027	Fixed	10 years	10.0 years	
Investment corporation bonds	First series unsecured investment corporation bonds	5,000	5,000	Dec. 27, 2012	1.40000	Dec. 27, 2022	Fixed	10 years	5.7 years	
	Third series unsecured investment corporation bonds	2,000	2,000	Jun. 26, 2014	0.89000	Jun. 26, 2024	Fixed	10 years	7.2 years	
	Fourth series unsecured investment corporation bonds	3,000	3,000	Dec. 26, 2016	0.40000	Dec. 25, 2026	Fixed	10 years	9.7 years	
	Total / Average	131,500	131,500		Undetermined			8.9 years	5.9 years	

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

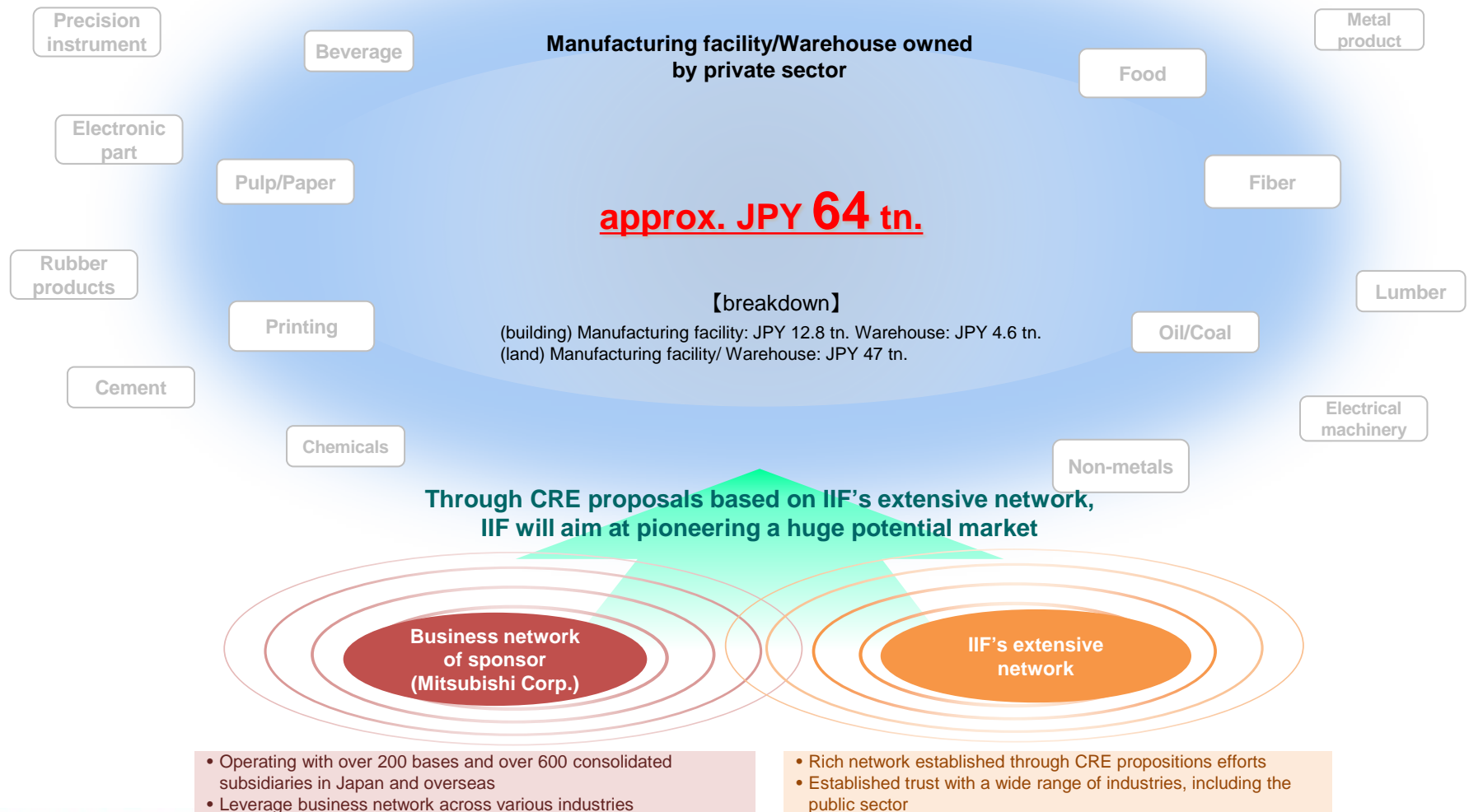
(Note3) Source: Ministry of Land, Infrastructure, Transport and Tourism

(Note4) Source: ARES J-REIT REPORT (Jan 2017)

Potentials of manufacturing facility investments

Continuously lead acquisition of the high potential manufacturing facility market

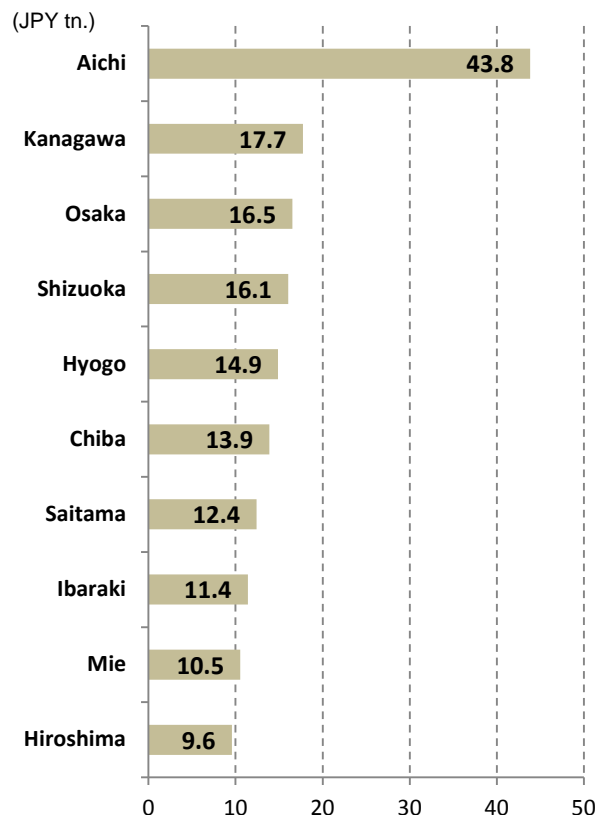
**Start of securitization of manufacturing-facility assets,
which presents a large potential market**



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

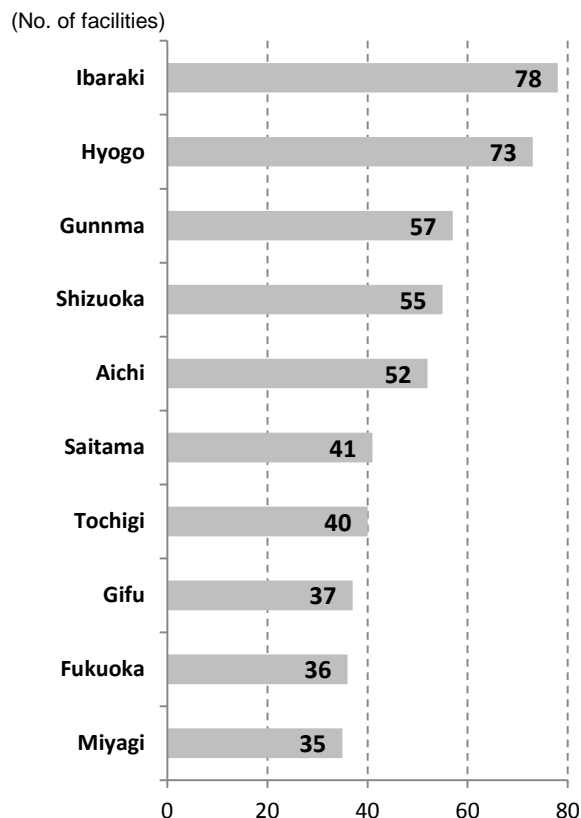


(Source) Ministry of Economy, Trade and Industry, "Census of Manufacture", 2014

(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

- ▶ Japanese companies are facing growing demand for improving capital efficiency because their ROE levels are lower throughout the world and there is a gap in attitude toward ROE between investors and companies

One of the world's largest pension funds
is focusing on capital efficiency

"GPIF"

**Recent Changes to Government Pension
Investment Fund investment policies**

Investment policy changed to support investment
managers who comply with the Japanese Stewardship
Code (e.g., use of JPX Nikkei Index 400 as a benchmark)

Index change brings discipline

"JPX400"
Launch of JPX Nikkei Index 400

Eligibility criteria include 3-year average ROE as a
benchmark, 3-year accumulated operating profits,
appointment of independent outside directors and
adoption of IFRS.

Investor communications seeking to improve capital efficiency

"Stewardship Code"
Formulation of Japan Stewardship Code

Japanese institutional investors have accepted the new
Stewardship Code which has as its core tenet the
improvement of corporate value and efficiency through
increased dialogue between institutional investors and
Japanese companies^(Note 1)

**Increasing focus
on ROE**

Quantitative target requirements

"Corporate Governance Code"
Japan's new Corporate Governance Code

The new Code became effective on June 1, 2015, under
which listed companies are required to present targets of
profitability and capital efficiency and to mention how to
allocate managerial resources to meet such targets, in
their business strategy and plans

ISS amendments increase pressure to achieve 5% ROE

"ISS"
**Amendments to Institutional Shareholder
Services Inc.'s proxy voting guidelines**

ISS's amendments recommend investors that vote against
directors if a company's average ROE is lower than 5% for
5 consecutive fiscal period (effective as of February
2015)^(Note 2)

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

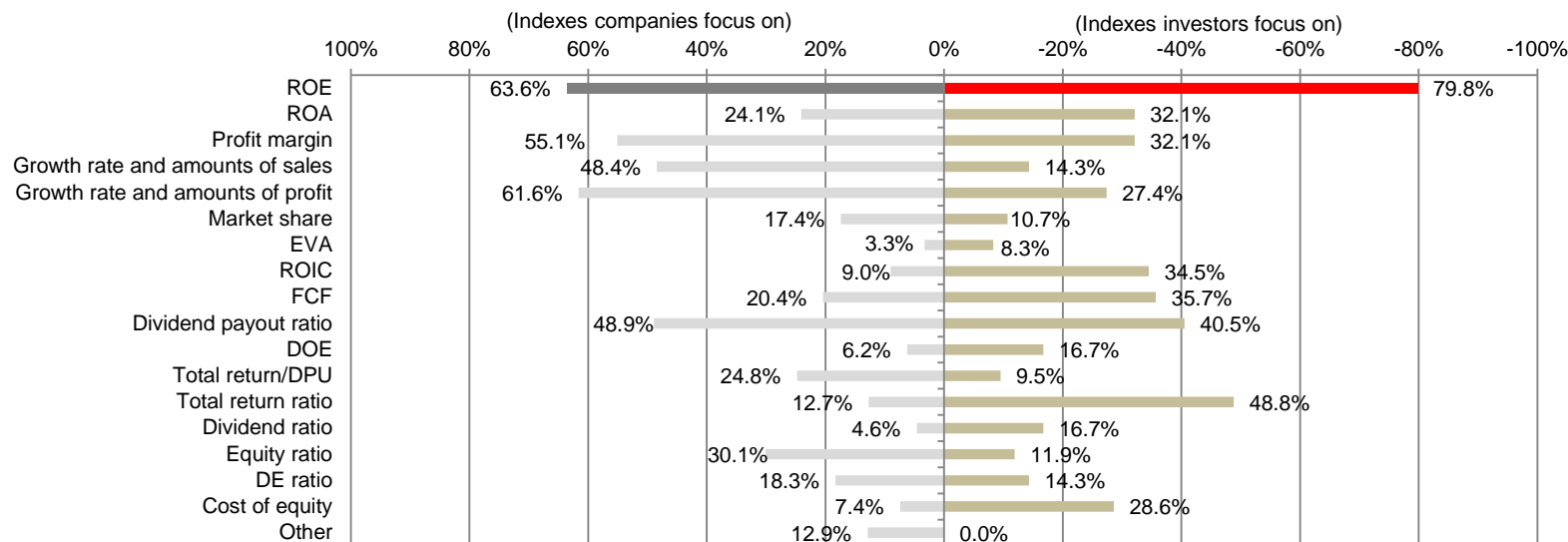
(Note 1) As of Dec 27th, 2016.

(Note 2) Except for the case where ROE of the most recent fiscal year is 5% or more

Potential for CRE (2)

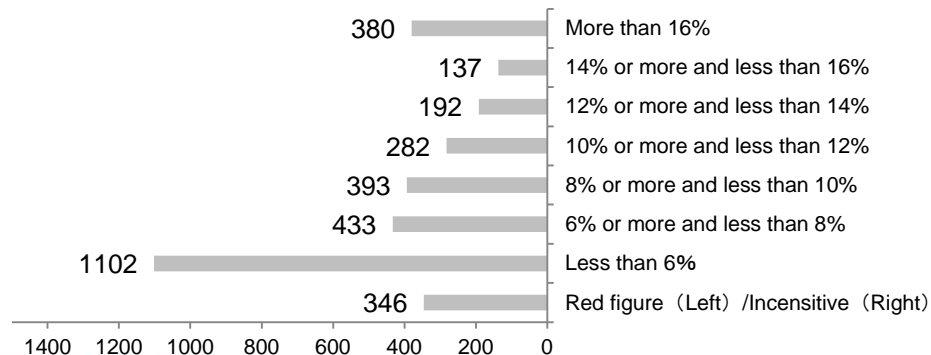
Increasing focus on CRE through capital market

Indexes recommended to emphasize as business objectives

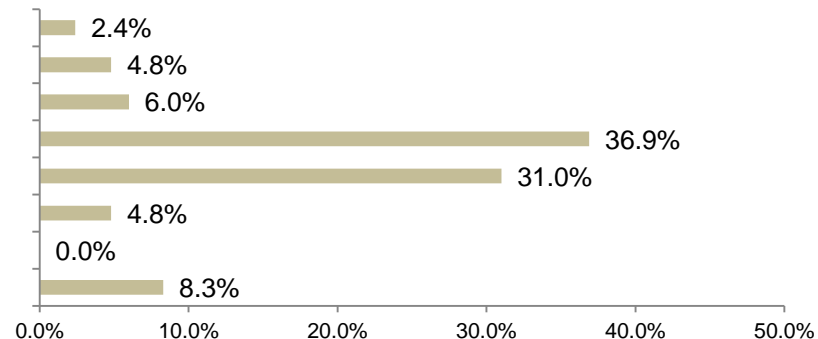


ROE target recommended in the medium-to-long term

Distribution of ROE target of Japanese companies



ROE target investors want



(Source) 2015 survey by the Life Association of Japan

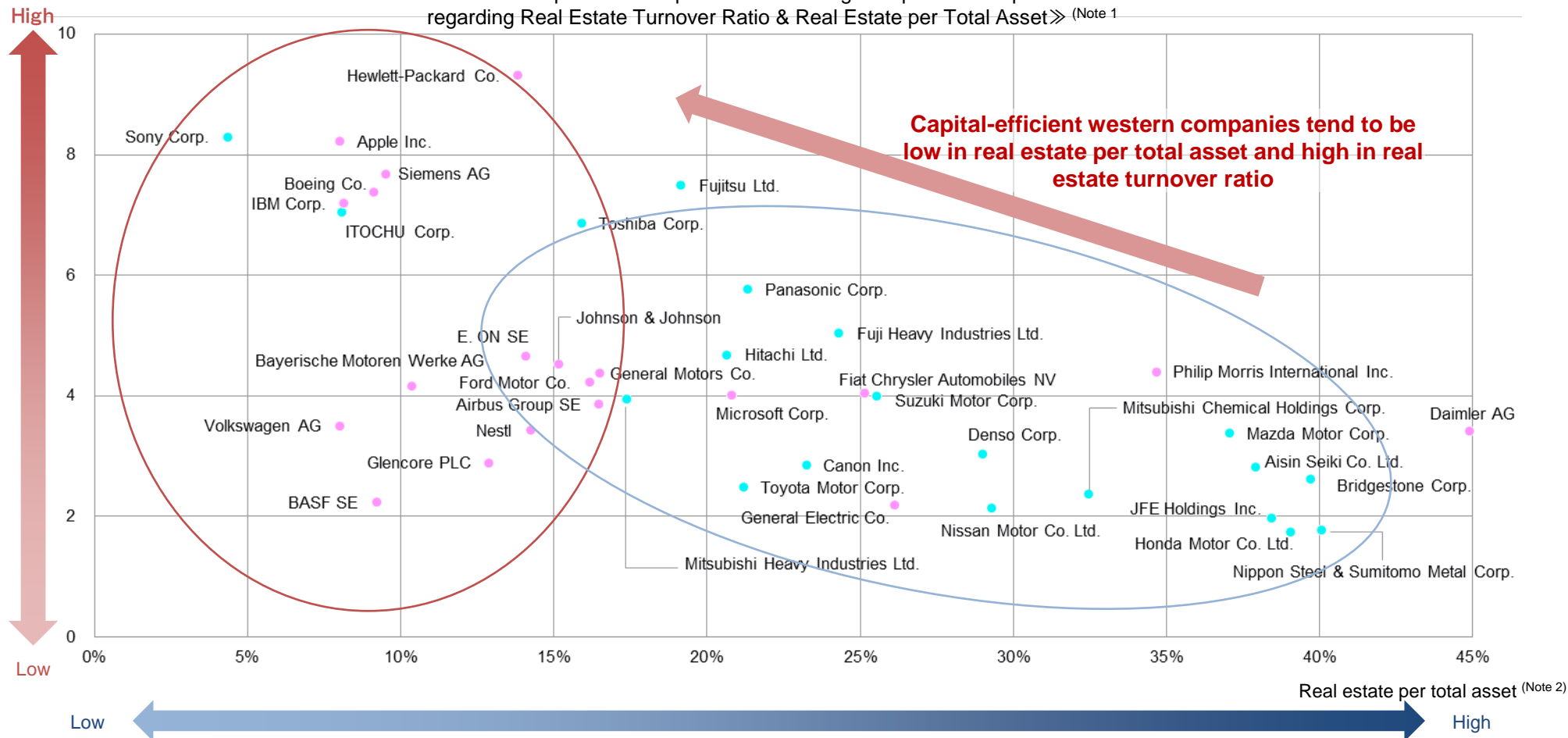
Potential for CRE (3)

Seek external growth opportunities through CRE proposals as a solution provider

■ Possibility of accelerating off-balance transaction in manufacturing industry

Real estate turnover ratio (Note 2)

«International Comparison of Top 20 Manufacturing Companies in Japan and the West regarding Real Estate Turnover Ratio & Real Estate per Total Asset» (Note 1)



(Source) Bloomberg, Company disclosure, The 2015 Industry Week 1000

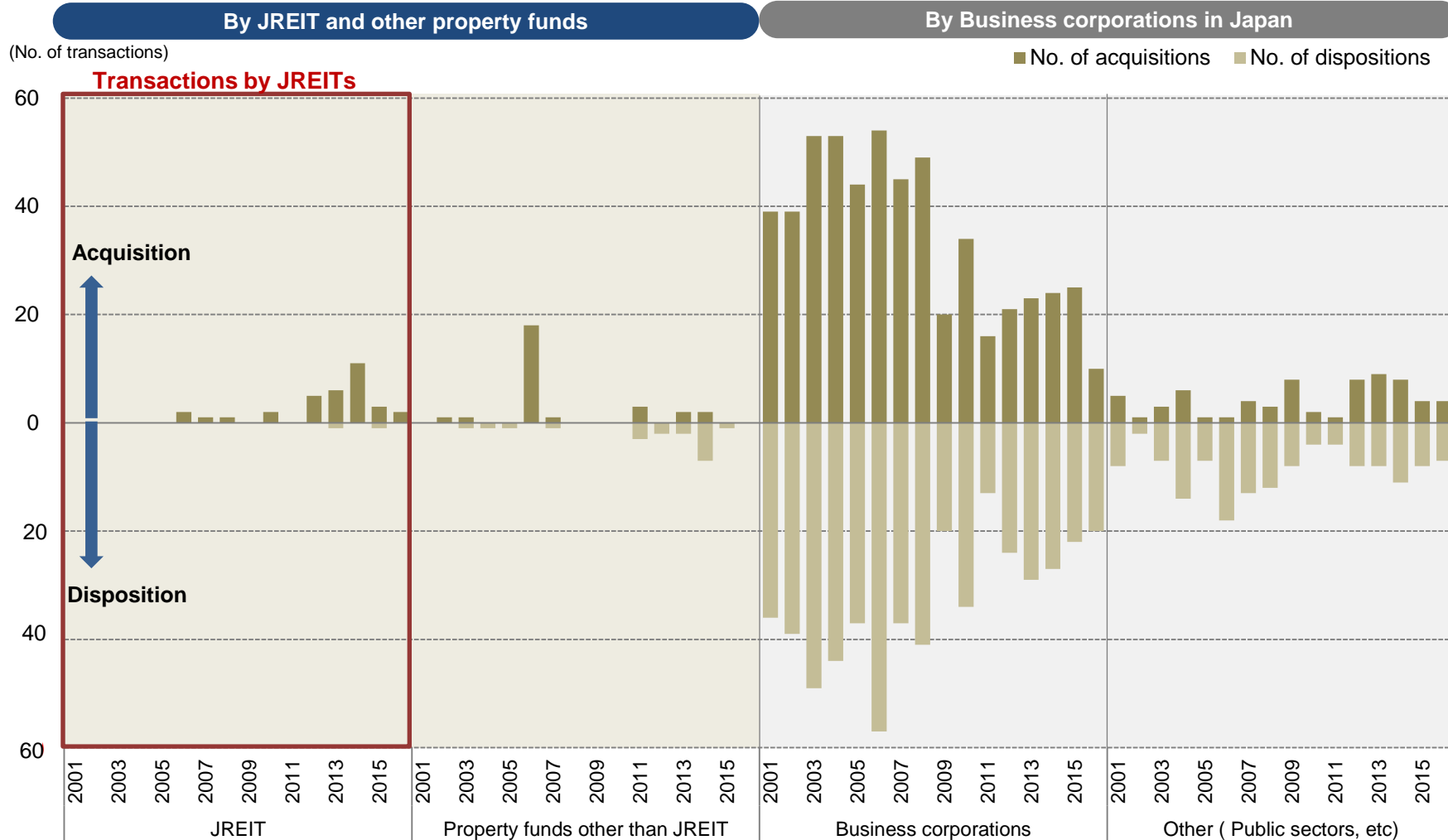
(Note 1) Based on The 2015 Industry Week 1000, extract top 20 manufacturing companies in revenue excluding companies in petroleum industry (as of 7/21/2016)

(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

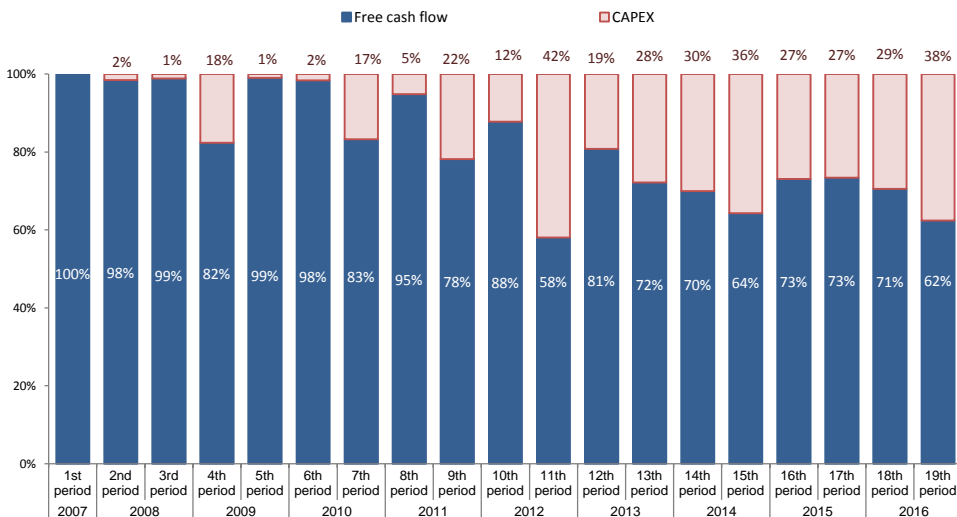
(Note 1) "Industrial facilities " indicates manufacturing facilities, R&D centers, Data Centers, infrastructure facilities and other industrial properties, does not include logistics facilities

(Note 2) As of June 30, 2016

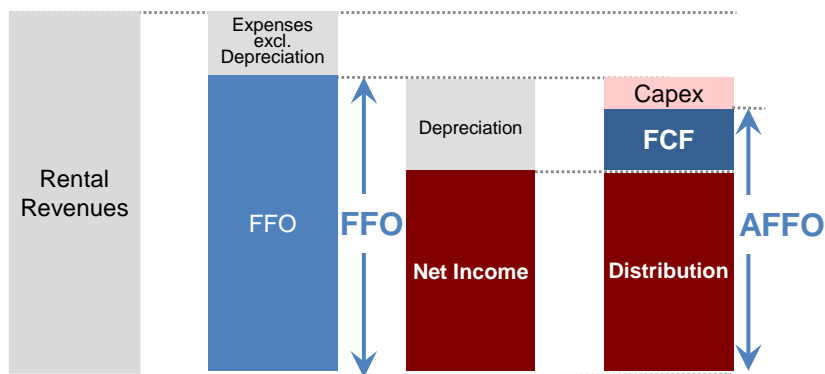
Our Policy for Use of Free Cash Flows: For Continuous Growth of Equity

Our Income / Cash Flow Structure

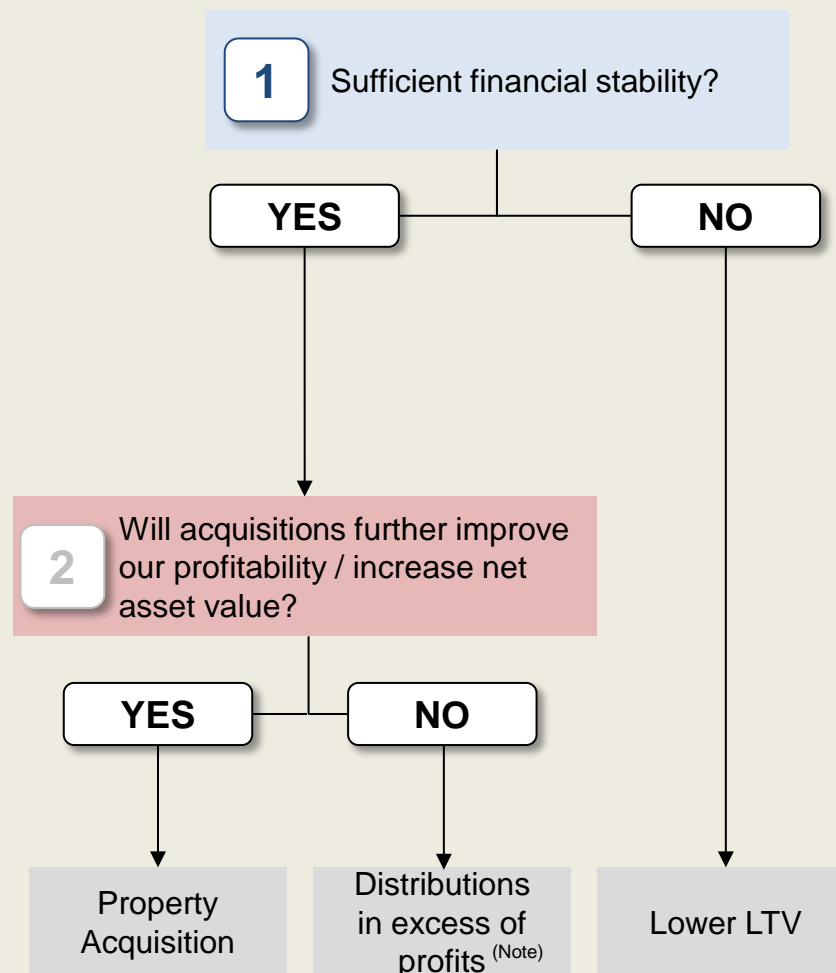
Average FCF JPY 639 mn. / per fiscal period
 ※(since IPO, exclude 1st fiscal period)



<Cash Flow Structure> (Image)



Decision tree to select the best alternative

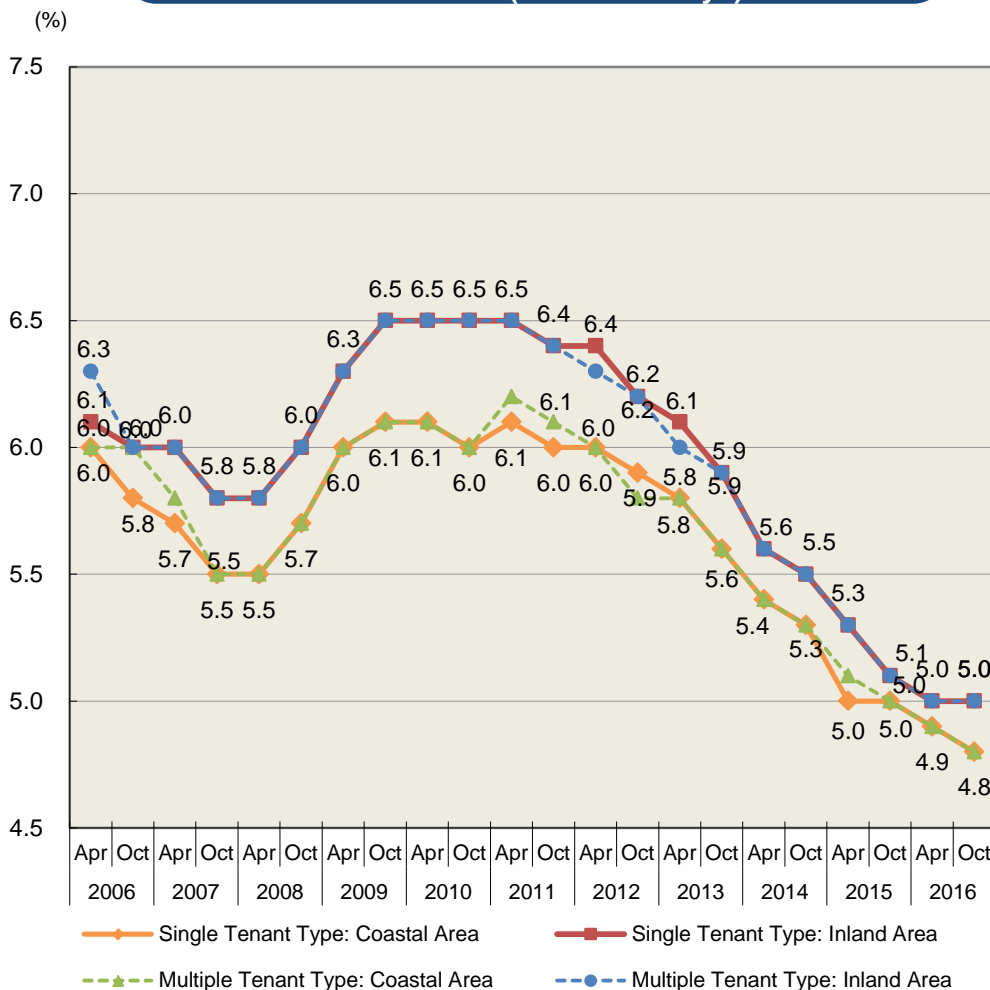


(Note) Excludes temporary distributions in excess of profits when DPU is expected to decrease temporarily due to issuance of new investment units or other similar causes

Overview of the Logistics Market (1)

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

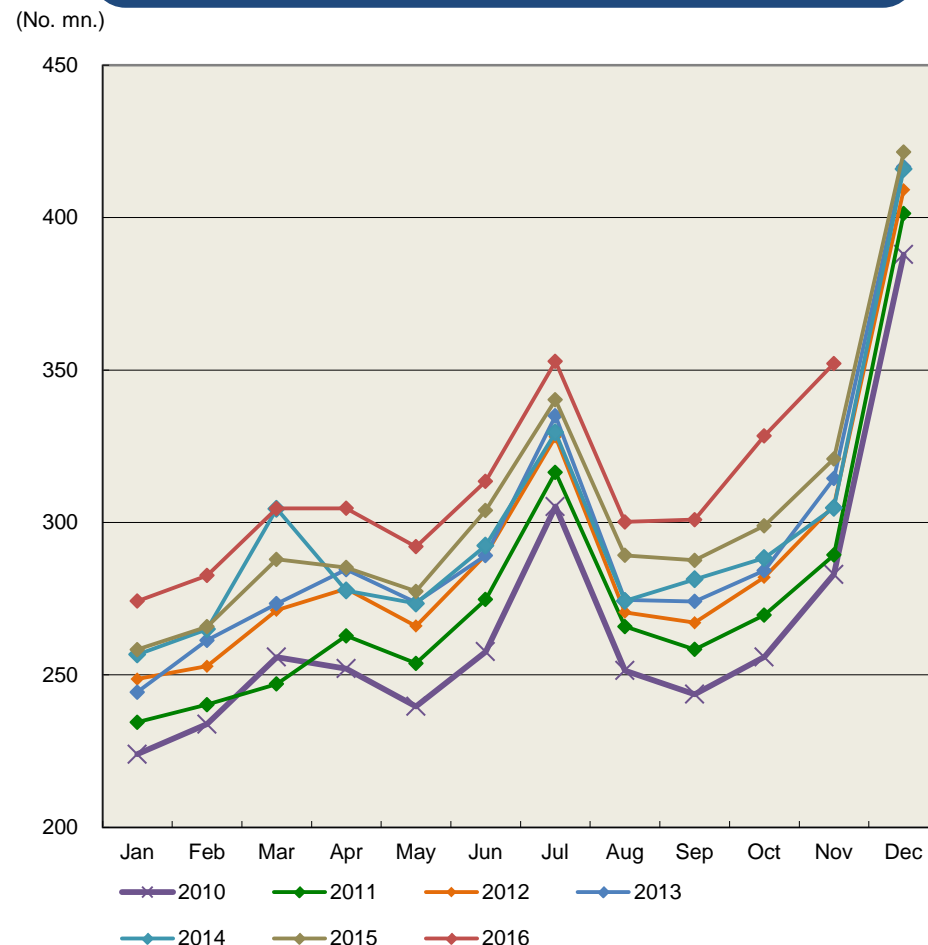
Expected Cap Rate of Logistics Properties and Warehouses (Location: Tokyo)



(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

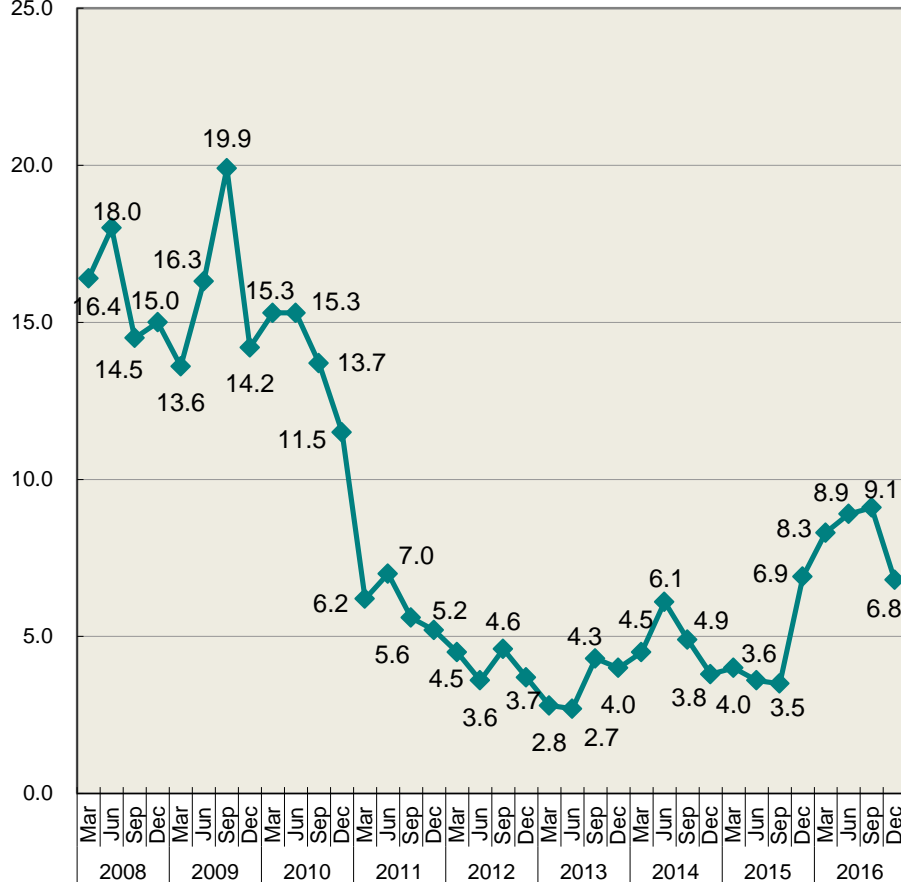
Historical Number of Parcels for Home Delivery Service



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

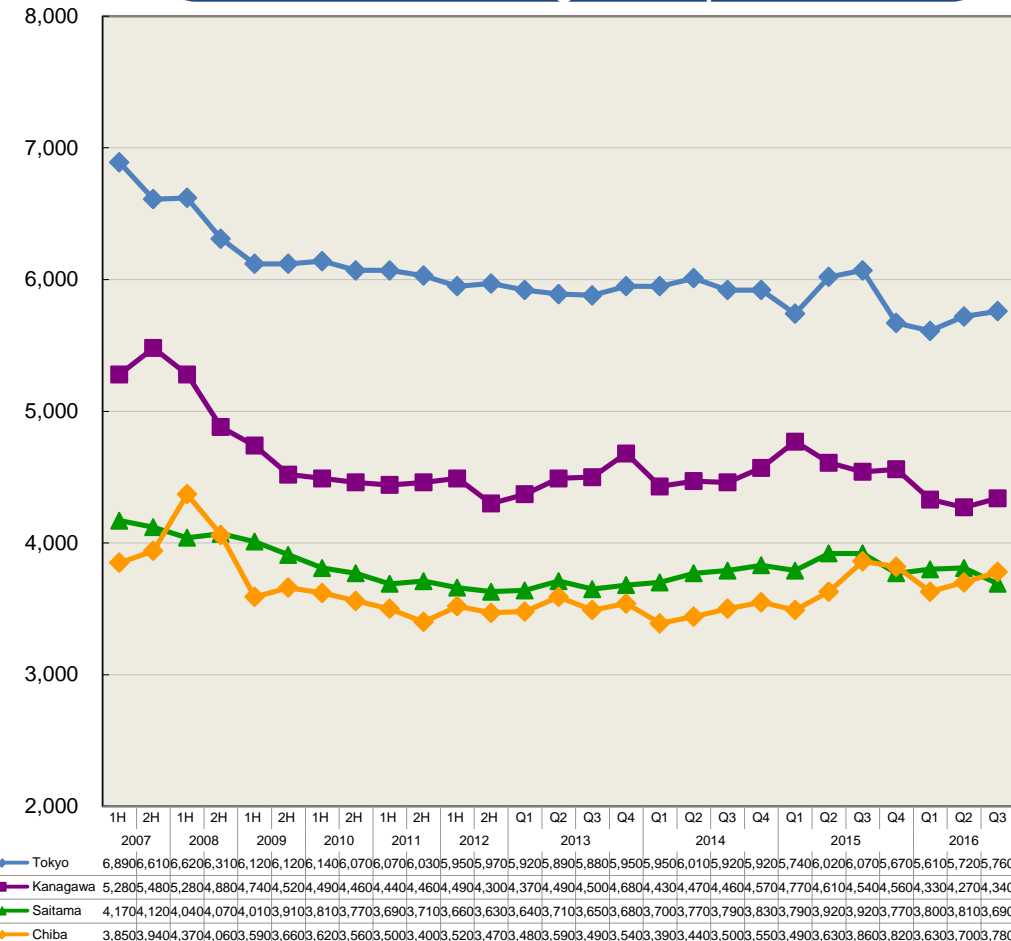
- Regarding Tokyo area, due to large supply, demand/supply balance was disturbed for a while. Asking rent level dropped; actual rent level is expected to remain flat

(%)
25.0



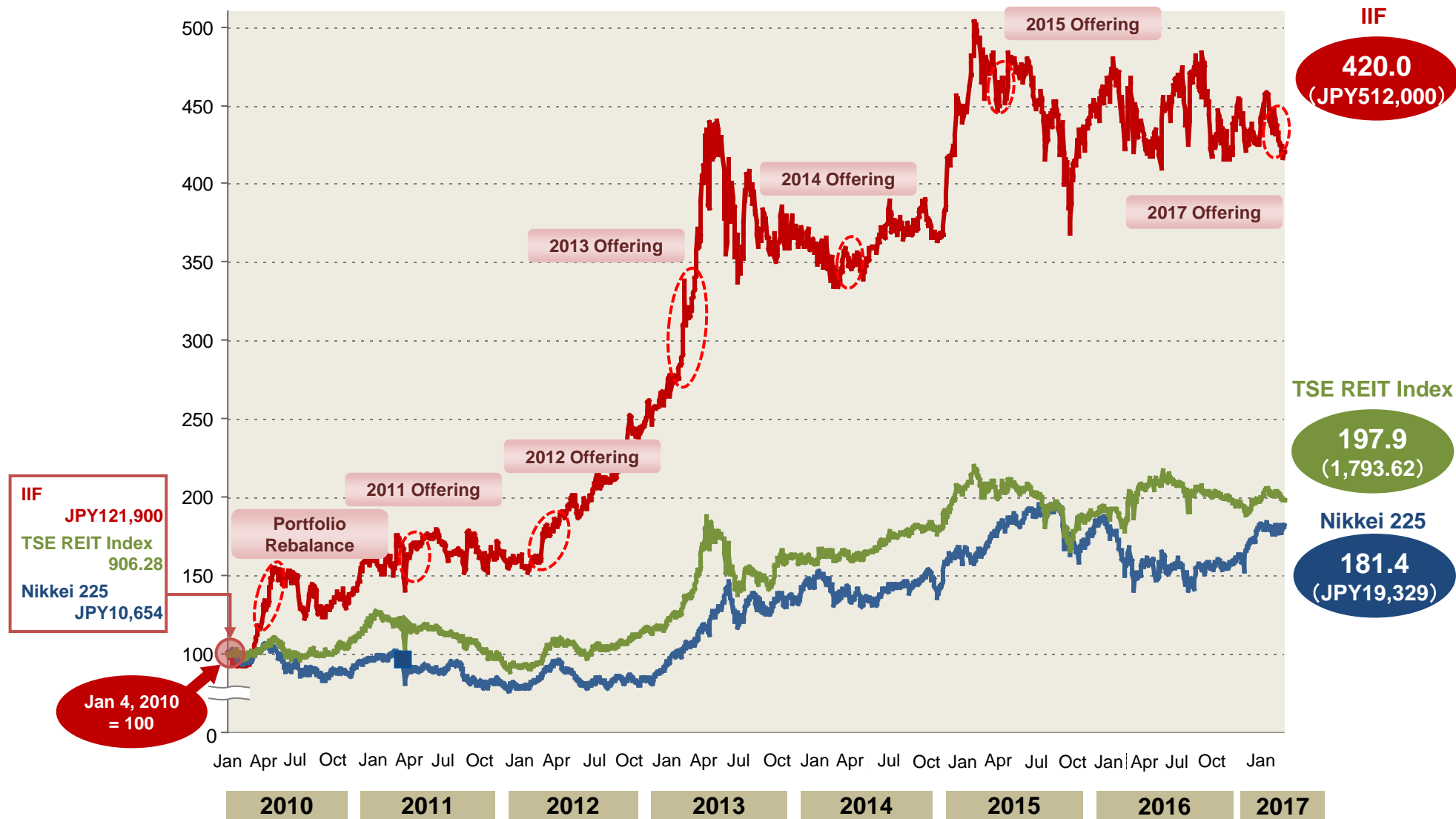
(Source) CBRE: Industrial Market Report

(JPY / tsubo)



(Note) Based on CBRE Data

Unit Price Performance (Jan 4, 2010 ~ Feb 16, 2017)



(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 ~ Feb 16, 2017)



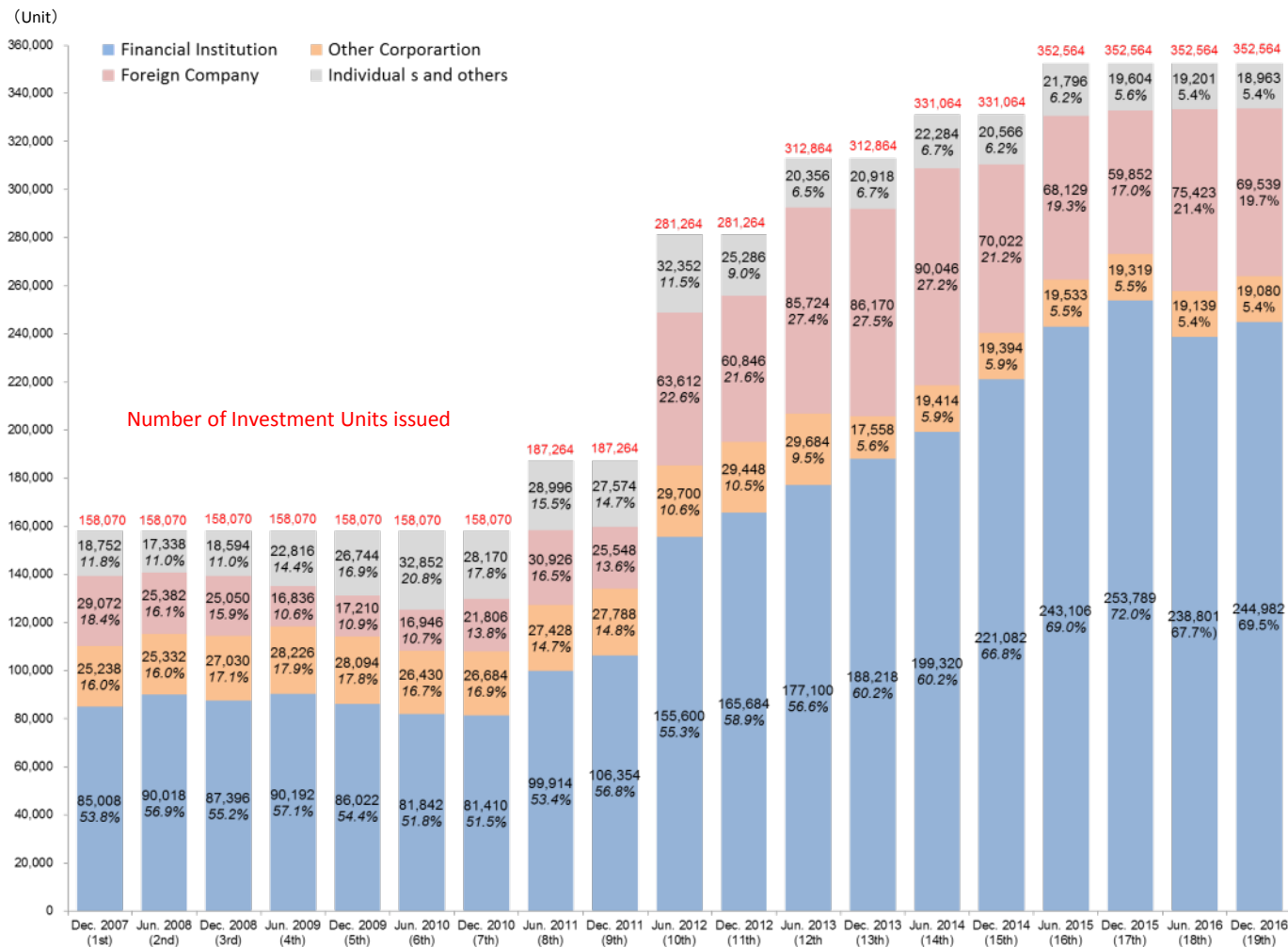
(Note 1) Based on closing prices
(Note 2) Y-axis indicates unit price trend (Tokyo Stock Exchange) using Jan 4, 2010 as the base date with index value equal to 100
(Source) Bloomberg

Investors' Attributes

Top 20 Investors as of the End of Dec 2016

Rank	Name	Number of Units Held	Ownership Ratio (%)
1	Japan Trustee Services Bank, Ltd. (Trust Account)	61,097	17.32
2	Master Trust Bank of Japan, Ltd. (Trust Account)	35,138	9.96
3	Trust & Custody Services Bank, Ltd. (Securities Investment Trust Account)	27,998	7.94
4	NOMURA BANK (LUXEMBOURG) S.A.	21,302	6.04
5	Nomura Trust and Banking Co., Ltd. (Trust Account)	13,580	3.85
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	STATE STREET BANK AND TRUST COMPANY 505012	5,071	1.43
11	Development Bank of Japan Inc.	5,000	1.41
12	Trust & Custody Services Bank, Ltd. (Cash in Trust Taxable Account)	4,829	1.36
13	The Chukyo Bank, Ltd.	4,606	1.30
14	The Hachijuni Bank, Ltd.	4,530	1.28
15	CBNY DFA INTERNATIONAL REAL ESTATE SECURITIES PORTFOLIO	3,791	1.07
16	THE HOKURIKU BANK, LTD.	3,734	1.05
17	THE ASHIKAGA BANK, LTD.	3,530	1.00
18	Nippon Tosho Fukyu Co., Ltd.	3,140	0.89
19	The Bank of Kyoto, Ltd.	3,123	0.88
20	THE BANK OF NEW YORK, NON-TREATY JASDEC ACCOUNT	2,923	0.82
Total of Top 20		228,503	64.81

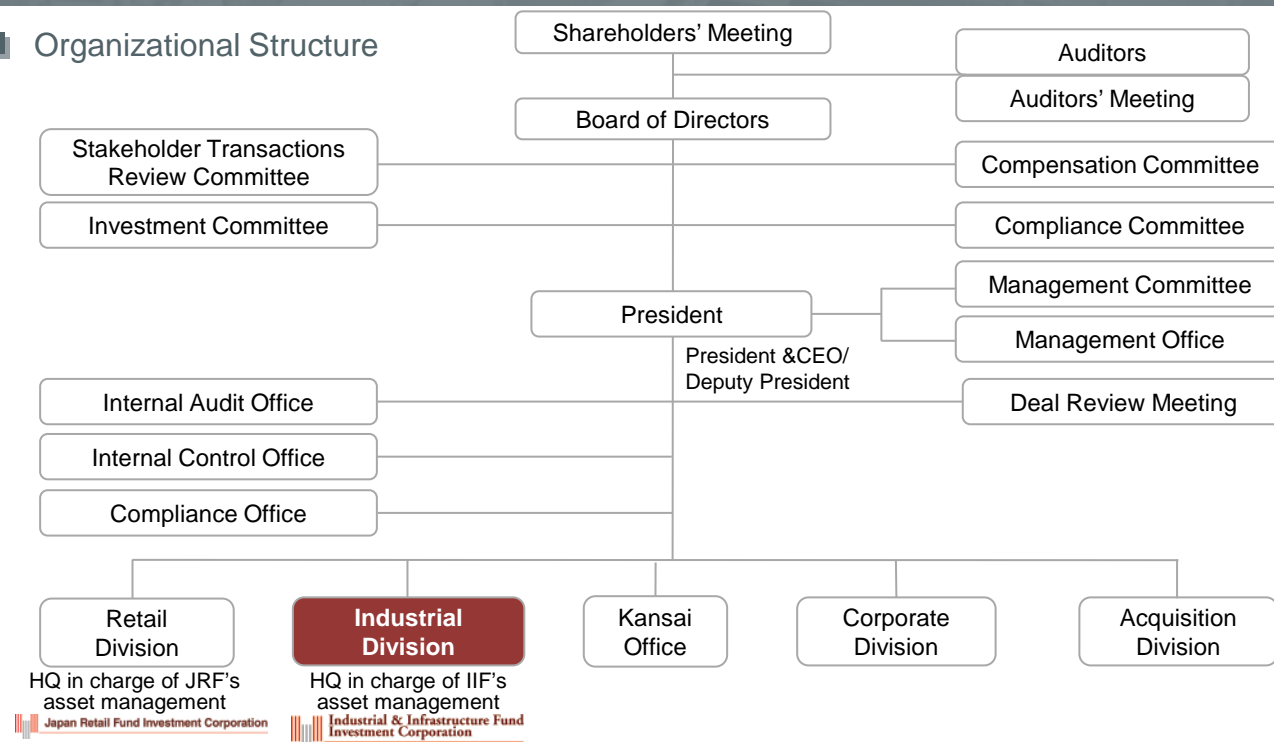
Unit Holder Composition



(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 123
(excluding part-time directors and employees)

Number of Licensed Persons Out of the Above

• Licensed Real Estate Agents	41
• First-class Architects	9
• Real Estate Appraisers	5
• Certified Member of Security Analysts Association of Japan	5
• CPA	1
• Certified Tax Accountants	1
• MBA (including US and UK)	3

(Note) As of Feb.1 2017

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

Shareholders of Asset Management Company

Name	Number of Shares Held (shares)	Percentage
Mitsubishi Corporation	5,100	51.0
UBS Asset Management AG	4,900	49.0

(Note) As of Feb. 1, 2017

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)