

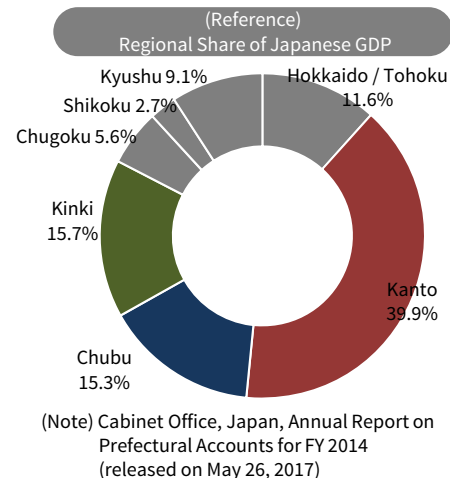
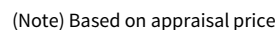
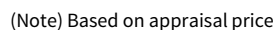
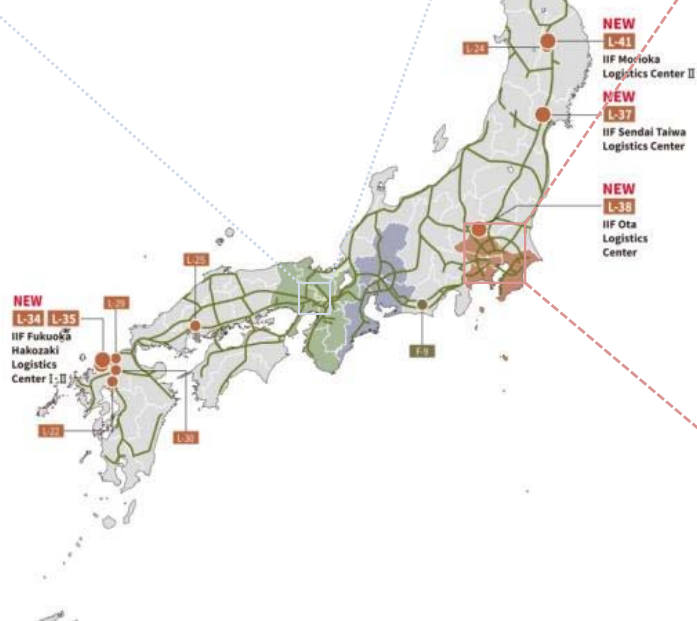
Think bold today for a brighter tomorrow.



# Investor Presentation for the July 2017 (20th) Period ～Appendix～

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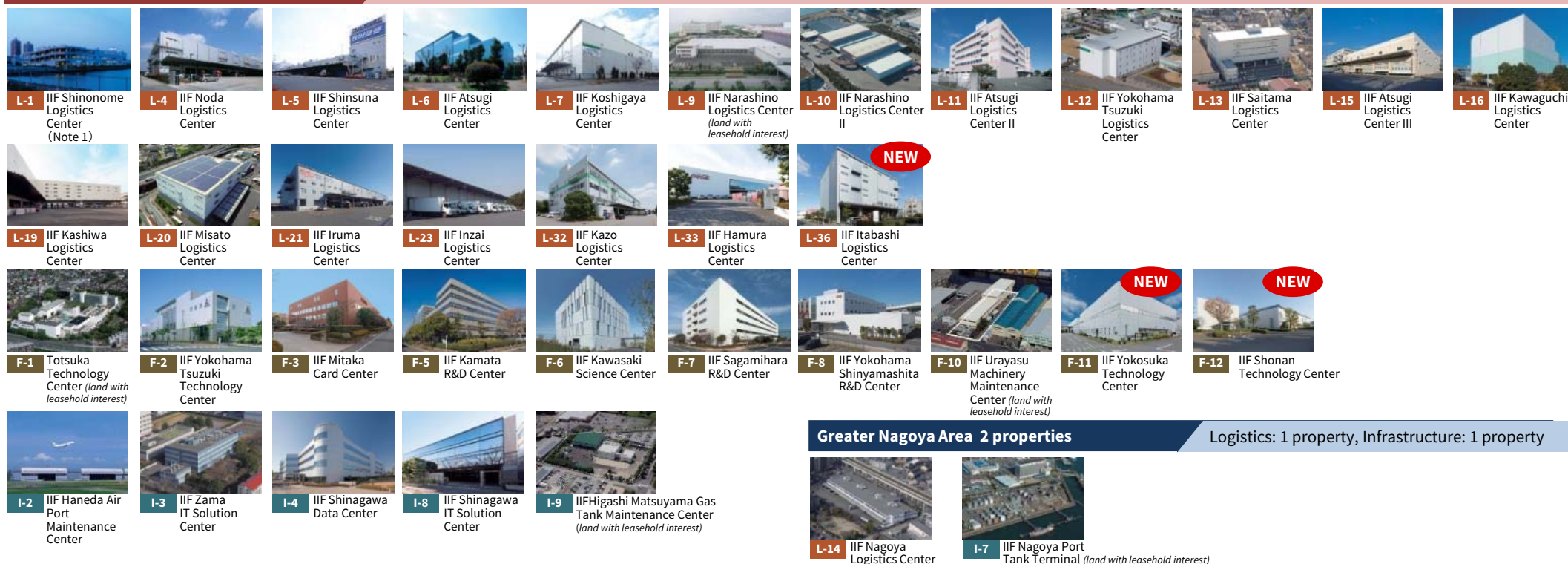
(Note) Ministry of Land, Infrastructure, Transport and Tourism, Japan, "Recommendation Paper from the Council of Advisers for Revitalization of Metropolitan Expressways" (Sep 2012)



# Our portfolio (As of end Jul 2017)

## Greater Tokyo Area 34 properties

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

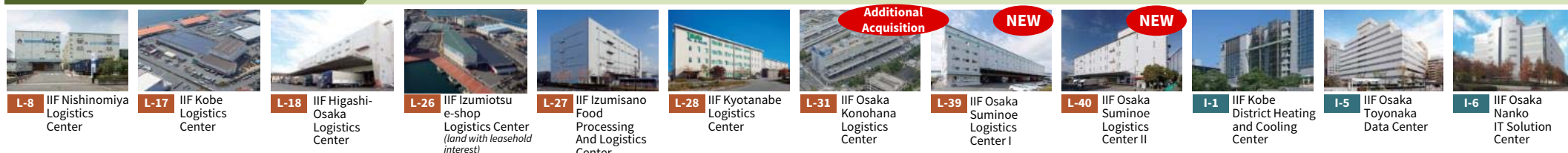


## Greater Nagoya Area 2 properties

Logistics: 1 property, Infrastructure: 1 property

## Greater Osaka Area 12 properties

Logistics: 9 properties, Infrastructure: 3 properties



## Other Areas 11 properties

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





# (Asset acquired in July 2017 Fiscal Period) IIF 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(3) 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

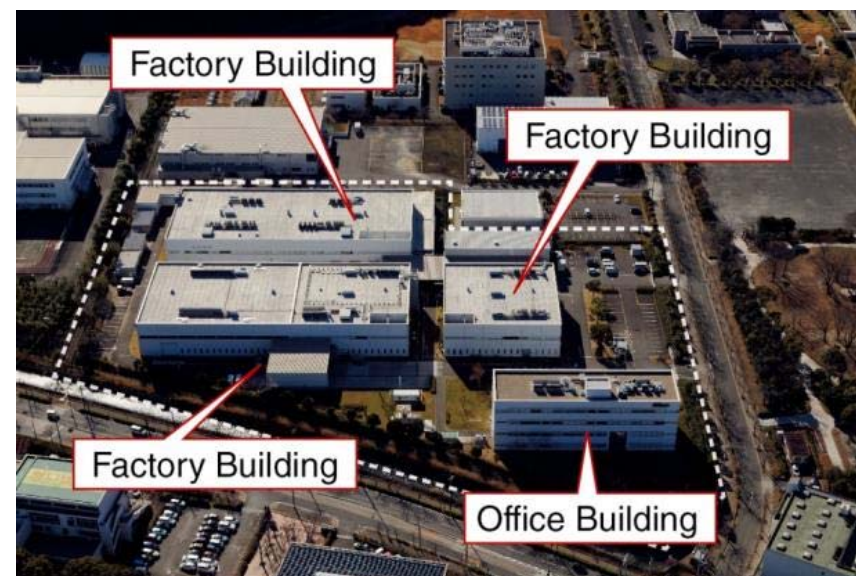
- Located in Kurihama Techno Park, in which production plants and R&D centers of major domestic manufacturers are concentrated within walking distance of the closest station and near an expressway interchange
- Highly-versatile facility that can meet approximately needs of various industries' manufacturing 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

1 The figures are derived by dividing the net operating income used in calculating the appraisal value under the direct approach indicated in the appraisal report or the survey report by the acquisition price.

2 The figures are derived by dividing the net operating income used in calculating the appraisal value under the direct approach indicated in the appraisal report or the survey report minus depreciation actual or forecast by the acquisition price.

3 FPD stands for "Flat Panel Display", the collective term of flat-panel displays

Acquisition price		<b>JPY 4,000 mn</b>
NOI Yield based on stabilized forecast (Based on Appraisals)	before depreciation	<b>7.2% (7.3%)<sup>(1)</sup></b>
	after depreciation	<b>6.6% (6.7%)<sup>(2)</sup></b>
Tenant		Nikon Corporation
Occupancy rate		100.0%
Lease type		Ordinary Lease
Contract term (Remaining term)		10.0 years (9.1 years)
Cancellation before maturity / Rent revision		Not allowed for 5 years/ Not allowed in general





# (Asset acquired in July 2017 Fiscal Period) IIF Shonan Technology Center



## Long-term Usability

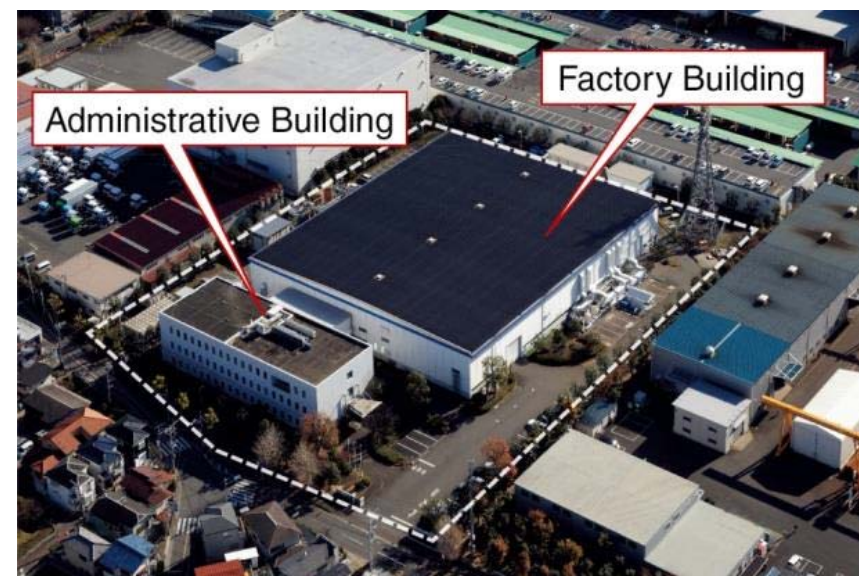
- Started operation in 2006 as Shonan Branch of Nikon Sagami-hara Plant, engaging in development and manufacturing of high-precision glass materials and optical parts for FPD Photomask<sup>(1)</sup> to contribute to Nikon's core businesses

## 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

<sup>1</sup> FPD photomasks are original substrates on which fine circuit patterns are etched on glass plates by lighting.

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		100.0%
Lease type		Ordinary Lease
Contract term (Remaining term)		10.0 years (9.1 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)

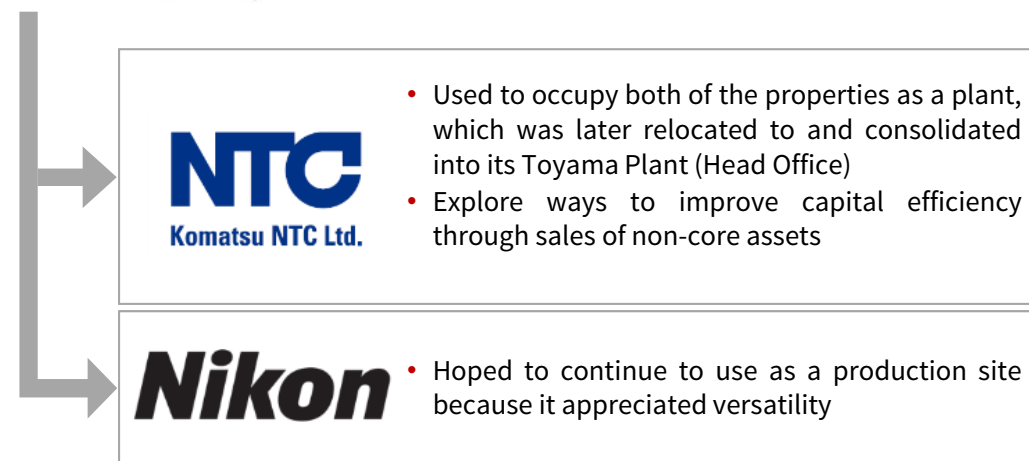
- Location with good access to broad area through transportation



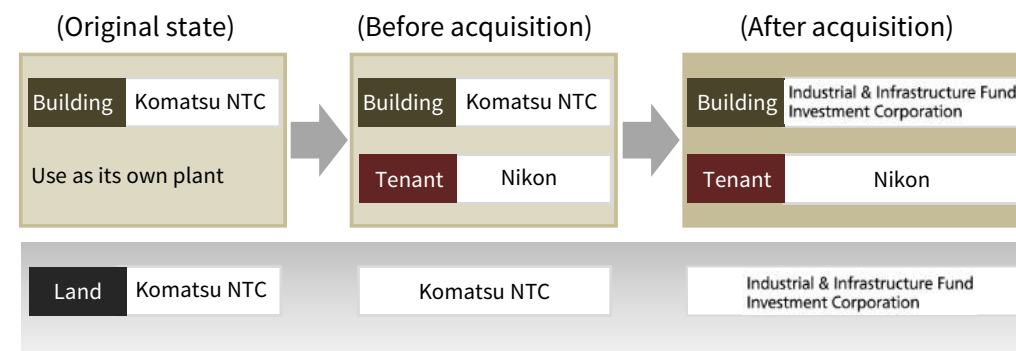
- Acquisition based on CRE proposal to the seller Komatsu NTC and the tenant Nikon

Offering solutions

Industrial & Infrastructure Fund Investment Corporation



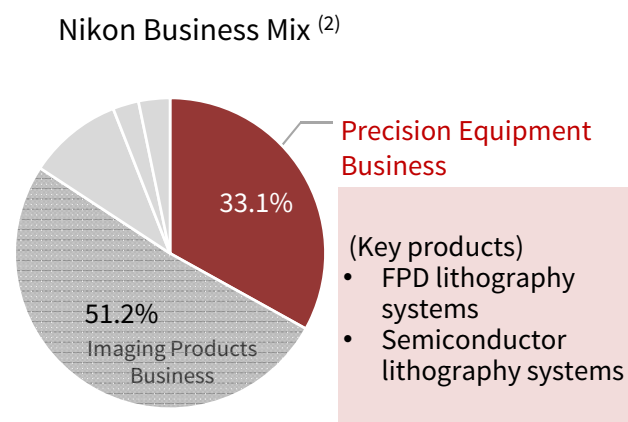
Illustrative Transaction Scheme



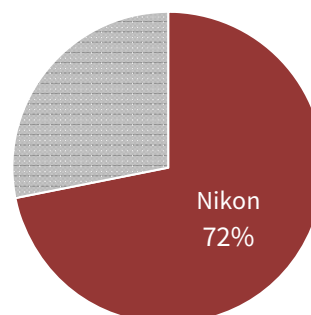
# IIF Yokosuka Technology Center/IIF Shonan Technology Center (Cont'd)

## ■ Acquisition of plants playing key roles in manufacturing of Nikon's FPD <sup>(1)</sup> lithography systems

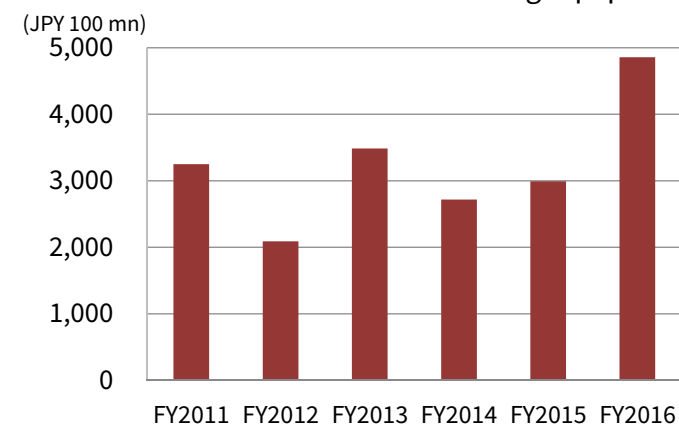
FPD lithography systems manufacturing is one of the core operations within the precision equipment business of Nikon where the company has the largest share in the global market (FY2017/3). IIF is expected that tenant is to continue to use these two facilities as a manufacturing plant supporting its highly-advanced technologies;



**Nikon's Global Share in FPD Lithography Systems Market <sup>(3)</sup>**



**Trends of FPD Manufacturing Equipment**



Source: Semiconductor Equipment Association of Japan. "Market Forecast Report Semiconductor and FPD Manufacturing Equipment(July 6, 2017)"

## <Operations at IIF Yokosuka Technology Center>

Operations	Outline
<p>IIF Yokosuka Technology Center</p> <p><b>Assembly of FPD lithography systems and manufacturing of parts</b></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 2017  
 (3) Based on the Nikon's estimate for the period ended in March 2017



(Asset acquired in July 2017 Fiscal Period)

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



Acquisition price		<b>JPY 3,115 mn</b>
NOI Yield based on stabilized forecast (Based on Appraisals)	before depreciation	<b>4.5% (4.9%)</b>
	after depreciation	<b>3.5% (4.0%)</b>
Tenant		Fukuoka Soko Co., Ltd., etc.
Occupancy rate		100.0%
Lease type		Fixed-term leasehold
Contract term (Remaining term)		10.0 years (0.6 years)
Cancellation before maturity / Rent revision		Not allowed in general/ Negotiable

(Note) Only main tenants.

## 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
- Location near the urban district helping the tenant to ensure workforce easily
- 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





(Asset acquired in July 2017 Fiscal Period)

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



Anticipated acquisition price		<b>JPY 5,451 mn</b>
NOI Yield Based on stabilized forecast (Based on Appraisals)	before depreciation	<b>4.4% (5.0%)</b>
	after depreciation	<b>3.6% (4.2%)</b>
Tenant		NTT Logisco Inc., etc
Occupancy rate		100.0%
Lease type		Fixed-term leasehold
Contract term (Remaining term)		10.0 years (3.4 years)
Cancellation before maturity / Rent revision		Not allowed in general / Not allowed

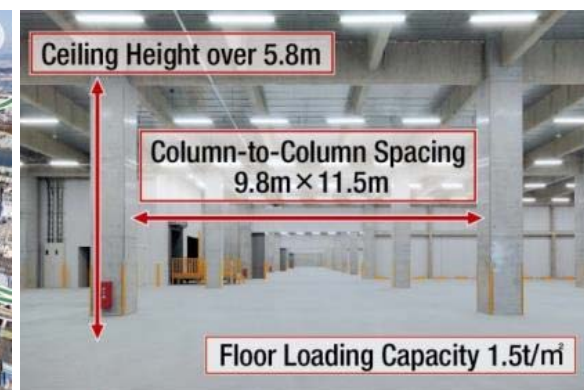
(Note) Only main tenants.

## 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 1<sup>st</sup> floor which can be partitioned into up to four sections and is equipped with double-sided truck berths





(Asset acquired in July 2017 Fiscal Period)

# 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		100.0%
Lease type		Fixed-term leasehold
Contract term (Remaining term)		20.0 years (8.7 years)
Cancellation before maturity / Rent revision		Allowed (1 year notice) / Negotiable



Efficient structure with three sided truck berth

Highly versatile inner specification





(Asset acquired in July 2017 Fiscal Period)

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



### 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

(1) The lease agreement between Toshiba Logistics Corporation is renewed and the current lease term is from September 1, 2017 to August 31, 2018.

Acquisition price		JPY 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		100.0%
Lease type		Ordinary Lease
Contract term (Remaining term) <sup>(1)</sup>		1.0 years (0.1years)
Cancellation before maturity / Rent revision		Allowed (3 months notice) / Not allowed in general





(Asset partially acquired in July 2017 Fiscal Period)

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



- 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

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 (9.6 years)
Cancellation before maturity / Rent revision		Not allowed in general / Negotiable

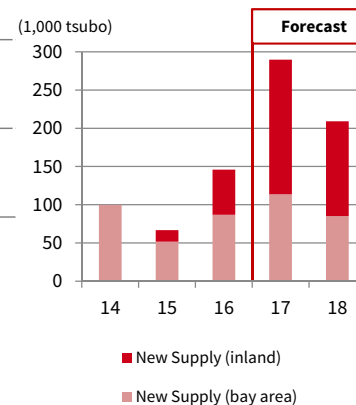
Long-term Usability

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

Versatility

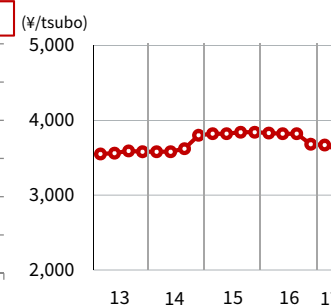
- Good location near an expressway exit and a cargo station, approximately 6km from Osaka city center
- Shin-Osaka Post Office located next to the facility supports its perception as a prime location as a logistics base

【New Supply of Logistics Facilities in the Greater Osaka】



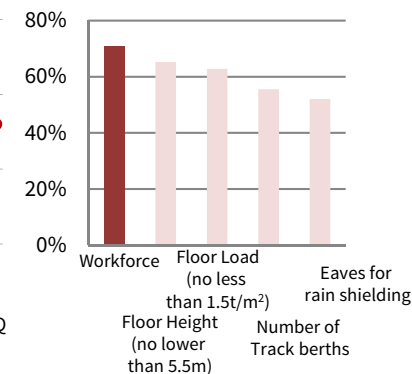
Source: CBRE June 2017

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



Source: CBRE Japan 2017 2Q

【Five Most Important Points for Establishing Logistics Facilities】



Source: CBRE  
Researched in Jan. 2015. n=144

1 Figures for 2017 and after are not actual values and are represented by estimates as of June 2017 based on the CBRE survey: thus, these figures may differ from actual values.

2 The chart shows the results of the answer to the question about what was/were valued in planning to establish a new logistics facility asked by CBRE Japan as a part of the CBRE's questionnaire directed at 144 logistics companies (in January 2015 with multiple answers allowed).



(Asset acquired in July 2017 Fiscal Period) **IIF Itabashi Logistics Center** (60% Co-ownership Interest) ( Left ) /  
(Asset acquired in July 2017 Fiscal Period) **IIF Morioka Logistics Center II** ( Right )



Acquisition price		<b>JPY 1,031 mn</b>
NOI Yield based on stabilized forecast (Based on Appraisals)	before depreciation	<b>4.4% (4.9%)</b>
	after depreciation	<b>3.7% (4.2%)</b>
Tenant		Higashi Twenty One Co., Ltd.
Occupancy rate		100.0%
Lease type		Ordinary Lease
Contract term (Remaining term)		20.0 years (9.8 years)
Cancellation before maturity / Rent revision		Not allowed in general / Negotiable

**Long-term Usability**

- The facility built on the premise that the tenant would occupy and utilize it as an important base of 3PL operation<sup>(1)</sup>, as “Tokyo Sogo Butsuryu Center (Tokyo Integrated Logistics Center)”
- Long-term lease contract of 20 years (expiring in 2027)

**Versatility**

- 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		<b>JPY 1,302 mn</b>
NOI Yield based on stabilized forecast (Based on Appraisals)	before depreciation	<b>6.3% (7.3%)</b>
	after depreciation	<b>5.6% (6.6%)</b>
Tenant		Miyago Logistics Co., Ltd.
Occupancy rate		100.0%
Lease type		Fixed-term leasehold
Contract term (Remaining term)		3.0 years (2.8 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 Co., Ltd., a major 3PL operator based in Tohoku
- An important base covering broader northern Tohoku areas for the planned end-tenant, a leading general store

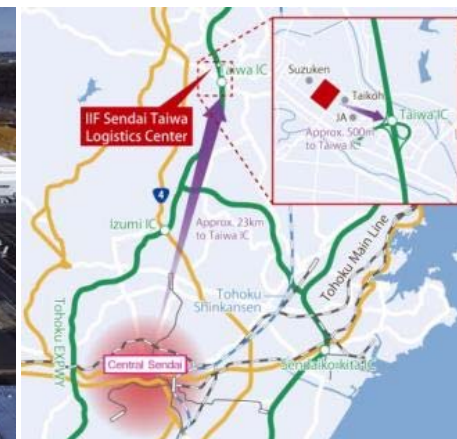
**Versatility**

- 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

<sup>1</sup> 3PL (third party logistics) is a company's use of third party businesses to outsource elements of such company's distribution and fulfillment services.



(Asset acquired in July 2017 Fiscal Period) **IIF Ota Logistics Center ( Left ) /**  
 (Asset acquired in July 2017 Fiscal Period) **IIF Sendai Taiwa Logistics Center ( Right )**



Acquisition price		<b>JPY 1,010 mn</b>
NOI Yield based on stabilized forecast (Based on Appraisals)	before depreciation	<b>6.6% (6.5%)</b>
	after depreciation	<b>5.7% (5.6%)</b>
Tenant		Meitetsu Transportation Co., Ltd.
Occupancy rate		100.0%
Lease type		Fixed-term leasehold
Contract term (Remaining term)		20.0 years (8.6 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 Isesaki 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		<b>JPY 1,480 mn</b>
NOI Yield based on stabilized forecast (Based on Appraisals)	before depreciation	<b>6.0% (6.0%)</b>
	after depreciation	<b>4.8% (4.8%)</b>
Tenant		Miyago Logistics Co., Ltd.
Occupancy rate		100.0%
Lease type		Fixed-term leasehold
Contract term (Remaining term) <sup>(1)</sup>		3.0 years (1.6 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

(1) IIF and Miyago Logistics Co., Ltd. has executed a new lease agreement on 4 August, 2017 which is five years starting from the date of construction completion and delivery of the extension. (Expected to start from December 25, 2017)



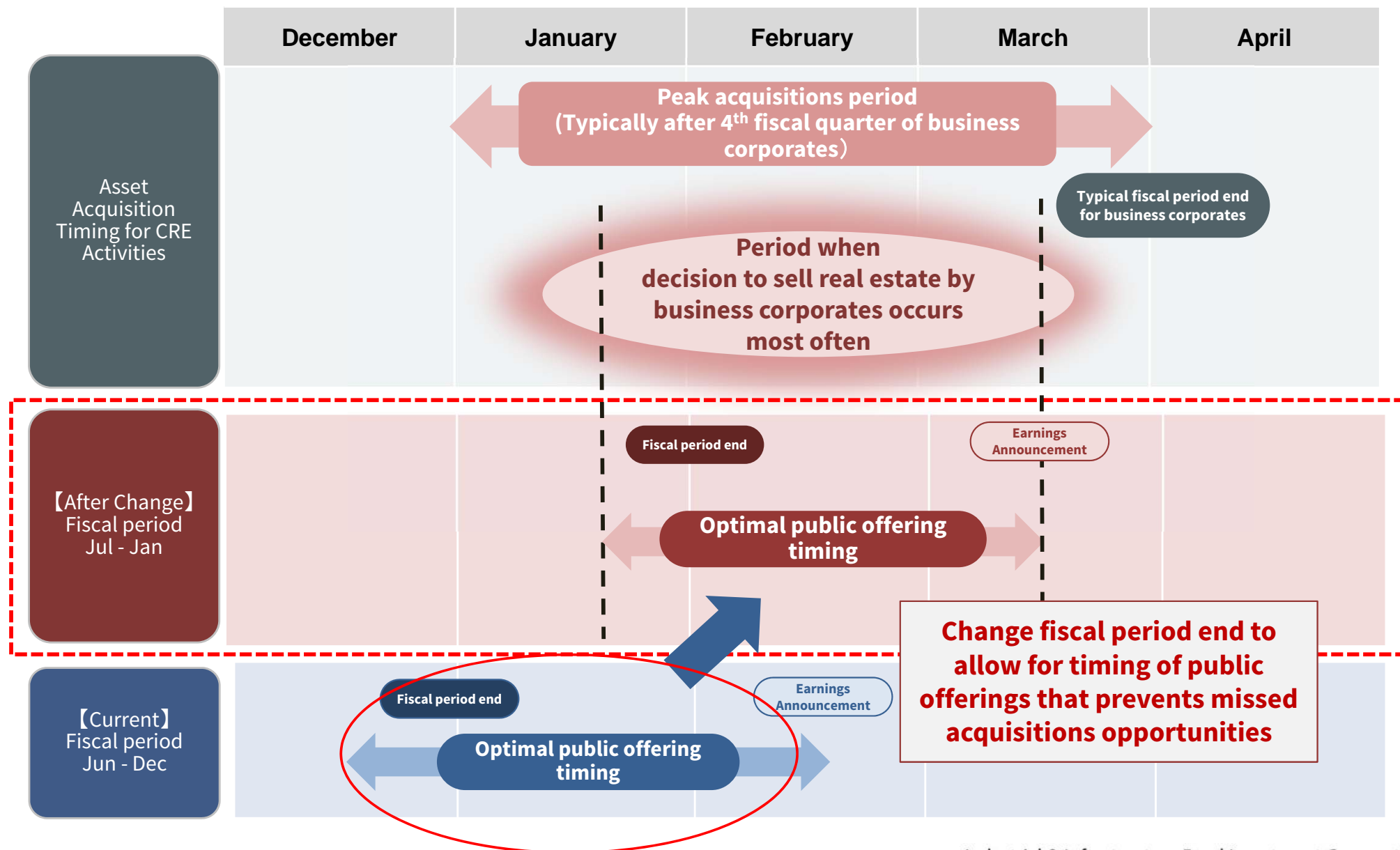
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## Change of fiscal period (1)

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

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



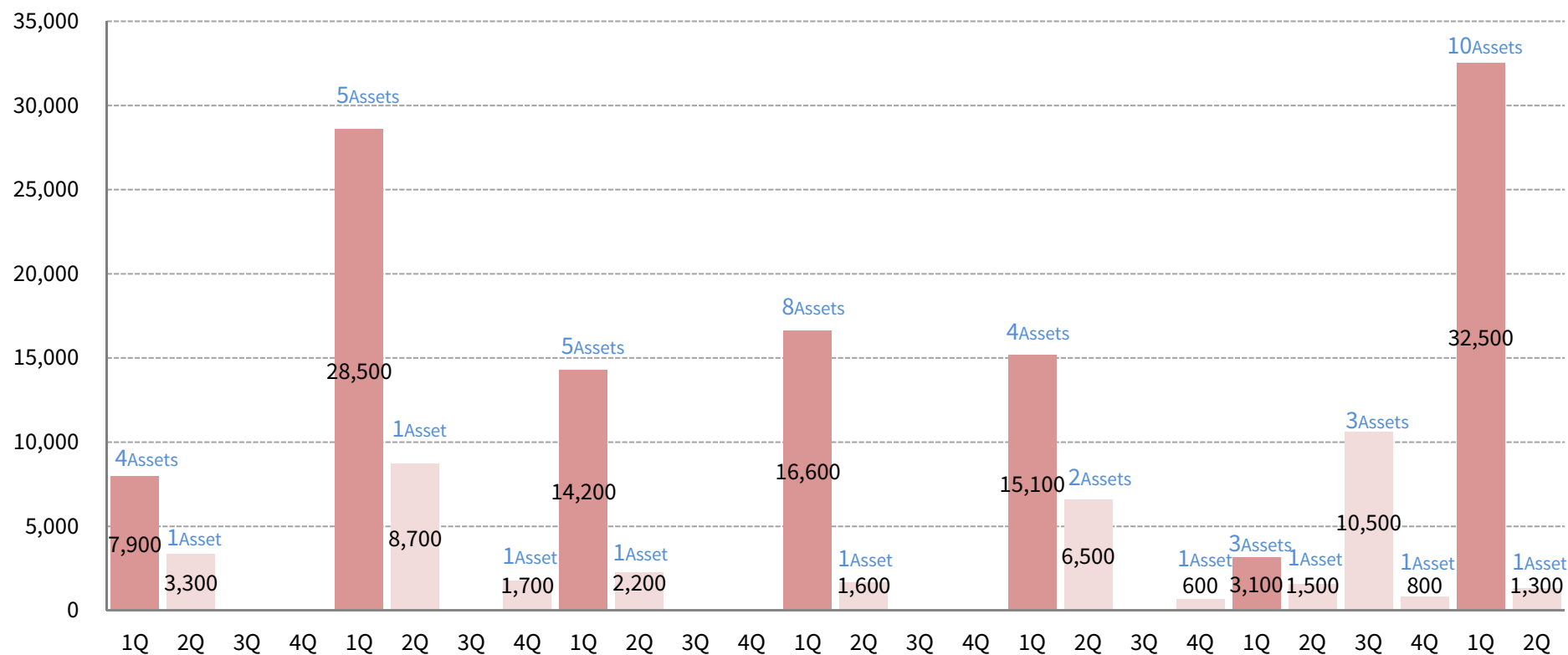


## Change of fiscal period (2)

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

### Acquisition timing, price and property number

Total Acquisition Price  
(JPY mn.)



	2011	2012	2013	2014	2015	2016	2017
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 in 2016

Response to Tax  
Code Reform in 2016

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 <sup>(Note)</sup>**

**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 in 2016

(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

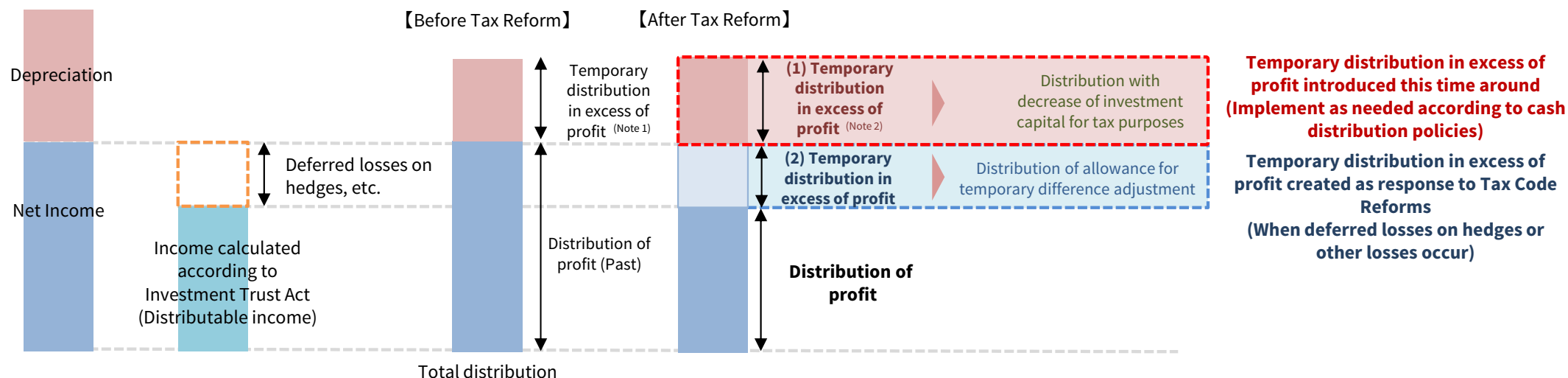
- ✓ When dilution or incurrence of considerable expense in connection with the acquisition of assets or issuance of new investment units is expected and the amount of distribution per unit is likely to temporarily decrease in a certain amount, IIF may distribute the amount of cash determined by IIF as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

### Distribution Standards

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

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

## Illustration of IIF's Philosophy towards Distribution of Income



(Note 1) Not implemented by IIF as of September 13, 2017

(Note 2) Limited to 60% of depreciation expense



# Our Portfolio (1) (As of end July 2017)

## Logistics Facilities

Property Number	Name of Property		Location	Date Completed (Note 1)	Age of a building (Note 2)	Acquisition Price		Appraisal Value as of the End of Period		Total Leasable Area		Occupancy Rate Note 5	PML Note 6	
						(million yen)	Percentage	(million yen)	Percentage	(Note 4)	Percentage			
L-1	IIF Shinonome Logistics Center (Note 7)		Koto-ku, Tokyo	Feb 2006	11.5 years	13,700	5.6%	16,960	5.9%	27,493.29m <sup>2</sup>	2.3%	100.0%	4.6%	
L-4	IIF Noda Logistics Center		Noda-shi, Chiba	Mar 2006	11.4 years	6,500	2.6%	8,580	3.0%	38,828.10m <sup>2</sup>	3.2%	100.0%	0.3%	
L-5	IIF Shinsuna Logistics Center		Koto-ku, Tokyo	Jun 1998	19.2 years	5,300	2.1%	7,070	2.5%	5,741.75m <sup>2</sup>	0.5%	100.0%	6.4%	
L-6	IIF Atsugi Logistics Center		Atsugi-shi, Kanagawa	Jan 2005	12.5 years	2,100	0.9%	2,130	0.7%	10,959.68m <sup>2</sup>	0.9%	100.0%	8.7%	
L-7	IIF Koshigaya Logistics Center		Koshigaya-shi, Saitama	Sep 1985	31.9 years	2,000	0.8%	2,690	0.9%	10,113.50m <sup>2</sup>	0.8%	100.0%	2.6%	
L-8	IIF Nishinomiya Logistics Center	existing building	Nishinomiya-shi, Hyogo	May 1997	20.2 years	1,300	0.5%	2,990	1.0%	10,608.00m <sup>2</sup>	0.9%	100.0%	9.9%	
		extension building		May 2016	1.2 years	859	0.3%			6,592.00m <sup>2</sup>	0.5%	100.0%	6.7%	
L-9	IIF Narashino Logistics Center (land with leasehold interest)		Narashino-shi, Chiba	—	—	1,190	0.5%	2,550	0.9%	19,834.71m <sup>2</sup>	1.6%	100.0%	—	
L-10	IIF Narashino Logistics Center II (Note 8)	(land with leasehold interest)	Narashino-shi, Chiba	—	—	3,350	1.4%	6,430	2.2%	58,070.00m <sup>2</sup>	4.8%	100.0%	—	
		(building with leasehold interest)		Apr 1991	26.3 years	1,200	0.5%			25,835.16m <sup>2</sup>	2.1%	100.0%	9.2%	
L-11	IIF Atsugi Logistics Center II		Atsugi-shi, Kanagawa	Oct 1992	24.8 years	3,100	1.3%	3,920	1.4%	20,661.13m <sup>2</sup>	1.7%	100.0%	7.6%	
L-12	IIF Yokohama Tsuduki Logistics Center		Yokohama-shi, Kanagawa	Sep 1998	18.9 years	2,350	1.0%	3,200	1.1%	9,464.03m <sup>2</sup>	0.8%	100.0%	8.7%	
L-13	IIF Saitama Logistics Center		Saitama-shi, Saitama	Dec 1989	27.6 years	1,490	0.6%	2,080	0.7%	8,995.00m <sup>2</sup>	0.7%	100.0%	4.2%	
L-14	IIF Nagoya Logistics Center		Nagoya-shi, Aichi	Apr 1990	27.3 years	1,050	0.4%	1,550	0.5%	8,721.01m <sup>2</sup>	0.7%	100.0%	9.1%	
L-15	IIF Atsugi Logistics Center III		Atsugi-shi, Kanagawa	Oct 1981	35.8 years	2,290	0.9%	3,050	1.1%	16,584.64m <sup>2</sup>	1.4%	100.0%	7.3%	
L-16	IIF Kawaguchi Logistics Center		Kawaguchi-shi, Saitama	Apr 2002	15.3 years	1,770	0.7%	4,180	1.5%	11,705.02m <sup>2</sup>	1.0%	100.0%	10.7%	
L-17	IIF Kobe Logistics Center		Kobeshi, Hyogo	Jan 2001	16.5 years	5,193	2.1%	7,120	2.5%	39,567.74m <sup>2</sup>	3.2%	100.0%	5.5%	
L-18	IIF Higashi Osaka Logistics Center		Higashi Osaka-shi, Osaka	Nov 1991	25.7 years	2,280	0.9%	3,180	1.1%	20,495.06m <sup>2</sup>	1.7%	97.3%	9.0%	
L-19	IIF Kashiwa Logistics Center		Kashiwa-shi, Chiba	Nov 1990	26.7 years	1,810	0.7%	2,840	1.0%	17,373.53m <sup>2</sup>	1.4%	100.0%	4.4%	
L-20	IIF Misato Logistics Center		Misato-shi, Saitama	Feb 2007	10.5 years	3,550	1.4%	5,100	1.8%	19,019.71m <sup>2</sup>	1.6%	100.0%	4.0%	
L-21	IIF Iruma Logistics Center		Iruma-shi, Saitama	Dec 2010	6.6 years	3,184	1.3%	4,140	1.4%	17,881.65m <sup>2</sup>	1.5%	100.0%	5.8%	
L-22	IIF Tosu Logistics Center		Tosu-shi, Saga	Feb 2007	10.5 years	1,570	0.6%	1,930	0.7%	13,862.05m <sup>2</sup>	1.1%	100.0%	0.8%	
L-23	IIF Inzai Logistics Center		Inzai-shi, Chiba	Feb 2007	10.4 years	1,060	0.4%	1,340	0.5%	5,490.00m <sup>2</sup>	0.5%	100.0%	4.7%	
L-24	IIF Morioka Logistics Center		Shiwa-gun, Iwate	Aug 2005	12.0 years	600	0.2%	1,220	0.4%	8,001.57m <sup>2</sup>	0.7%	100.0%	1.9%	
L-25	IIF Hiroshima Logistics Center		Hiroshima-shi, Hiroshima	Dec 2013	3.6 years	3,540	1.4%	4,480	1.6%	22,768.24m <sup>2</sup>	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%	4,400	1.5%	48,932.00m <sup>2</sup>	4.0%	100.0%	—	
L-27	IIF Izumisano Food Processing andLogistics Center		Izumisano-shi, Osaka	Oct 1996	20.8 years	860	0.3%	1,080	0.4%	13,947.83m <sup>2</sup>	1.1%	100.0%	12.3%	
L-28	IIF Kyotanabe Logistics Center		Kyotanabe-shi, Kyoto	Mar 2007	10.4 years	5,730	2.3%	7,100	2.5%	33,243.99m <sup>2</sup>	2.7%	100.0%	5.6%	
L-29	IIF Fukuoka Koga Vehicle Logistics Center(land with leasehold interest)		Koga-shi, Fukuoka	—	—	860	0.3%	973	0.3%	30,815.97m <sup>2</sup>	2.5%	100.0%	—	
L-30	IIF Fukuoka Higashi Logistics Center		Fukuoka-shi, Fukuoka	Jan 1997	20.6 years	1,860	0.8%	2,050	0.7%	11,262.86m <sup>2</sup>	0.9%	100.0%	0.2%	
L-31	IIF Osaka Konohana Logistics Center		Osaka-shi, Osaka	Jan 1991	26.6 years	8,700	3.5%	9,120	3.2%	46,262.20m <sup>2</sup>	3.8%	100.0%	9.6%	
L-32	IIF Kazo Logistics Center		Kazo-shi, Saitama	Apr 1989	28.3 years	2,361	1.0%	2,660	0.9%	17,744.41m <sup>2</sup>	1.5%	100.0%	8.2%	
L-33	IIF Hamura Logistics Center		Hamura-shi, Tokyo	Jul 1991	26.0 years	820	0.3%	886	0.3%	3,892.66m <sup>2</sup>	0.3%	100.0%	4.2%	
L-34	IIF Fukuoka Hakozaki Logistics Center I (Note 9)		NEW	Fukuoka-shi, Fukuoka	Feb 2008	9.5 years	3,115	1.3%	3,170	1.1%	14,999.86m <sup>2</sup>	1.2%	100.0%	0.4%
L-35	IIF Fukuoka Hakozaki Logistics Center II (Note 9)		NEW	Fukuoka-shi, Fukuoka	Mar 2008	9.4 years	5,451	2.2%	5,540	1.9%	25,338.99m <sup>2</sup>	2.1%	100.0%	0.2%
L-36	IIF Itabashi Logistics Center (Note 9)		NEW	Itabashi-ku, Tokyo	May 2007	10.2 years	1,031	0.4%	1,100	0.4%	3,034.61m <sup>2</sup>	0.2%	100.0%	5.8%
L-37	IIF Sendai Taiwa Logistics Center		NEW	Kurokawa-gun, Miyagi	Jan 2006	11.5 years	1,480	0.6%	1,580	0.6%	15,290.75m <sup>2</sup>	1.3%	100.0%	2.4%
L-38	IIF Ota Logistics Center		NEW	Ota-shi, Gunma	Feb 2006	11.4 years	1,010	0.4%	1,160	0.4%	6,900.01m <sup>2</sup>	0.6%	100.0%	7.0%
L-39	IIF Osaka Suminoe Logistics Center I (Note 10)		NEW	Osaka-shi, Osaka	Mar 2006	11.3 years	9,075	3.7%	10,400	3.6%	39,150.98m <sup>2</sup>	3.2%	100.0%	4.8%
L-40	IIF Osaka Suminoe Logistics Center II (Note 10)		NEW	Osaka-shi, Osaka	Jul 1991	26.1 years	1,905	0.8%	2,050	0.7%	9,224.82m <sup>2</sup>	0.8%	100.0%	3.9%
L-41	IIF Morioka Logistics Center II		NEW	Shiwa-gun, Iwate	Mar 1997	20.4 years	1,302	0.5%	1,530	0.5%	12,383.30m <sup>2</sup>	1.0%	100.0%	1.7%
Logistics Centers Total					16.4 years	121,897	49.4%	153,529	53.5%	787,091.81m <sup>2</sup>	64.5%	99.9%		

# Our Portfolio (2) (As of end July 2017)

## 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%	5,400	1.9%	31,442.47m <sup>2</sup>	2.6%	100.0%	—
F-2	IIF Yokohama Tsuduki Technology Center	Yokohama-shi, Kanagawa	Feb 1996	21.5 years	1,100	0.4%	1,350	0.5%	4,655.48m <sup>2</sup>	0.4%	100.0%	3.3%
F-3	IIF Mitaka Card Center	Mitaka-shi, Tokyo	Apr 1994	23.3 years	8,700	3.5%	10,200	3.6%	21,615.01m <sup>2</sup>	1.8%	100.0%	6.7%
F-5	IIF Kamata R&D Center	Ohta-ku, Tokyo	Jun 1988	29.2 years	7,200	2.9%	8,400	2.9%	21,896.56m <sup>2</sup>	1.8%	100.0%	7.7%
F-6	IIF Kawasaki Science Center	Kawasaki-shi, Kanagawa	May 2014	3.2 years	2,168	0.9%	2,950	1.0%	4,857.73m <sup>2</sup>	0.4%	100.0%	9.7%
F-7	IIF Sagami R&D Center	Sagamihara-shi, Kanagawa	Jul 1989	28.1 years	3,100	1.3%	3,650	1.3%	14,304.37m <sup>2</sup>	1.2%	98.3%	8.5%
F-8	IIF Yokohama Shinyamashita R&D Center	Yokohama-shi, Kanagawa	Aug 2007	9.9 years	3,810	1.5%	4,160	1.5%	4,887.83m <sup>2</sup>	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%	66,171.92m <sup>2</sup>	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%	7,925.94m <sup>2</sup>	0.6%	100.0%	—
F-11	IIF Yokosuka Technology Center	NEW	Nov 1995	21.7 years	4,000	1.6%	4,450	1.6%	13,779.77m <sup>2</sup>	1.1%	100.0%	5.0%
F-12	IIF Shonan Technology Center	NEW	Jul 1994	23.0 years	1,200	0.5%	1,320	0.5%	7,244.71m <sup>2</sup>	0.6%	100.0%	4.8%
Manufacturing and R&D Facilities Total				21.8 years	38,618	15.7%	45,320	15.8%	198,781.79m <sup>2</sup>	16.3%	99.9%	—
I-1	IIF Kobe District Heating and Cooling Center	Kobe-shi, Hyogo	Apr 1990	27.3 years	18,100	7.3%	14,600	5.1%	11,292.79m <sup>2</sup>	0.9%	100.0%	4.7%
I-2	IIF Haneda Airport Maintenance Center	Ohta-ku, Tokyo	Jun 1993	24.1 years	41,110	16.7%	41,600	14.5%	81,995.81m <sup>2</sup>	6.7%	100.0%	M1 : 4.5% M2 : 3.2%
I-3	IIF Zama IT Solution Center	Zama-shi, Kanagawa	Nov 1988	28.7 years	5,384	2.2%	5,530	1.9%	10,931.89m <sup>2</sup>	0.9%	100.0%	7.3%
I-4	IIF Shinagawa Data Center	Shinagawa-ku, Tokyo	Aug 1989	27.9 years	4,900	2.0%	6,810	2.4%	19,547.11m <sup>2</sup>	1.6%	100.0%	8.9%
I-5	IIF Osaka Toyonaka Data Center	Toyonaka-shi, Osaka	Sep 1991	25.9 years	5,600	2.3%	6,030	2.1%	20,027.14m <sup>2</sup>	1.6%	100.0%	3.8%
I-6	IIF Osaka Nanko IT Solution Center	Osaka-shi, Osaka	Mar 1992	25.4 years	1,150	0.5%	2,390	0.8%	18,435.93m <sup>2</sup>	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%	51,583.70m <sup>2</sup>	4.2%	100.0%	—
I-8	IIF Shinagawa IT Solution Center	Shinagawa-ku, Tokyo	Feb 1993	24.5 years	7,200	2.9%	7,980	2.8%	7,089.62m <sup>2</sup>	0.6%	100.0%	7.7%
I-9	IIF Higashimatsuyama Gas Tank Maintenance Center (land with leasehold interest)	Higashimatsuyama-shi, Saitama	—	—	690	0.3%	748	0.3%	12,880.38m <sup>2</sup>	1.1%	100.0%	—
Infrastructure Facilities Total				25.5 years	86,034	34.9%	87,958	30.7%	233,784.37m <sup>2</sup>	19.2%	100.0%	—
Portfolio Total				20.4 years	246,549	100.0%	286,807	100.0%	1,219,657.97m <sup>2</sup>	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) (As of end July 2017)

## 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	8.6 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	3.8 years
		Japan Logistic Systems Corp.	Not Disclosed	—	Fixed-Term Lease	2016/5/1 ~ 2021/4/30	5.0 years	3.8 years
L-5	IIF Shinsuna Logistics Center	Sagawa Express Co., Ltd.	358	2.2%	Ordinary Lease	1998/7/15 ~ 2018/7/14	20.0 years	1.0 years
L-6	IIF Atsugi Logistics Center	Fuji Logitech Next Co., Ltd.	Not Disclosed	—	Fixed-Term Lease	2017/7/1 ~ 2022/6/30	5.0 years	4.9 years
L-7	IIF Koshigaya Logistics Center	Kabushikigaisya Tsukasa	151	0.9%	Fixed-Term Lease	2011/1/1 ~ 2020/12/31	10.0 years	3.4 years
L-8	IIF Nishinomiya Logistics Center	Suzuyo Corporation	Not Disclosed	—	Fixed-Term Lease	2005/8/25 ~ 2036/5/15	30.7 years	18.8 years
			Not Disclosed	—	Fixed-Term Lease	2016/5/16 ~ 2036/5/15	20.0 years	18.8 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	4.1 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	43.8 years
		Sapporo Breweries Ltd.	Not Disclosed	—	Fixed-Term Lease	2014/2/8 ~ 2029/2/7	15.0 years	11.5 years
L-11	IIF Atsugi Logistics Center II	Sun Toshi Tatemono Co., Ltd.	Not Disclosed	—	Ordinary Lease	2012/9/1 ~ 2022/8/31	10.0 years	5.1 years
L-12	IIF Yokohama Tsuduki Logistics Center	Tokyo Logistics Factory Co., Ltd.	Not Disclosed	—	Fixed-Term Lease	2009/4/1 ~ 2024/3/31	15.0 years	6.7 years
L-13	IIF Saitama Logistics Center	MM Corporation	134	0.8%	Fixed-Term Lease	2014/12/1 ~ 2019/11/30	5.0 years	2.3 years
L-14	IIF Nagoya Logistics Center	Japan Airways Co., Ltd.	Not Disclosed	—	Fixed-Term Lease	2015/2/1 ~ 2020/1/31	5.0 years	2.5 years
L-15	IIF Atsugi Logistics Center III	Tokyo Logistics Factory Co., Ltd.	Not Disclosed	—	Fixed-Term Lease	2017/2/1 ~ 2022/1/31	5.0 years	4.5 years
L-16	IIF Kawaguchi Logistics Center	Hitachi Transport System Metropolitan Co., Ltd.	Not Disclosed	—	Fixed-Term Lease	2014/7/1 ~ 2024/6/30	10.0 years	6.9 years
L-17	IIF Kobe Logistics Center	Nissin Corporation	Not Disclosed	—	Ordinary Lease	2013/2/7 ~ 2024/9/30	11.7 years	7.2 years
L-18	IIF Higashi Osaka Logistics Center	Settsu Warehouse Co., Ltd.	Not Disclosed	—	Fixed-Term Lease	2011/4/1 ~ 2023/3/31	12.0 years	5.7 years
		Sega Logistics Service Co., Ltd.	Not Disclosed	—	Ordinary Lease	2016/8/1 ~ 2018/9/30	2.2 years	1.2 years
L-19	IIF Kashiwa Logistics Center (Note6)	Nippon Express Co., Ltd.	Not Disclosed	—	Fixed-Term Lease	2012/12/1 ~ 2017/11/30	5.0 years	0.3 years
L-20	IIF Misato Logistics Center	Takuyo Co., Ltd.	Not Disclosed	—	Ordinary Lease	2007/3/9 ~ 2022/3/31	15.1 years	4.7 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	23.5 years
L-22	IIF Tosu Logistics Center	Sagawa Express Co., Ltd.	Not Disclosed	—	Ordinary Lease	2015/10/1 ~ 2017/9/30	2.0 years	0.2 years
		Hinode Corporation	Not Disclosed	—	Ordinary Lease	2007/9/27 ~ 2021/6/30	13.8 years	3.9 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	4.7 years
L-24	IIF Morioka Logistics Center	Nippon Access, Inc.	Not Disclosed	—	Fixed-Term Lease	2015/10/21 ~ 2022/10/20	7.0 years	5.2 years
L-25	IIF Hiroshima Logistics Center	Muroo Co., Ltd.	Not Disclosed	—	Fixed-Term Lease	2014/1/9 ~ 2029/1/8	15.0 years	11.5 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	7.2 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	7.7 years
L-28	IIF Kyotanabe Logistics Center (Note7)	Takara Butsuryu Inc.	Not Disclosed	—	Ordinary Lease	2007/3/30 ~ 2017/12/31	10.8 years	0.4 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	17.8 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	13.6 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	9.6 years
L-32	IIF Kazo Logistics Center	PIP Co., Ltd.	Not Disclosed	—	Fixed-Term Lease	2016/3/11 ~ 2026/3/10	10.0 years	8.6 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	7.2 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	0.6 years
		Fukuoka Soko Co., Ltd.	Not Disclosed	—	Fixed-Term Lease	2015/8/1 ~ 2018/7/31	3.0 years	1.0 years
		Sagawa Express Co., Ltd.	Not Disclosed	—	Fixed-Term Lease	2015/8/1 ~ 2018/7/31	3.0 years	1.0 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	2.8 years
		NTT LOGISC0 Inc.	Not Disclosed	—	Fixed-Term Lease	2011/1/1 ~ 2020/12/31	10.0 years	3.4 years
		SENKO Co., Ltd.	Not Disclosed	—	Fixed-Term Lease	2016/8/1 ~ 2021/7/31	5.0 years	4.0 years
		MITSUI-SOKO Supply Chain Solutions, Inc.	Not Disclosed	—	Fixed-Term Lease	2015/4/1 ~ 2020/3/31	5.0 years	2.7 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	9.8 years
L-37	IIF Sendai Taiwa Logistics Center (Note8)	Miyago Logistics Co., Ltd.	Not Disclosed	—	Ordinary Lease	2016/3/1 ~ 2019/2/28	3.0 years	1.6 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	8.6 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	8.7 years
L-40	IIF Osaka Suminoe Logistics Center II (Note9)	Toshiba Logistics Corporation	Not Disclosed	—	Ordinary Lease	2016/9/1 ~ 2017/8/31	1.0 years	0.1 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	2.8 years

# Lease Contracts (2) (As of end July 2017)

## 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	22.7 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	13.2 years
F-3	IIF Mitaka Card Center	JCB Co., Ltd.	730	4.5%	Ordinary Lease	2002/8/30 ~ 2021/2/28	18.5 years	3.6 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	8.7 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	11.8 years
F-7	IIF Sagamihara R&D Center	Micron Memory Japan Inc.	Not Disclosed	—	Ordinary Lease	2017/4/1 ~ 2018/3/31	1.0 years	0.7 years
		Micron Memory Japan Inc.	Not Disclosed	—	Ordinary Lease	2017/4/1 ~ 2018/3/31	1.0 years	0.7 years
		SINCERE Corporation	Not Disclosed	—	Ordinary Lease	2017/4/1 ~ 2018/3/31	1.0 years	0.7 years
		Nittsu NEC Logistics, Ltd.	Not Disclosed	—	Ordinary Lease	2017/4/1 ~ 2018/3/31	1.0 years	0.7 years
		NEC Corporation	Not Disclosed	—	Loan for use	2017/3/20 ~ 2018/3/19	1.0 years	0.6 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	10.1 years
F-9	IIF Kakegawa Manufacturing Center (land with leasehold interest)	CxS Corporation	Not Disclosed	—	Fixed-Term Lease	2015/12/28 ~ 2045/12/26	30.0 years	28.4 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	47.7 years
F-11	IIF Yokosuka Technology Center	NEW Nikon Corporation	Not Disclosed	—	Ordinary Lease	2016/9/1 ~ 2026/8/31	10.0 years	9.1 years
F-12	IIF Shonan Technology Center	NEW Nikon Corporation	Not Disclosed	—	Ordinary Lease	2016/9/1 ~ 2026/8/31	10.0 years	9.1 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	6.9 years
			11	0.1%	Fixed-Term Lease	2012/6/7 ~ 2024/6/6	12.0 years	6.9 years
			9	0.1%	Fixed-Term Lease	2012/7/1 ~ 2024/6/6	11.9 years	6.9 years
			1	0.0%	Fixed-Term Lease	2015/9/1 ~ 2024/6/6	8.8 years	6.9 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	8.4 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	4.0 years
I-4	IIF Shinagawa Data Center	XYMAX Corporation	Not Disclosed	—	Fixed-Term Lease	2012/3/7 ~ 2022/3/6	10.0 years	4.6 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	8.2 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	5.6 years
I-7	IIF Nagoya Port Tank Terminal (land with leasehold interest)	Chemical Logitec Co., Ltd.	Not Disclosed	—	Fixed-Term Lease	2014/2/7 ~ 2064/1/6	49.9 years	46.5 years
I-8	IIF Shinagawa IT Solution Center	Not Disclosed (Note10)	Not Disclosed	—	Ordinary Lease	2015/9/1 ~ 2017/8/31	2.0 years	0.1 years
		Not Disclosed (Note10)	Not Disclosed	—	Ordinary Lease	Not Disclosed		
		Hitachi Systems,Ltd.	Not Disclosed	—	Ordinary Lease	Not Disclosed		
		Hitachi Systems,Ltd.	Not Disclosed	—	Ordinary Lease	Not Disclosed		
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	28.4 years
Portfolio Average Lease Term							15.2 years	8.2 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.

(Note 6) IIF and PIP Logistics Co., Ltd has executed a new fixed term lease agreement on January 23<sup>rd</sup>, 2017 and the lease term will start on December 1, 2017 for five years.

(Note 7) The lease agreement between Takara Butsuryu Inc. is renewed on August 22, 2017 and the current lease term will be starting from January 1, 2018 for 10 years.

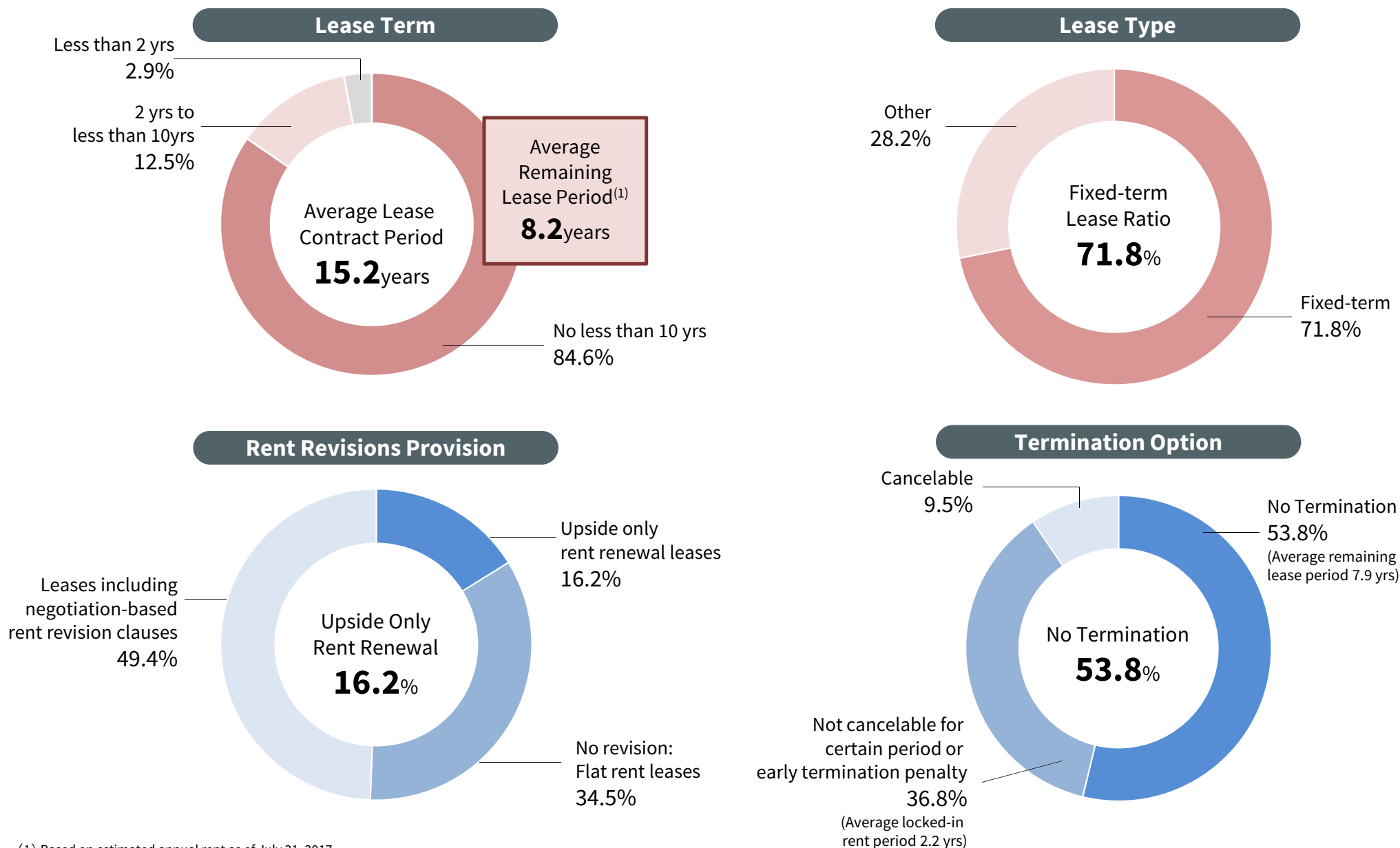
(Note 8) IIF and Miyago Logistics Co., Ltd. has executed a new lease agreement on August 4, 2017, which is five years starting from the date of construction completion and delivery of the extension. (Expected to start from December 25, 2017)

(Note 9) The lease agreement between Toshiba Logistics Corporation is renewed and the current lease term is from September 1, 2017 to August 31, 2018.

(Note10) The lease agreement between The current tenants(Not disclosed) are renewed, and the current lease term is from September 1, 2017 to August 31, 2019.



## Lease Contracts (3) (As of end July 2017)



(1) Based on estimated annual rent as of July 31, 2017

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# Appraisal Values (1) (As of end July 2017)

## Logistics Facilities

Property Number	Name of Property	Book Value (JPY MM)	Unrealized Capital Gain	Appraisal Value as of the End of Period (JPY MM)				Applied Rate						
				End of 20th Period			End of 19th 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 <sup>(Note 2)</sup>	13,016	+ 3,943	16,960	+318	+ 1.9%	16,642	4.3%	3.9%	4.5%	(0.1p)	(0.1p)	(0.1p)	
L-4	IIF Noda Logistics Center	5,458	+ 3,121	8,580	+180	+ 2.1%	8,400	4.6%	4.4%	4.8%	(0.1p)	(0.1p)	(0.1p)	
L-5	IIF Shinsuna Logistics Center	5,186	+ 1,883	7,070	+320	+ 4.7%	6,750	4.4%	4.1%	4.5%	(0.1p)	(0.1p)	(0.1p)	
L-6	IIF Atsugi Logistics Center	1,609	+ 520	2,130	(40)	(1.8%)	2,170	4.8%	4.5%	5.1%	(0.4p)	(0.3p)	(0.2p)	
L-7	IIF Koshigaya Logistics Center	1,824	+ 865	2,690	+50	+ 1.9%	2,640	4.9%	4.6%	5.0%	(0.1p)	(0.1p)	(0.1p)	
L-8	IIF Nishinomiya Logistics Center	2,012	+ 977	2,990	+20	+ 0.7%	2,970	5.1%	4.9%	5.3%	(0.1p)	(0.1p)	(0.1p)	
L-9	IIF Narashino Logistics Center (land with leasehold)	1,223	+ 1,326	2,550	+90	+ 3.7%	2,460	---	4.7%	---	---	0.0p	---	
L-10	IIF Narashino Logistics Center II	4,649	+ 1,780	6,430	+140	+ 2.2%	6,290	4.9%	4.7%	5.1%	(0.1p)	(0.1p)	(0.1p)	
L-11	IIF Atsugi Logistics Center II	3,246	+ 673	3,920	+70	+ 1.8%	3,850	4.8%	4.5%	5.1%	(0.1p)	(0.1p)	(0.1p)	
L-12	IIF Yokohama Tsuduki Logistics Center	2,321	+ 878	3,200	+60	+ 1.9%	3,140	4.6%	4.4%	4.8%	(0.1p)	(0.1p)	(0.1p)	
L-13	IIF Saitama Logistics Center	1,473	+ 606	2,080	+40	+ 2.0%	2,040	5.1%	4.8%	5.3%	(0.1p)	(0.1p)	(0.1p)	
L-14	IIF Nagoya Logistics Center	1,153	+ 396	1,550	+30	+ 2.0%	1,520	5.6%	5.3%	5.9%	(0.1p)	(0.1p)	(0.1p)	
L-15	IIF Atsugi Logistics Center III	2,390	+ 659	3,050	+50	+ 1.7%	3,000	4.7%	4.7%	5.2%	(0.1p)	(0.1p)	(0.1p)	
L-16	IIF Kawaguchi Logistics Center	2,053	+ 2,126	4,180	+100	+ 2.5%	4,080	4.6%	4.4%	4.7%	(0.1p)	(0.1p)	(0.1p)	
L-17	IIF Kobe Logistics Center	5,170	+ 1,949	7,120	+200	+ 2.9%	6,920	4.8%	4.6%	5.0%	(0.1p)	(0.1p)	(0.1p)	
L-18	IIF Higashi Osaka Logistics Center	2,458	+ 721	3,180	+60	+ 1.9%	3,120	5.2%	4.8%	5.2%	(0.1p)	(0.1p)	(0.1p)	
L-19	IIF Kashiwa Logistics Center	1,863	+ 976	2,840	+170	+ 6.4%	2,670	5.2%	4.7%	5.2%	(0.1p)	(0.1p)	(0.2p)	
L-20	IIF Misato Logistics Center	3,496	+ 1,603	5,100	+150	+ 3.0%	4,950	4.5%	4.3%	4.6%	(0.1p)	(0.1p)	(0.1p)	
L-21	IIF Iruma Logistics Center	3,138	+ 1,001	4,140	+110	+ 2.7%	4,030	5.1%	4.6%	5.5%	(0.1p)	(0.1p)	(0.1p)	
L-22	IIF Tosu Logistics Center	1,531	+ 398	1,930	+40	+ 2.1%	1,890	5.2%	5.0%	5.3%	(0.1p)	(0.1p)	(0.1p)	
L-23	IIF Inzai Logistics Center	1,041	+ 298	1,340	+30	+ 2.3%	1,310	5.3%	5.3%	5.6%	(0.1p)	(0.1p)	(0.1p)	
L-24	IIF Morioka Logistics Center	580	+ 639	1,220	+20	+ 1.7%	1,200	6.0%	5.8%	6.1%	(0.1p)	(0.1p)	(0.1p)	
L-25	IIF Hiroshima Logistics Center	3,440	+ 1,039	4,480	+110	+ 2.5%	4,370	5.3%	5.1%	5.4%	(0.1p)	(0.1p)	(0.1p)	
L-26	IIF Izumiotsu e-shop Logistics Center (land with leasehold interest)	4,179	+ 220	4,400	+30	+ 0.7%	4,370	---	4.8%	---	---	(0.1p)	---	
L-27	IIF Izumisano Food Processing and Logistics Center	938	+ 141	1,080	+40	+ 3.8%	1,040	5.0%	4.6%	5.1%	(0.1p)	(0.1p)	(0.1p)	
L-28	IIF Kyotanabe Logistics Center	5,822	+ 1,277	7,100	+170	+ 2.5%	6,930	4.9%	4.6%	5.0%	(0.1p)	(0.1p)	(0.1p)	
L-29	IIF Fukuoka Koga Vehicle Logistics Center (land with leasehold interest)	914	+ 58	973	+8	+ 0.8%	965	---	5.6%	---	---	0.0p	---	
L-30	IIF Fukuoka Higashi Logistics Center	1,937	+ 112	2,050	+20	+ 1.0%	2,030	5.0%	4.6%	5.1%	0.0p	0.0p	0.0p	
L-31	IIF Osaka Konohana Logistics Center <sup>(Note 3)</sup>	8,759	+ 360	9,120	+270	+ 3.1%	8,850	4.3%	4.1%	4.5%	(0.1p)	(0.1p)	(0.1p)	
L-32	IIF Kazo Logistics Center	2,613	+ 46	2,660	+90	+ 3.5%	2,570	4.9%	4.6%	5.0%	(0.1p)	(0.1p)	(0.1p)	
L-33	IIF Hamura Logistics Center	924	△38	886	+22	+ 2.5%	864	4.7%	Until 5th 4.6% From 6th to 8th 4.7% After 8th 4.8%	4.9%	(0.1p)	Until 5th (0.1p) From 6th to 8th (0.1p) After 8th (0.1p)	(0.1p)	
L-34	IIF Fukuoka Hakozaki Logistics Center I <sup>(Note 4) (Note 5)</sup>	3,146	+ 23	3,170	-	0.0%	3,170	4.6%	4.2%	4.6%	0.0p	0.0p	0.0p	
L-35	IIF Fukuoka Hakozaki Logistics Center II <sup>(Note 4) (Note 5)</sup>	5,507	+ 32	5,540	+10	+ 0.2%	5,530	4.6%	4.2%	4.6%	0.0p	0.0p	0.0p	
L-36	IIF Itabashi Logistics Center (Note 4) (Note 5)	1,047	+ 52	1,100	+30	+ 2.8%	1,070	4.5%	4.0%	4.5%	(0.1p)	(0.1p)	(0.1p)	
L-37	IIF Sendai Taiwa Logistics Center (Note 4)	1,545	+ 34	1,580	+20	+ 1.3%	1,560	5.4%	5.1%	5.7%	(0.1p)	0.0p	0.0p	
L-38	IIF Ota Logistics Center (Note 4)	1,030	+ 129	1,160	+20	+ 1.8%	1,140	5.5%	Until 9th 5.4% After 10th 5.6%	5.7%	(0.1p)	Until 9th (0.1p) After 10th (0.1p)	(0.1p)	
L-39	IIF Osaka Suminoe Logistics Center I (Note 4) (Note 6)	9,163	+ 1,236	10,400	+300	+ 3.0%	10,100	4.3%	4.4%	4.5%	(0.1p)	(0.1p)	(0.1p)	
L-40	IIF Osaka Suminoe Logistics Center II (Note 4) (Note 6)	1,933	+ 116	2,050	+50	+ 2.5%	2,000	4.4%	4.5%	4.6%	(0.1p)	(0.1p)	(0.1p)	
L-41	IIF Morioka Logistics Center II (Note 4)	1,392	+ 137	1,530	+40	+ 2.7%	1,490	6.0%	5.6%	6.0%	(0.1p)	(0.1p)	(0.1p)	
Logistics Centers Total		121,199	+ 32,329	153,529	+3,438	+ 2.3%	150,091							

(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 Jul 31, 2017

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

(Note 3) “Appraisal Value as of the End of 19<sup>th</sup> Period is the acquisition appraisal value.

(Note 4) “Appraisal Value as of the End of 19<sup>th</sup> Period for IIF Osaka Konohana Logistics Center applies to 100% quasi-co-ownership of the trust beneficiary interests.

(Note 5) “Appraisal Value for IIF Fukuoka Hakozaki Logistics Center I, II and 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, II applies only to 75% quasi-co-ownership interests of the trust beneficiary interests.

# Appraisal Values (2) (As of end July 2017)

## Manufacturing / R&D, Infrastructure facilities and Portfolio Total

Property Number	Name of Property	Book Value (JPY MM)	Unrealized Capital Gain	Appraisal Value as of the End of Period (JPY MM)				Applied Rate					
				End of 20th Period			End of 19th Period	Direct Capitalization Method	DCF Method		Period-rarier 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	+ 846	5,400	+60	+ 1.1%	5,340	---	5.0%	---	---	(0.1p)	---
F-2	IIF Yokohama Tsuduki Technology Center	1,188	+ 161	1,350	-	0.0%	1,350	5.5%	5.4%	5.8%	0.0p	0.0p	0.0p
F-3	IIF Mitaka Card Center	9,160	+ 1,039	10,200	-	0.0%	10,200	5.5%	5.3%	5.7%	0.0p	0.0p	0.0p
F-5	IIF Kamata R&D Center	7,449	+ 950	8,400	-	0.0%	8,400	5.4%	5.1%	5.6%	0.0p	0.0p	0.0p
F-6	IIF Kawasaki Science Center	2,111	+ 838	2,950	-	0.0%	2,950	5.3%	5.1%	5.5%	0.0p	0.0p	0.0p
F-7	IIF Sagamiara R&D Center	3,240	+ 409	3,650	-	0.0%	3,650	5.5%	5.2%	5.6%	0.0p	0.0p	0.0p
F-8	IIF Yokohama Shinyamashita R&D Center	3,932	+ 227	4,160	+10	+ 0.2%	4,150	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%	1,770	---	5.1%	---	---	0.0p	---
F-10	IIF Urayasu Machinery Maintenance Center (land with leasehold interest)	1,345	+ 324	1,670	-	0.0%	1,670	4.8%	4.0%	5.1%	0.0p	0.0p	0.0p
F-11	IIF Yokosuka Technology Center (Note 2)	4,179	+ 270	4,450	+20	+ 0.5%	4,430	5.6%	5.3%	5.7%	0.0p	0.0p	0.0p
F-12	IIF Shonan Technology Center (Note 2)	1,289	+ 30	1,320	-	0.0%	1,320	5.2%	4.9%	5.3%	0.0p	0.0p	0.0p
Manufacturing and R&D Facilities Total		40,022	+ 5,297	45,320	+90	+ 0.2%	45,230						
I-1	IIF Kobe District Heating and Cooling Center	16,386	Δ1,786	14,600	-	0.0%	14,600	4.4%	3.6%	4.6%	0.0p	0.0p	0.0p
I-2	IIF Haneda Airport Maintenance Ceter	38,907	+ 2,692	41,600	-	0.0%	41,600	4.4%	3.5%	4.8%	0.0p	0.0p	0.0p
I-3	IIF Zama IT Solution Center	5,180	+ 349	5,530	-	0.0%	5,530	7.2%	5.8%	7.8%	0.0p	0.0p	0.0p
I-4	IIF Shinagawa Data Center	5,134	+ 1,675	6,810	(40)	(0.6%)	6,850	4.7%	4.8%	5.2%	+ 0.2p	0.0p	0.0p
I-5	IIF Osaka Toyonaka Data Center	5,632	+ 397	6,030	(10)	(0.2%)	6,040	5.8%	4.9%	5.4%	(0.1p)	0.0p	0.0p
I-6	IIF Osaka Nanko IT Solution Center	1,241	+ 1,148	2,390	+10	+ 0.4%	2,380	6.1%	5.7%	6.8%	0.0p	0.0p	0.0p
I-7	IIF Nagoya Port Tank Terminal (land with leasehold interest)	1,998	+ 271	2,270	-	0.0%	2,270	5.5%	4.7%	6.2%	0.0p	0.0p	0.0p
I-8	IIF Shinagawa IT Solution Center	7,772	+ 207	7,980	+150	+ 1.9%	7,830	4.7%	4.3%	4.8%	(0.2p)	(0.1p)	(0.1p)
I-9	IIF Higashimatsuyama Gas Tank Maintenance Center(land with leasehold interest)	729	+ 18	748	2	+ 0.3%	746	---	4.9%	---	---	0.0p	---
Infrastructure Facilities Total		82,982	+ 4,975	87,958	+112	+ 0.1%	87,846						
Portfolio Total		244,203	+ 42,603	286,807	+3,640	+ 1.3%	283,167						

(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

(2) “Appraisal Value as of the End of 19th Period is the acquisition appraisal value.



# Performance by property(1)

(JPY mn)

Item	L1 (Shinonome)		L4 (Noda)		L5 (Shinsuna)		L6 (Atsugi)		L7 (Koshigaya)		L8 (Nishinomiya)		L9 (Narashino)		L10 (Narashino II)		L11 (Atsugi II)	
	19th 184days	20th 212days	19th 184days	20th 212days	19th 184days	20th 212days	19th 184days	20th 212days	19th 184days	20th 212days	19th 184days	20th 212days	19th 184days	20th 212days	19th 184days	20th 212days	19th 184days	20th 212days
Days																		
Rent	397	463			178	208			75	87								
Others	2	3			-	-			0	0								
Total rental business income	400	466			178	208			75	87								
Taxes and public dues	30	30	Not Disclosed	Not Disclosed	16	16	Not Disclosed	Not Disclosed	3	3	Not Disclosed	Not Disclosed	Not Disclosed	Not Disclosed	Not Disclosed	Not Disclosed	Not Disclosed	Not Disclosed
Management expenses	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								
Others	0	0			0	1			0	0								
Total rental business expenses	32	33			18	18			6	7								
NOI	367	433	207	244	159	190	47	57	69	80	82	94	38	45	176	204	113	132
Depreciation and amortization	43	51	48	58	11	13	31	37	24	29	19	23	-	-	6	8	17	21
Rental business profit	324	381	159	186	148	176	15	20	44	51	62	70	38	45	169	196	95	110
Total deposits (Ending balance)	1,378	1,299	Not Disclosed	Not Disclosed	161	123	Not Disclosed	Not Disclosed	37	37	Not Disclosed	Not Disclosed	Not Disclosed	Not Disclosed	Not Disclosed	Not Disclosed	Not Disclosed	Not Disclosed

Item	L12 (Yokohama Tsuzuki)		L13 (Saitama)		L14 (Nagoya)		L15 (Atsugilll)		L16 (Kawaguchi)		L17 (Kobe)		L18 (Higashi Osaka)		L19 (Kashiwa)		L20 (Misato)	
	19th 184days	20th 212days	19th 184days	20th 212days	19th 184days	20th 212days	19th 184days	20th 212days	19th 184days	20th 212days	19th 184days	20th 212days	19th 184days	20th 212days	19th 184days	20th 212days	19th 184days	20th 212days
Days																		
Rent			66	78														
Others			0	0														
Total rental business income			66	78														
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			-	1														
Insurance cost and trust fee			0	0														
Others			1	1														
Total rental business expenses			5	6														
NOI	77	90	61	71	42	50	72	94	105	125	177	213	88	103	68	82	116	136
Depreciation and amortization	9	11	10	12	6	7	11	13	8	9	36	43	9	11	9	11	17	19
Rental business profit	67	79	50	58	36	43	60	81	97	115	141	169	79	92	59	70	99	116
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 (Izumiotu)		L27 (Izumisano)		L28 (Kyotanabe)		L29 (Fukuoka Koga)	
	19th 184days	20th 212days	19th 184days	20th 212days	19th 184days	20th 212days	19th 184days	20th 212days	19th 184days	20th 212days	19th 184days	20th 212days	19th 184days	20th 212days	19th 184days	20th 212days	19th 184days	20th 212days
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																		
NOI	106	126	52	62	37	43	37	44	119	142	110	131	28	34	174	206	27	32
Depreciation and amortization	23	26	9	11	5	7	5	6	25	30	0	0	7	8	32	38	-	-
Rental business profit	83	99	43	51	31	36	32	37	94	111	110	131	21	25	142	168	27	32
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)		L34 (Fukuoka Hakozaiki I )		L35 (Fukuoka Hakozaiki II )		L36 (Itabashi)		L37 (Sendai Taiwa)		L38 (Ota)	
	19th 184days	20th 212days	19th 184days	20th 212days	19th 122days	20th 212days	19th 10days	20th 212days	19th 0days	20th 162days	19th 0days	20th 162days	19th 0days	20th 162days	19th 0days	20th 161days	19th 0days	20th 161days
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
Management expenses																		
Repair expenses																		
Insurance cost and trust fee																		
Others																		
Total rental business expenses																		
NOI	57	64	121	238	49	82	1	28	-	73	-	124	-	23	-	44	-	31
Depreciation and amortization	4	5	16	36	5	9	0	4	-	15	-	20	-	4	-	8	-	4
Rental business profit	52	58	104	201	43	72	0	24	-	57	-	104	-	19	-	36	-	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

Item	L39 (Osaka Suminoe I )		L40 (Osaka Suminoe II )		L41 (Morioka II )		F1 (Totsuka)		F2 (Yokohama Tsuzuki)		F3 (Mitaka)		F4 (Shinonome R&D)		F5 (Kamata)		F6 (Kawasaki)	
	19th 0days	20th 133days	19th 0days	20th 133days	19th 0days	20th 92days	19th 184days	20th 212days	19th 184days	20th 212days	19th 184days	20th 212days	19th 137days	20th 0days	19th 184days	20th 212days	19th 184days	20th 212days
Rent	-	Not Disclosed	-	Not Disclosed	-	Not Disclosed	154	177	58	68	364	425	Not Disclosed	-	Not Disclosed	Not Disclosed	Not Disclosed	Not Disclosed
Others	-		-		-		0	0	-	-	0	0		-				
Total rental business income	-		-		-		154	177	58	68	364	425		-				
Taxes and public dues	-		-		-		16	16	8	8	47	47		-				
Management expenses	-		-		-		-	-	6	7	3	5		-				
Repair expenses	-		-		-		-	-	8	3	4	6		-				
Insurance cost and trust fee	-		-		-		0	0	0	0	1	1		-				
Others	-		-		-		0	0	0	1	0	1		-				
Total rental business expenses	-		-		-		17	17	23	19	57	60		-				
NOI	-	155	-	36	-	18	137	160	34	48	307	365	139	-	235	270	83	95
Depreciation and amortization	-	34	-	5	-	2	-	-	4	5	43	52	51	-	27	32	23	28
Rental business profit	-	120	-	31	-	15	137	160	30	42	264	312	88	-	208	238	59	66
Total deposits (Ending balance)	-	Not Disclosed	-	Not Disclosed	-	Not Disclosed	276	276	92	92	182	182	Not Disclosed	-	Not Disclosed	Not Disclosed	Not Disclosed	Not Disclosed



# Performance by property(3)

(JPY mn)

Item	F7 (Sagamihara)		F8 (Shinyamashita)		F9 (Kakegawa)		F10 (Urayasu)		F11 (Yokosuka)		F12 (Shonan)		I1 (Kobe)		I2 (Haneda)		I3 (Zama)	
	19th 184days	20th 212days	19th 184days	20th 212days	19th 184days	20th 212days	19th 184days	20th 212days	19th 0days	20th 162days	19th 0days	20th 162days	19th 184days	20th 212days	19th 184days	20th 212days	19th 184days	20th 212days
Days																		
Rent									-		-		330	385	1,380	1,613		
Others									-		-		0	0	2	17		
Total rental business income									-		-		330	385	1,382	1,630		
Taxes and public dues									-		-		11	11	85	85		
Management expenses									-		-		0	0	0	0		
Repair expenses									-		-		3	2	-	-		
Insurance cost and trust fee									-		-		1	1	6	6		
Others									-		-		0	1	352	427		
Total rental business expenses									-		-		16	16	443	520		
NOI	131	165	110	125	47	53	40	45	-	140	-	40	313	368	939	1,110	201	234
Depreciation and amortization	13	16	19	23	-	-	-	-	-	12	-	2	127	150	238	291	35	42
Rental business profit	118	149	90	101	47	53	40	45	-	128	-	38	186	218	700	818	165	192
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

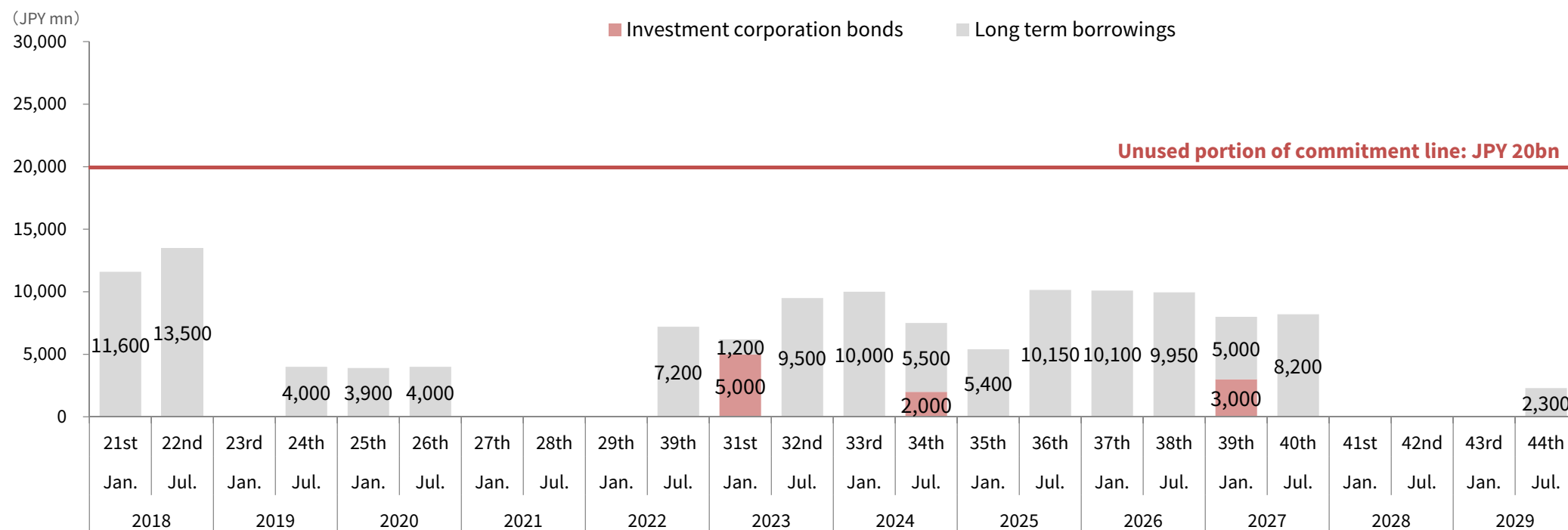
Item	I4 (Shinagawa)		I5 (Osaka Toyonaka)		I6 (Osaka Nanko)		I7 (Nagoya Port)		I8 (Shinagawa ITSC)		I9 (Higashimatsuyama)		19th (Actual)	20th (Actual)
	19th 184days	20th 212days	19th 184days	20th 212days	19th 184days	20th 212days	19th 184days	20th 212days	19th 184days	20th 212days	19th 184days	20th 212days		
Days														
Rent													7,670	9,617
Others													352	437
Total rental business income													8,022	10,054
Taxes and public dues													691	673
Management expenses													150	169
Repair expenses													81	73
Insurance cost and trust fee													38	44
Others													706	818
Total rental business expenses													1,667	1,778
NOI	173	212	176	220	69	88	62	73	135	238	18	21	6,355	8,276
Depreciation and amortization	29	35	26	33	9	11	-	-	22	35	-	-	1,130	1,442
Rental business profit	143	176	149	186	60	77	62	73	113	202	18	21	5,224	6,833
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	9,517	10,112

# Debt Stability (1) (As of end Jul 2017)

## Key Indices<sup>(1)</sup>

Average period remaining to maturity <sup>(2)</sup>	Fixed debt ratio	Weighted average interest rate	Issuer credit rating JCR
5.6 years	100.0	1.16%	AA Stable

## Diversification of Debt Maturities



(1) Outstanding balance as of July 31, 2017 is described  
 (2) Average borrowing period as of July 31, 2017 is described



# Debt Stability (2) (As of end Jul 2017)

## 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)
		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	0.6 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	0.6 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	0.2 years
	Sumitomo Mitsui Trust Bank, Limited	3,080							
	Development Bank of Japan Inc.	1,000	1,000		2.22000	Mar. 29, 2024	Fixed	12 years	6.7 years
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	1,000	1,000		1.90500	Mar. 30, 2022	Fixed (Note 4)	10 years	4.7 years
	Sumitomo Mitsui Banking Corporation	500	500		1.90500	Mar. 31, 2022	Fixed (Note 4)	10 years	4.7 years
	Development Bank of Japan Inc.	2,000	2,000		1.90000	Mar. 29, 2022	Fixed	10 years	4.7 years
	Mizuho Bank, Ltd.	1,500	1,500	Mar. 30, 2012	1.56100	Mar. 31, 2020	Fixed (Note 4)	8 years	2.7 years
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	565							
	Mitsubishi UFJ Trust and Banking Corporation	520	1,500		1.32375	Mar. 29, 2019	Fixed (Note 4)	7 years	1.7 years
	Sumitomo Mitsui Trust Bank, Limited	415							
	Sumitomo Mitsui Banking Corporation	1,500	1,500		1.32375	Mar. 29, 2019	Fixed (Note 4)	7 years	1.7 years
	Nippon Life Insurance Company	1,000	1,000		1.42000	Jun. 30, 2020	Fixed	8 years	2.9 years
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	583	583	Jun. 29, 2012	1.17500	Jun. 28, 2019	Fixed (Note 4)	7 years	1.9 years
	Sumitomo Mitsui Banking Corporation	417	417		1.17500	Jun. 28, 2019	Fixed (Note 4)	7 years	1.9 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	2.2 years
	Sumitomo Mitsui Banking Corporation	1,626	1,626		1.15750	Sep. 30, 2019	Fixed (Note 4)	7 years	2.2 years
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	1,000	1,000		1.29000	Feb. 6, 2023	Fixed	10 years	5.5 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	5.5 years
	Sumitomo Mitsui Trust Bank, Limited	966							
	Sumitomo Mitsui Banking Corporation	500	500		1.38980	Feb. 6, 2023	Fixed (Note 4)	10 years	5.5 years
	Nippon Life Insurance Company	500	500		1.55000	Feb. 6, 2023	Fixed	10 years	5.5 years
	Mizuho Bank, Ltd.	1,000	1,000	Feb. 6, 2013	1.48980	Feb. 6, 2023	Fixed (Note 4)	10 years	5.5 years
	Shinsei Bank, Ltd.	500	500		1.38980	Feb. 6, 2023	Fixed (Note 4)	10 years	5.5 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	4.5 years
	Sumitomo Mitsui Trust Bank, Limited	138							
	Sumitomo Mitsui Banking Corporation	500	500		1.22750	Feb. 4, 2022	Fixed (Note 4)	9 years	4.5 years
	Development Bank of Japan Inc.	1,000	1,000		1.83000	Feb. 5, 2025	Fixed	12 years	7.5 years
	Sumitomo Mitsui Trust Bank, Limited	2,500	2,500	Jun. 28, 2013	1.68475	Jun. 30, 2023	Fixed (Note 4)	10 years	5.9 years

	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)
		Breakdown	Total						
Long-term borrowing	Nomura Trust and Banking Co., Ltd.	500							
	Resona Bank, Ltd.	500	1,500		1.24050	Jun. 30, 2020	Fixed (Note 4)	7 years	2.9 years
	THE YAMAGUCHI BANK, Ltd.	500		Jun. 28, 2013					
	Nippon Life Insurance Company	2,000	2,000		1.75000	Jun. 28, 2024	Fixed	11 years	6.9 years
	Mizuho Bank, Ltd.	1,500	1,500		1.64650	Jun. 30, 2022	Fixed (Note 4)	9 years	4.9 years
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	3,900							
	Mitsubishi UFJ Trust and Banking Corporation	3,600	7,500	Oct. 18, 2013	1.40200	Oct. 18, 2023	Fixed (Note 4)	10 years	6.2 years
	Sumitomo Mitsui Banking Corporation	2,000	2,000	Dec. 30, 2013	1.38025	Dec. 29, 2023	Fixed (Note 4)	10 years	6.4 years
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	700	700		1.31000	Aug. 6, 2024	Fixed	10.5 years	7.0 years
	Sumitomo Mitsui Banking Corporation	900	900		1.24100	Feb. 6, 2024	Fixed (Note 4)	10 years	6.5 years
	THE YAMAGUCHI BANK, Ltd.	500	500		1.14000	Aug. 4, 2023	Fixed	9.5 years	6.0 years
	THE NISHI-NIPPON CHITIBANK, LTD.	500	500	Feb. 6, 2014	1.03150	Aug. 5, 2022	Fixed (Note 4)	8.5 years	5.0 years
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	451							
	Mitsubishi UFJ Trust and Banking Corporation	417	1,200		0.92790	Feb. 4, 2022	Fixed (Note 4)	8 years	4.5 years
	Sumitomo Mitsui Trust Bank, Limited	331							
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	601							
	Mitsubishi UFJ Trust and Banking Corporation	556	1,600	Mar. 13, 2014	1.27175	Mar. 13, 2024	Fixed (Note 4)	10 years	6.6 years
	Sumitomo Mitsui Trust Bank, Limited	441							
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	376							
	Mitsubishi UFJ Trust and Banking Corporation	348	1,000	Mar. 13, 2014	1.68675	Mar. 13, 2026	Fixed (Note 4)	12 years	8.6 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	8.6 years
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	1,350	1,350	Mar. 16, 2015	0.98000	Mar. 14, 2025	Fixed	10 years	7.6 years
	Shinsei Bank, Ltd.	850	850	Mar. 16, 2015	1.01740	Mar. 14, 2025	Fixed (Note 4)	10 years	7.6 years
	Mizuho Trust & Banking Co., Ltd.	850	850	Mar. 16, 2015	1.01740	Mar. 14, 2025	Fixed (Note 4)	10 years	7.6 years
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	1,334							
	Mitsubishi UFJ Trust and Banking Corporation	1,235	3,550	Mar. 16, 2015	0.92990	Sep. 13, 2024	Fixed (Note 4)	9.5 years	7.1 years
	Sumitomo Mitsui Trust Bank, Limited	979							
	The Chugoku Bank, Limited.	700	700	Mar. 16, 2015	0.66090	Sep. 15, 2022	Fixed (Note 4)	7.5 years	5.1 years
	Development Bank of Japan Inc.	1,000	1,000	Mar. 31, 2015	1.26000	Mar. 31, 2027	Fixed	12 years	9.7 years
	Meiji Yasuda Life Insurance Company	850	850	Mar. 31, 2015	1.19000	Mar. 31, 2026	Fixed	11 years	8.7 years
	Sumitomo Mitsui Trust Bank, Limited	1,500	1,500	Mar. 31, 2015	0.98000	Mar. 31, 2025	Fixed	10 years	7.7 years
	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	7.2 years
	Sumitomo Mitsui Trust Bank, Limited	317							

(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 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

# Debt Stability (3) (As of end Jul 2017)

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)
		Breakdown	Total						
Long-term borrowing	Mizuho Bank, Ltd.	800	800	Apr. 15, 2016	0.54500	Mar. 31, 2026	Fixed (Note 4)	10 years	8.7 years
	The Bank of Fukuoka, LTD.	800	800	Apr. 15, 2016	0.50130	Mar. 31, 2026	Fixed	10 years	8.7 years
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	2,000	2,000	Aug. 31, 2016	0.44000	Aug. 31, 2026	Fixed	10 years	9.1 years
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	1,600	1,600	Feb. 17, 2017	0.48500	Aug. 15, 2025	Fixed	8.5 years	8.0 years
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	1,129							
	Mitsubishi UFJ Trust and Banking Corporation	1,041	3,000	Mar. 6, 2017	0.67606	Sep. 4, 2026	Fixed	9.5 years	9.1 years
	Sumitomo Mitsui Trust Bank, Limited	829							
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	1,693							
	Mitsubishi UFJ Trust and Banking Corporation	1,561	4,500	Mar. 6, 2017	0.62977	Mar. 6, 2026	Fixed	9 years	8.6 years
	Sumitomo Mitsui Trust Bank, Limited	1,244							
	Sumitomo Mitsui Trust Bank, Limited	1,500	1,500	Mar. 6, 2017	0.49750	Mar. 6, 2025	Fixed	8 years	7.6 years
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	1,090							
	Mitsubishi UFJ Trust and Banking Corporation	1,009	2,900	Mar. 17, 2017	0.60233	Sep. 17, 2025	Fixed	8.5 years	8.1 years
	Sumitomo Mitsui Trust Bank, Limited	800							
	Development Bank of Japan Inc.	1,000	1,000	Mar. 17, 2017	0.86600	Mar. 16, 2029	Fixed	12 years	11.6 years
	Mizuho Bank, Ltd.	1,000	1,000	Mar. 17, 2017	0.63300	Mar. 17, 2027	Fixed	10 years	9.6 years
	The Bank of Fukuoka, LTD.	1,000	1,000	Mar. 17, 2017	0.68000	Mar. 17, 2027	Fixed	10 years	9.6 years
	Mizuho Trust & Banking Co., Ltd.	1,000	1,000	Mar. 17, 2017	0.68000	Mar. 17, 2027	Fixed	10 years	9.6 years
	THE NISHI-NIPPON CHITIBANK, LTD.	1,000	1,000	Mar. 17, 2017	0.68000	Mar. 17, 2027	Fixed	10 years	9.6 years
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	1,000	1,000	Mar. 17, 2017	0.53000	Mar. 17, 2026	Fixed	9 years	8.6 years
	Sumitomo Mitsui Banking Corporation	1,500	1,500	Mar. 17, 2017	0.50500	Mar. 17, 2025	Fixed	8 years	7.6 years
	The Norinchukin Bank	1,000	1,000	Mar. 17, 2017	0.50500	Mar. 17, 2025	Fixed	8 years	7.6 years
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	2,105							
	Mitsubishi UFJ Trust and Banking Corporation	1,948	5,600	Mar. 31, 2017	0.57171	Sep. 30, 2025	Fixed	8.5 years	8.2 years
	Sumitomo Mitsui Trust Bank, Limited	1,545							
	Mitsubishi UFJ Trust and Banking Corporation	1,000	1,000	Mar. 31, 2017	0.65500	Mar. 31, 2027	Fixed	10 years	9.7 years
	Sumitomo Mitsui Banking Corporation	600	600	Mar. 31, 2017	0.48500	Mar. 31, 2025	Fixed	8 years	7.7 years
	Shinsei Bank, Ltd.	1,000	1,000	Mar. 31, 2017	0.65500	Mar. 31, 2027	Fixed	10 years	9.7 years
	Development Bank of Japan Inc.	1,300	1,300	Mar. 31, 2017	0.83800	Mar. 30, 2029	Fixed	12 years	11.7 years
	Mizuho Bank, Ltd.	1,200	1,200	Mar. 31, 2017	0.63500	Mar. 31, 2027	Fixed	10 years	9.7 years
Investment corporation bonds	Second series unsecured investment corporation bonds	5,000	5,000	Dec. 27, 2012	1.40000	Dec. 27, 2022	Fixed	10 years	5.4 years
	Third series unsecured investment corporation bonds	2,000	2,000	Jun. 26, 2014	0.89000	Jun. 26, 2024	Fixed	10 years	6.9 years
	Fourth series unsecured investment corporation bonds	3,000	3,000	Dec. 26, 2016	0.40000	Dec. 25, 2026	Fixed	10 years	9.4 years
Total / Average		131,500	131,500		1.16			8.9 years	5.6 years

(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 March 31, 2017 . The average is calculated by weighting the rate for each borrowing according to the borrowing amount

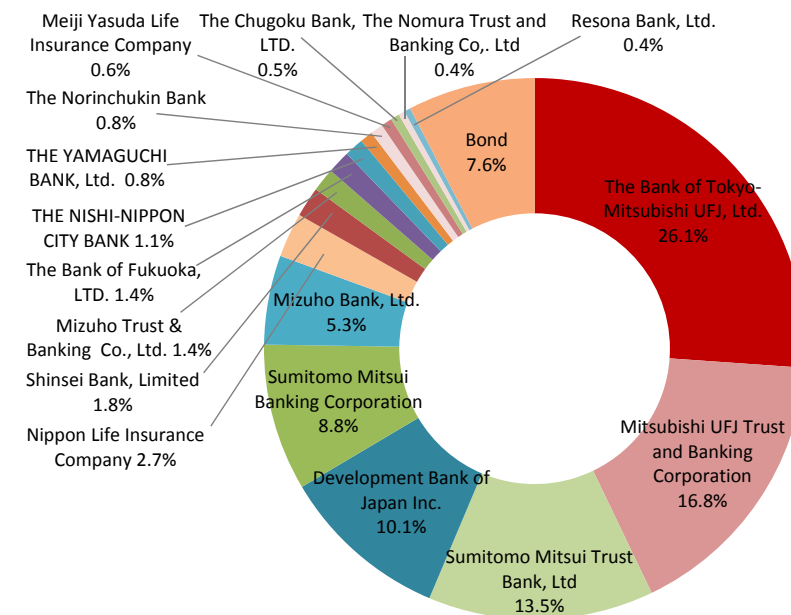
(Note 4) The average is calculated by weighting the remaining term of each borrowing according to the borrowing amount

(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



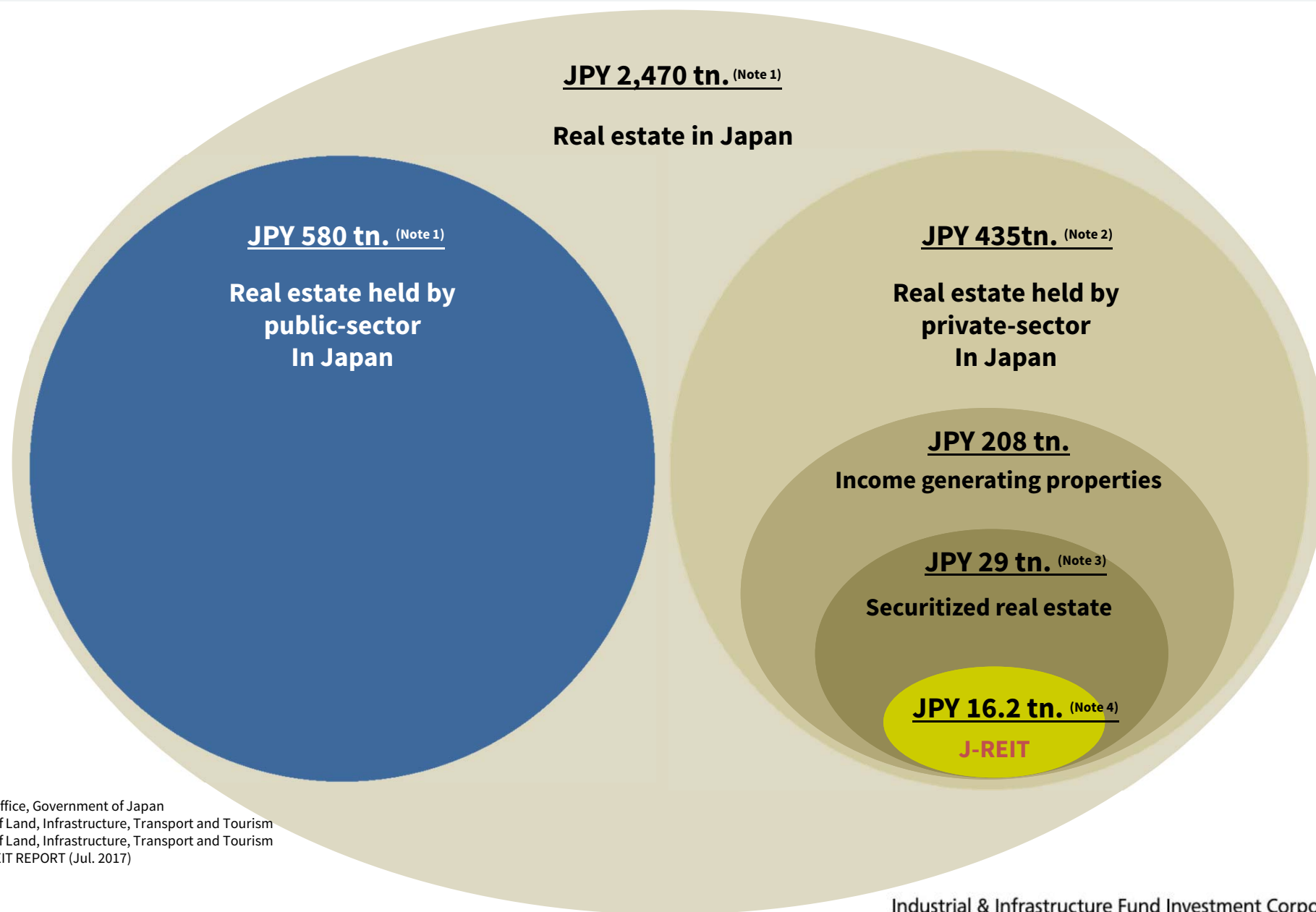
## Breakdown of Lender Formation





# 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

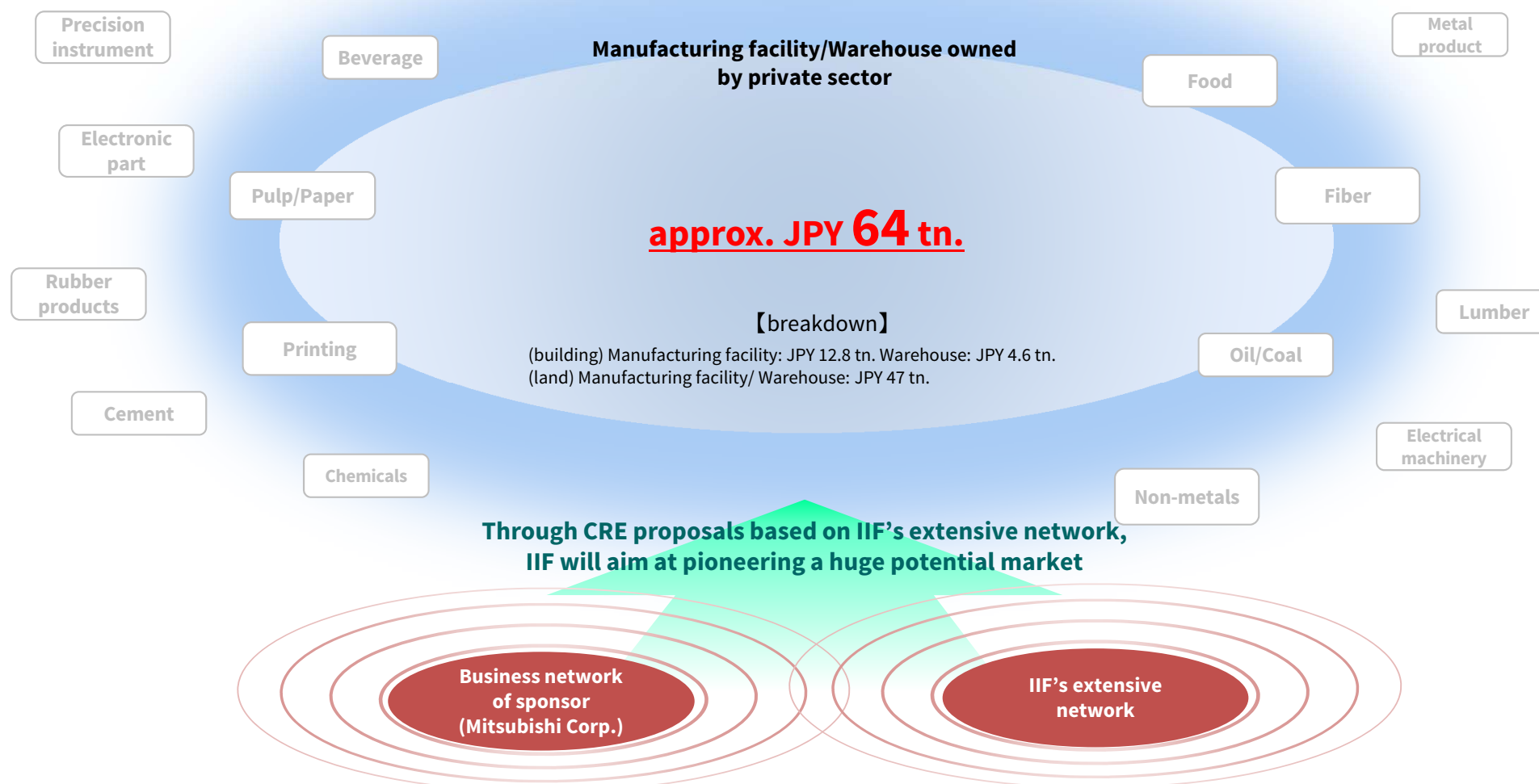
(Note3) Source: Ministry of Land, Infrastructure, Transport and Tourism

(Note4) Source: ARES J-REIT REPORT (Jul. 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



- Operating with over 200 bases and over 1,200 consolidated subsidiaries in Japan and overseas
- Leverage business network across various industries

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

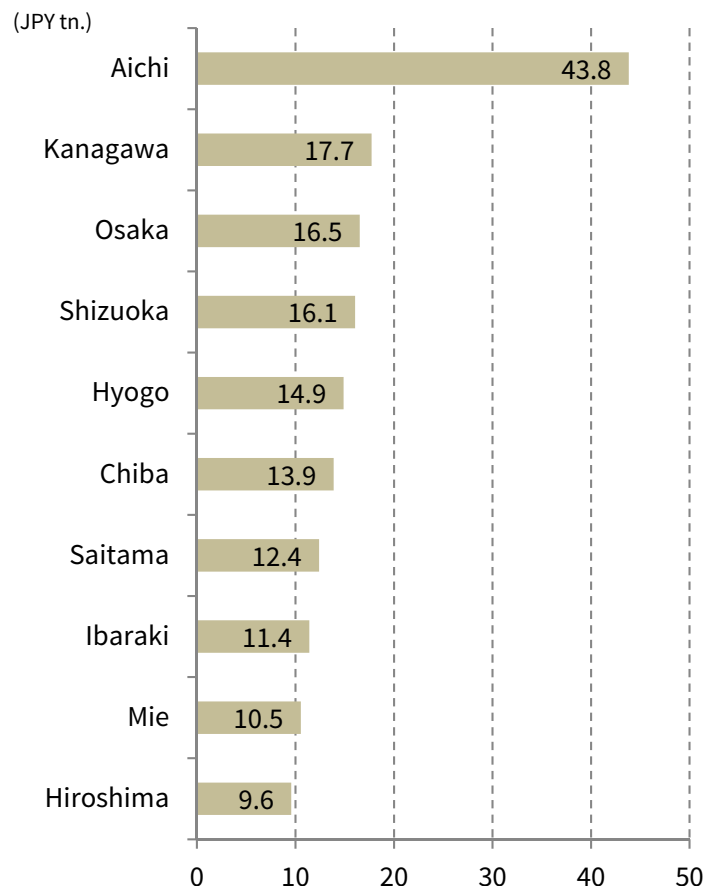
(Source) Ministry of Land, Infrastructure, Transport and Tourism



# 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

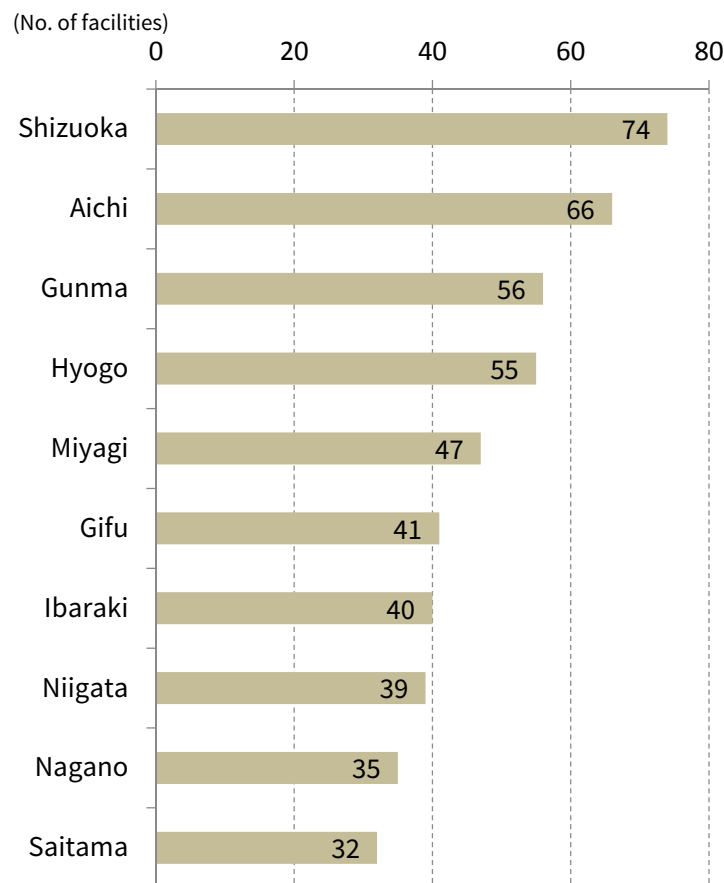


(Source) Ministry of Economy, Trade and Industry, "Census of Manufacture", 2014

(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 in 2016 is concentrated in land areas of Tokai region



(Source) Ministry of Economy, Trade and Industry, "Survey of Factory Location Trends: 2016 Preliminary Report (January–December)"

(Note) Only includes sites throughout Japan with ground area of 1,000 m<sup>2</sup> 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	281
Land price	170
A lot in an industrial park	165
Proximity to markets	105
Aid from national/local governments	121
Proximity of affiliated companies	93
Less limitation due to surrounding environment	124
Access to labor/talents	124
Access to expressway	126
Sincerity/enthusiasm/speed of local government	88
Access to raw materials	72
Access to distribution and service-industry operations	22
Personal contact with other managers	32
Access to industrial water supply	23
Access to airport, seaport, and rail	15
Share location with other companies	7
Developed academic research institute	8
Others	106

## Reasons to choose locations in Japan rather than abroad

(No. of responses)	
Access to good labor	8
Access to raw materials	9
Proximity to markets	12
Proximity of affiliated companies	5
Aid/cooperation from national/local government	10
Political stability and security	6
Organized industrial foundation	4
Developed service-industry operations for the location	0
Developed academic research institute	2
Organized distribution system	2
Care for intellectual property right	0
Others	5

(Source) Ministry of Economy, Trade and Industry, "Survey of Factory Location Trends: 2016 Preliminary Report (January–December)"

Table above "Reasons to choose locations in Japan rather than abroad" shows the results of questionnaire that the 32 companies considered location either abroad or Japan, and eventually decide to the location in Japan.

# 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 (214 companies accepted)<sup>(Note 1)</sup>

**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)<sup>(Note 2)</sup>

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

(Note 1) Financial Services Agency: The Council of Experts on the Stewardship Code. As of Dec 27th, 2016.

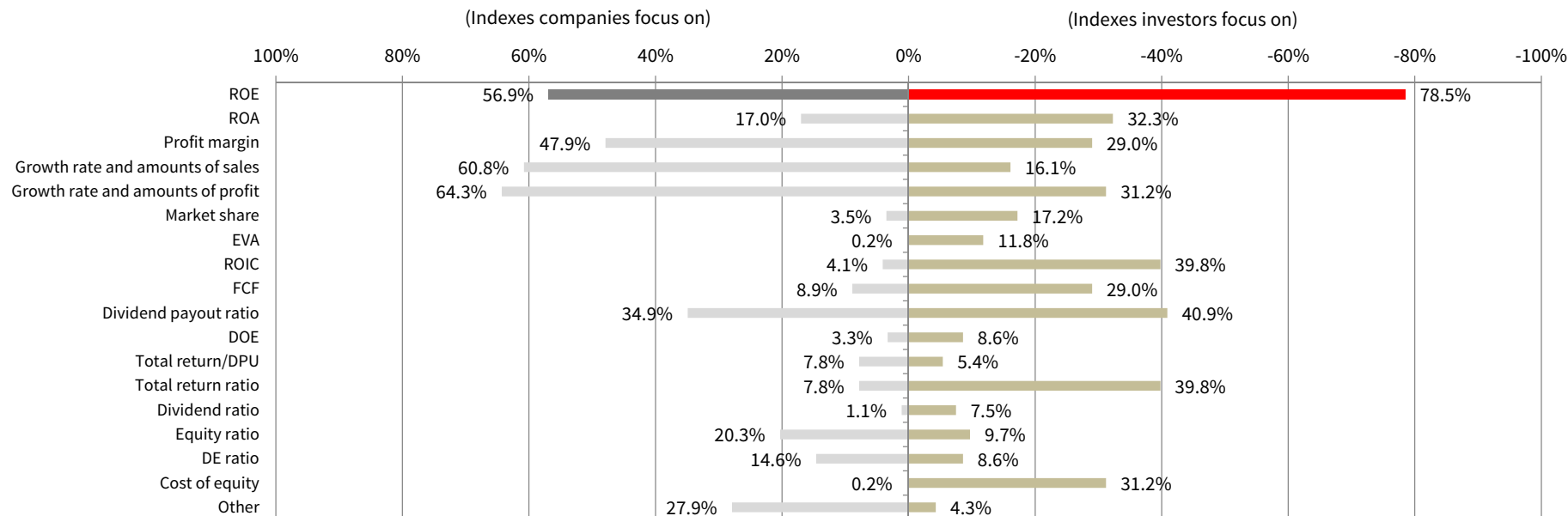
(Note 2) Except for the case where ROE of the most recent fiscal year is 5% or more



# Potential for CRE (2)

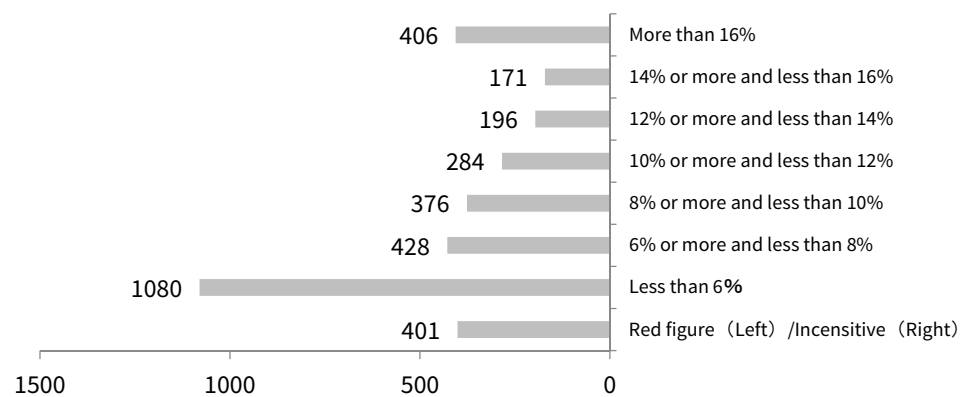
## Increasing focus on CRE through capital market

### Indexes recommended to emphasize as business objectives



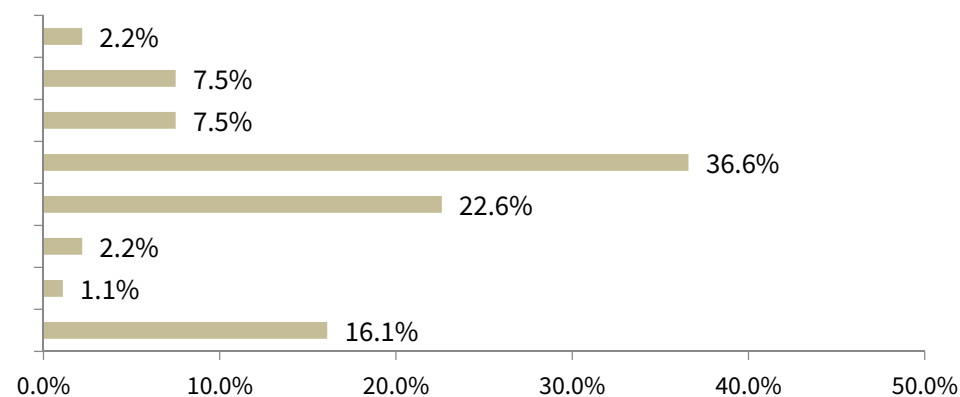
### ROE target recommended in the medium-to-long term

#### Distribution of ROE target of Japanese companies



(Source) 2016 survey by the Life Association of Japan

#### ROE target investors want



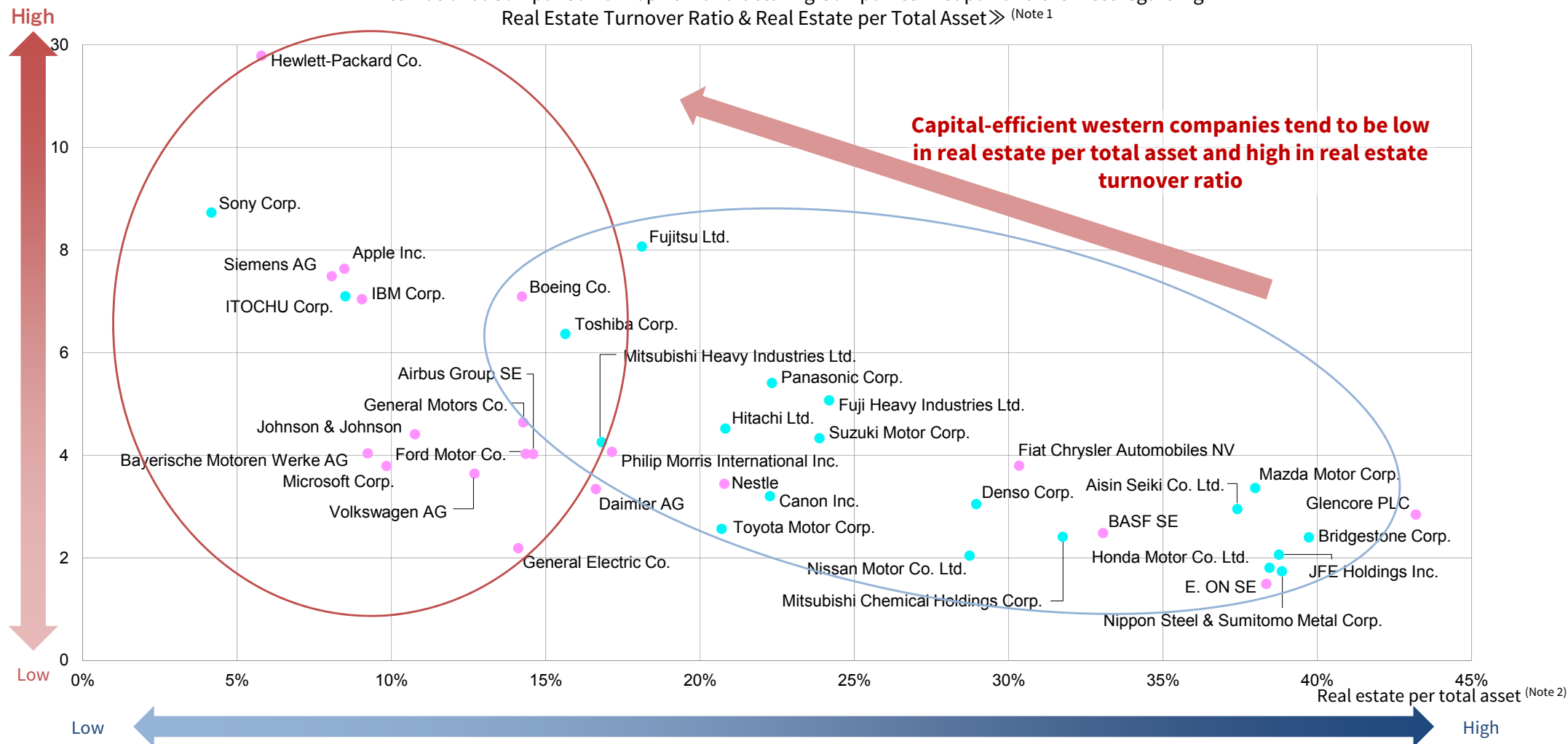
# Potential for CRE (3)

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 2016 Industry Week 1000

(Note 1) Based on The 2016 Industry Week 1000, extract top 20 manufacturing companies in revenue excluding companies in petroleum industry (as of 10 August, 2017)

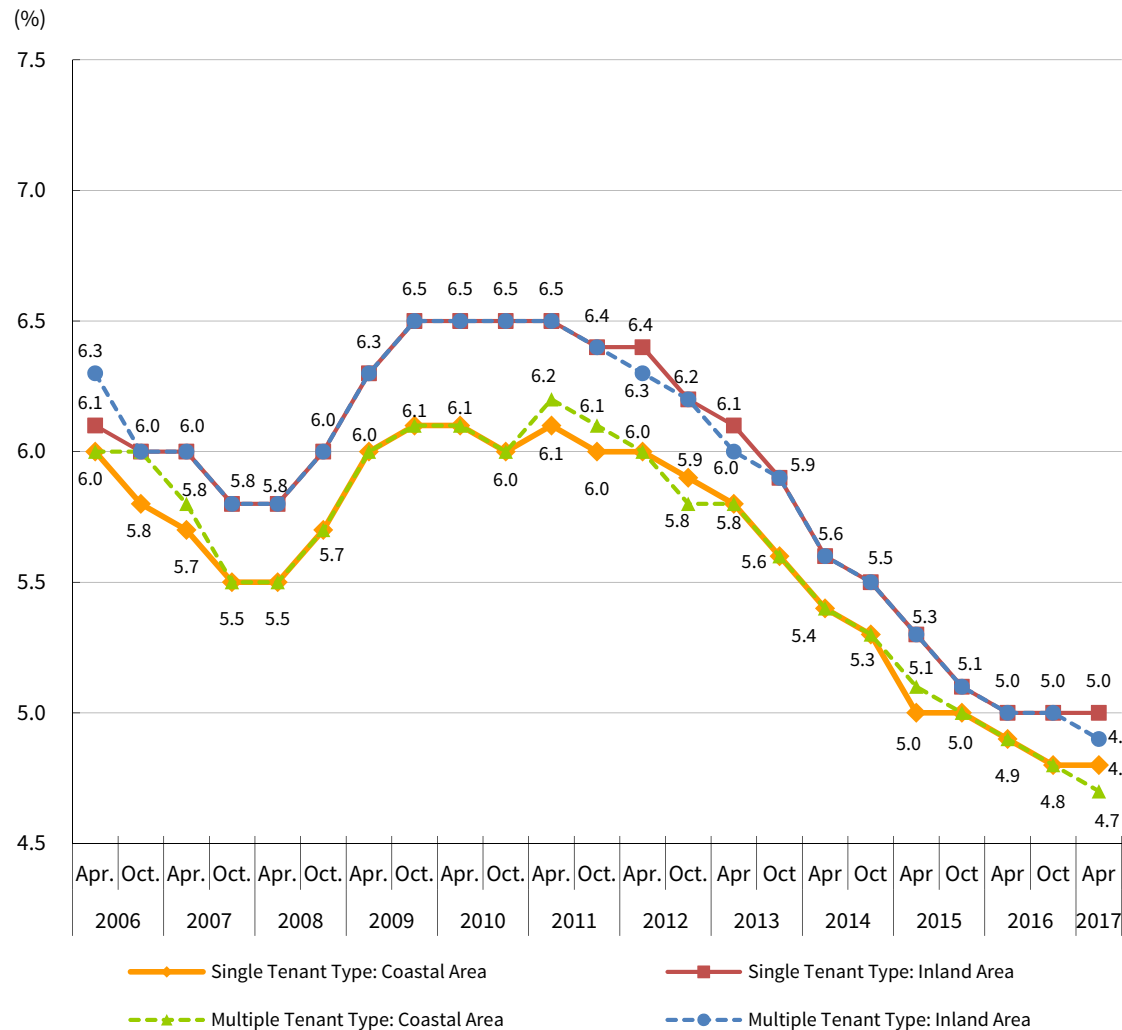
(Note 2) Real estate turnover ratio=revenue / net tangible fixed asset, Real estate per total asset=net tangible fixed asset / total asset



# Overview of the Logistics Market (1)

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

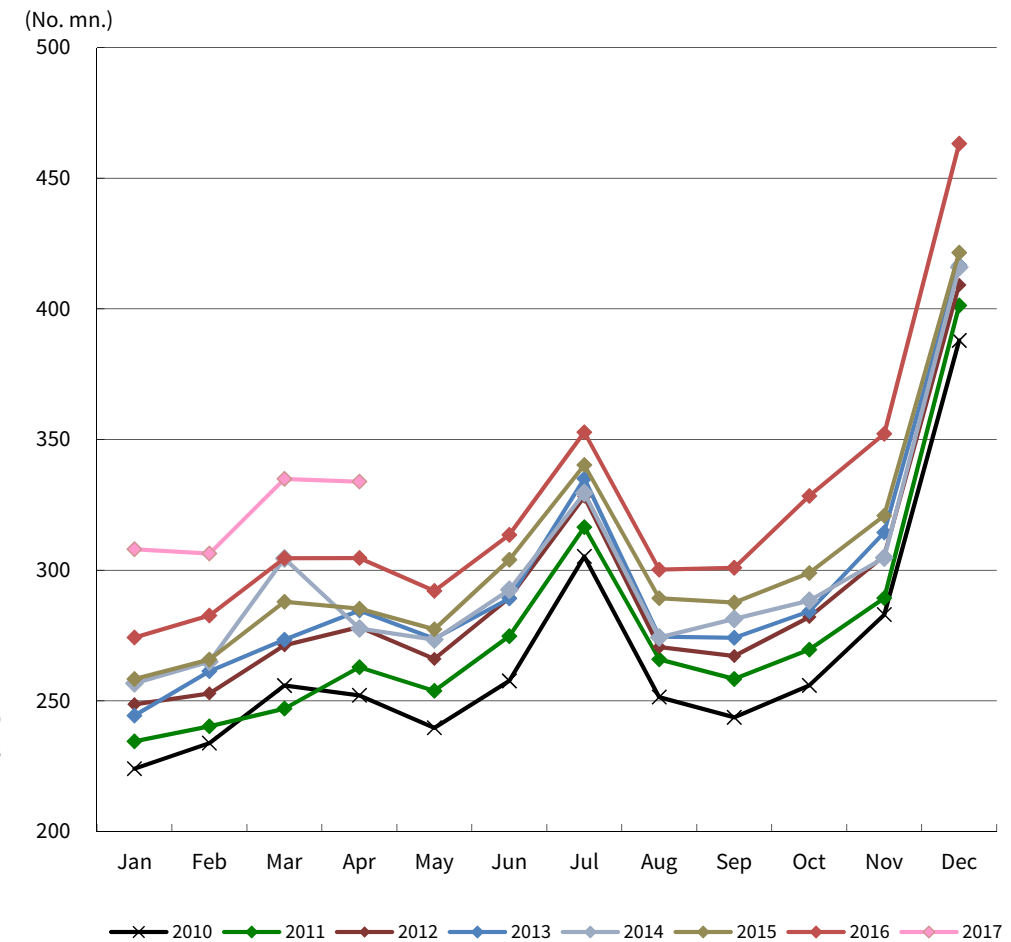
**Expected Cap Rate of Logistics Properties and Warehouses (Location: Tokyo)**



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

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

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

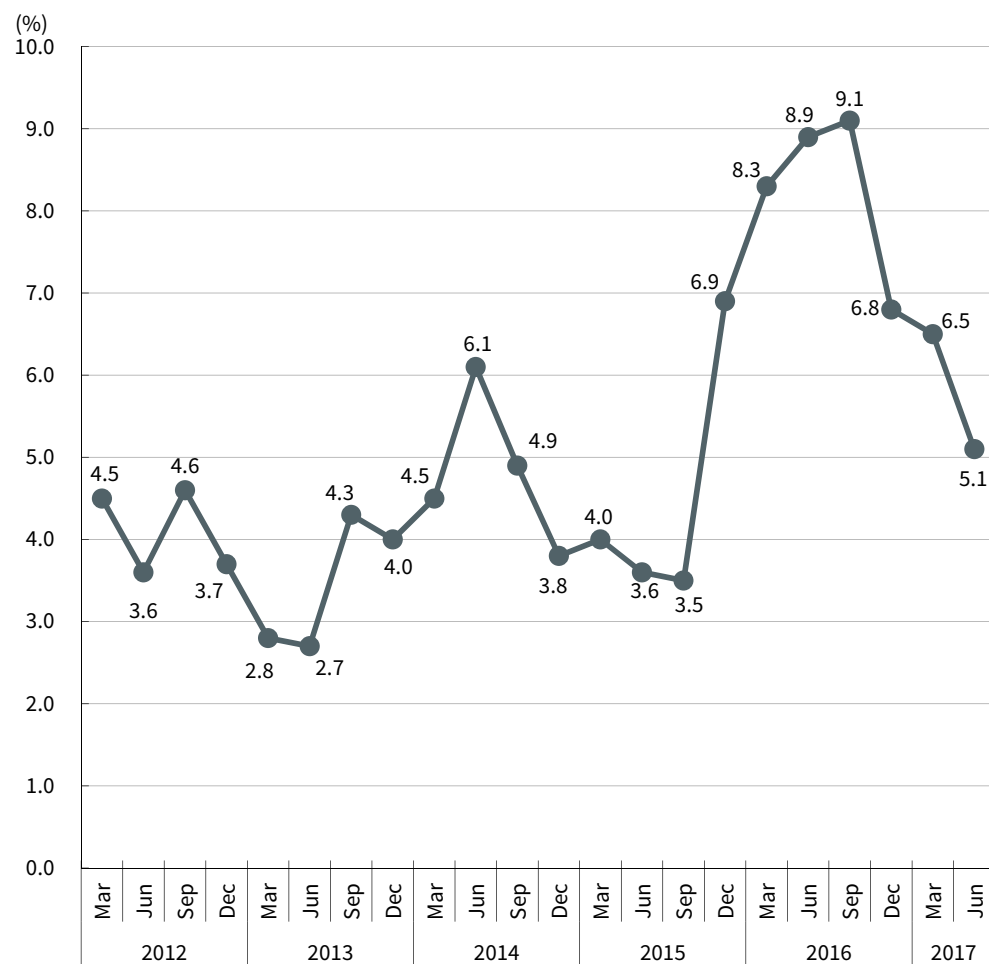


(Source) Ministry of Land, infrastructure, Transport and Tourism

# Overview of the Logistics Market (2)

■ Due to supply of new large-scale facilities, vacancy rate in 1Q once reached to 9.1% in 3Q, but the trend is declining

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

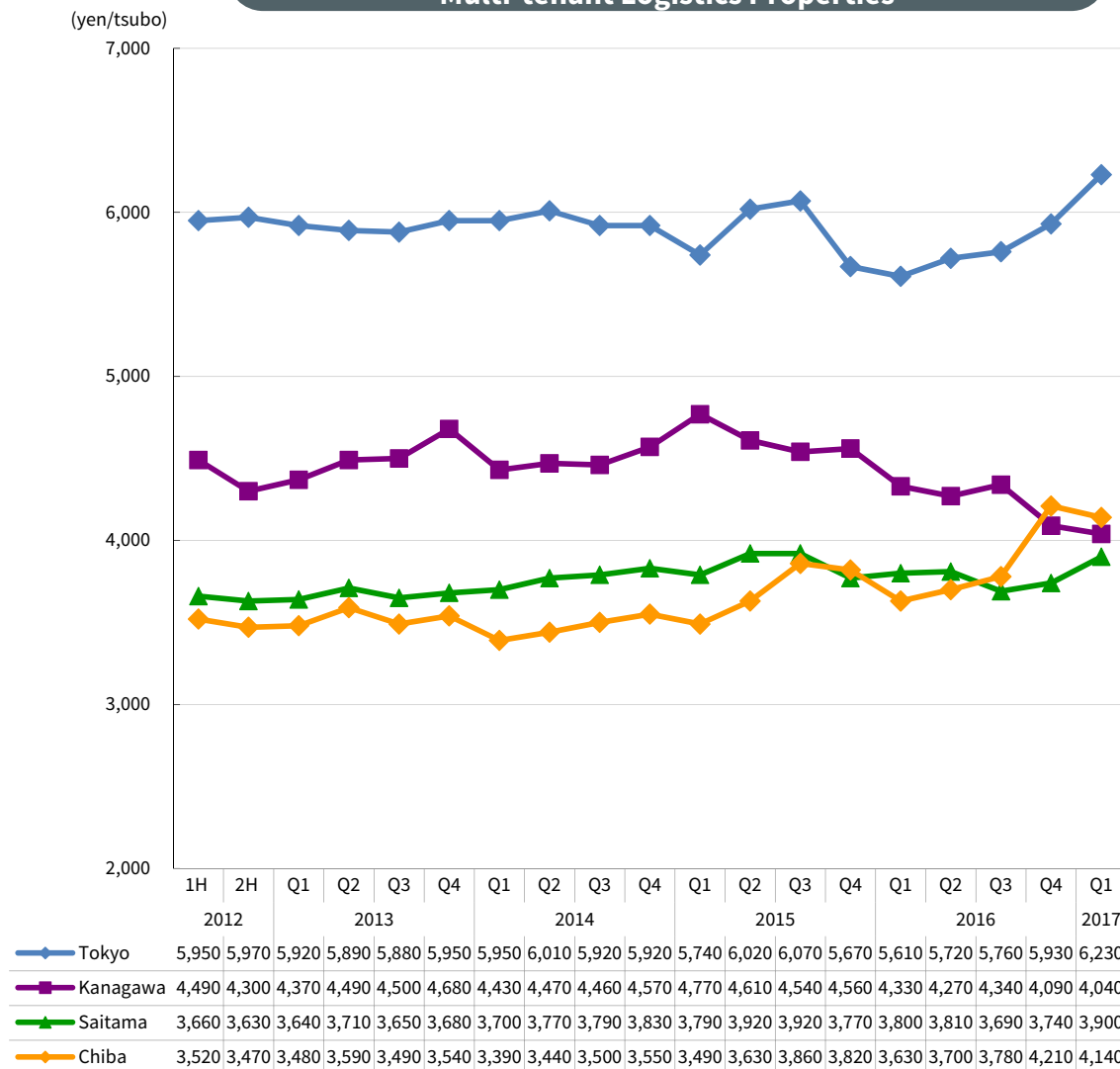


\*Vacancy rate covers 113 multi-type facilities with floor area of 10,000 tsubo and more in the Tokyo metropolitan area (Tokyo, Kanagawa, Chiba and Saitama)

(Source) CBRE: Industrial Market Report

■ Asking Price for Large-scale Multi-tenant Logistics properties Driving up an average rent for all areas.

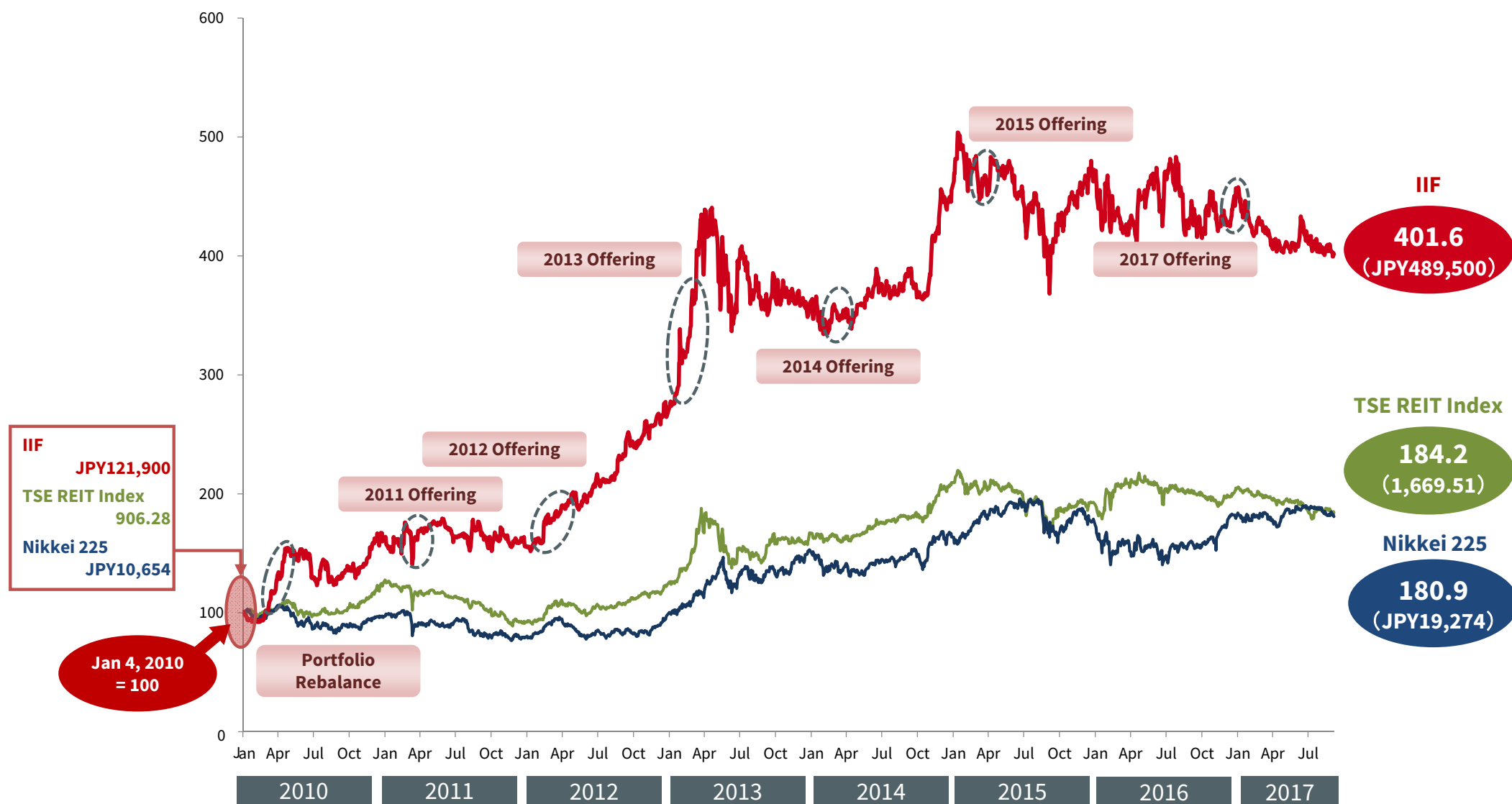
**Average Monthly Asking Rent for Large-scale Multi-tenant Logistics Properties**



(Note) Based on CBRE Data



# Unit Price Performance (Jan 4, 2010 ~ Sep 8, 2017)



(Source) Bloomberg

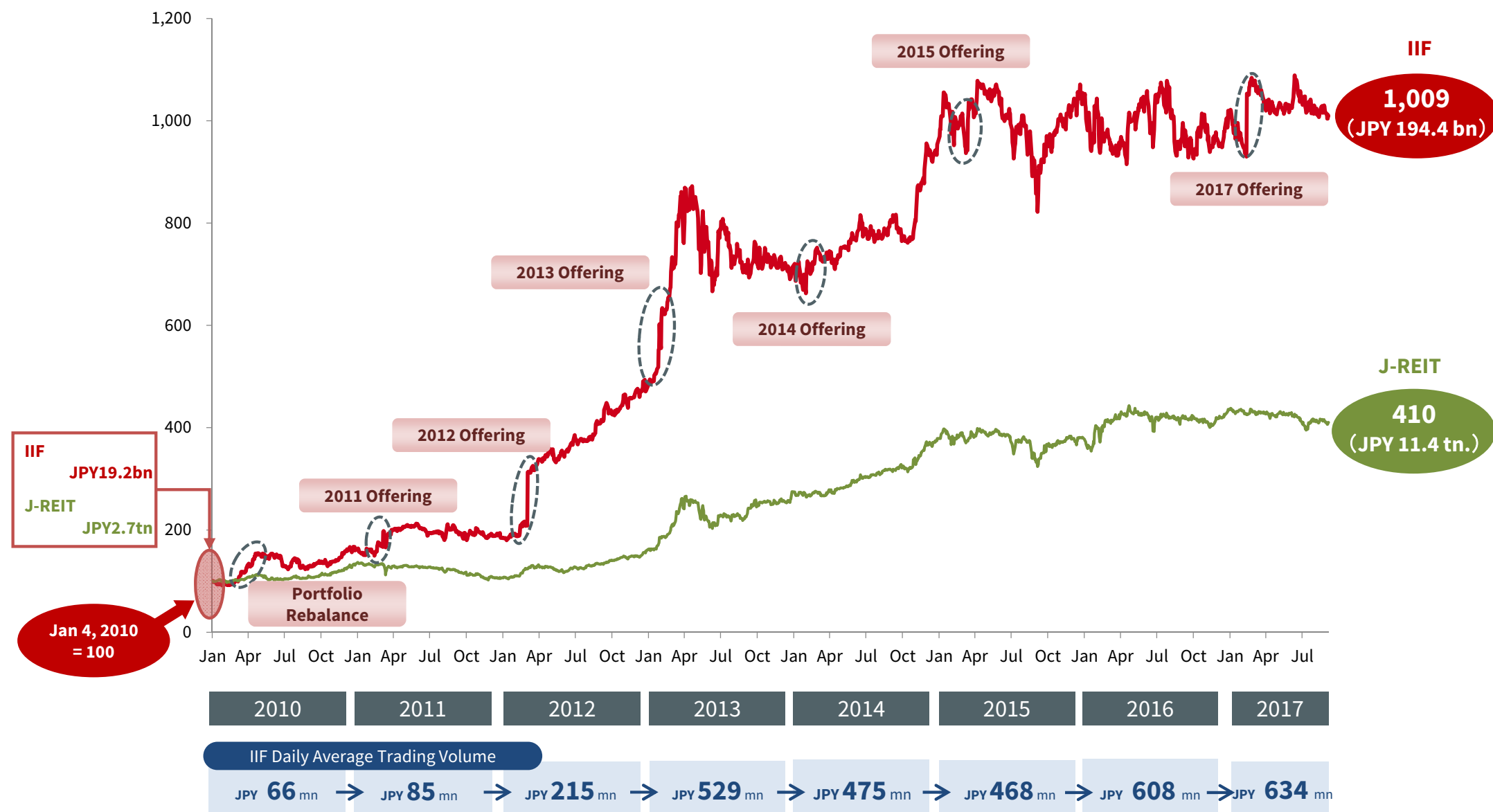
(1) Indices are based on closing prices

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

(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.

# Historical Market Capitalization Exceeds and Trading Volume

(Jan 4, 2010 ~ Sep 8, 2017)



(Source) Bloomberg  
 (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

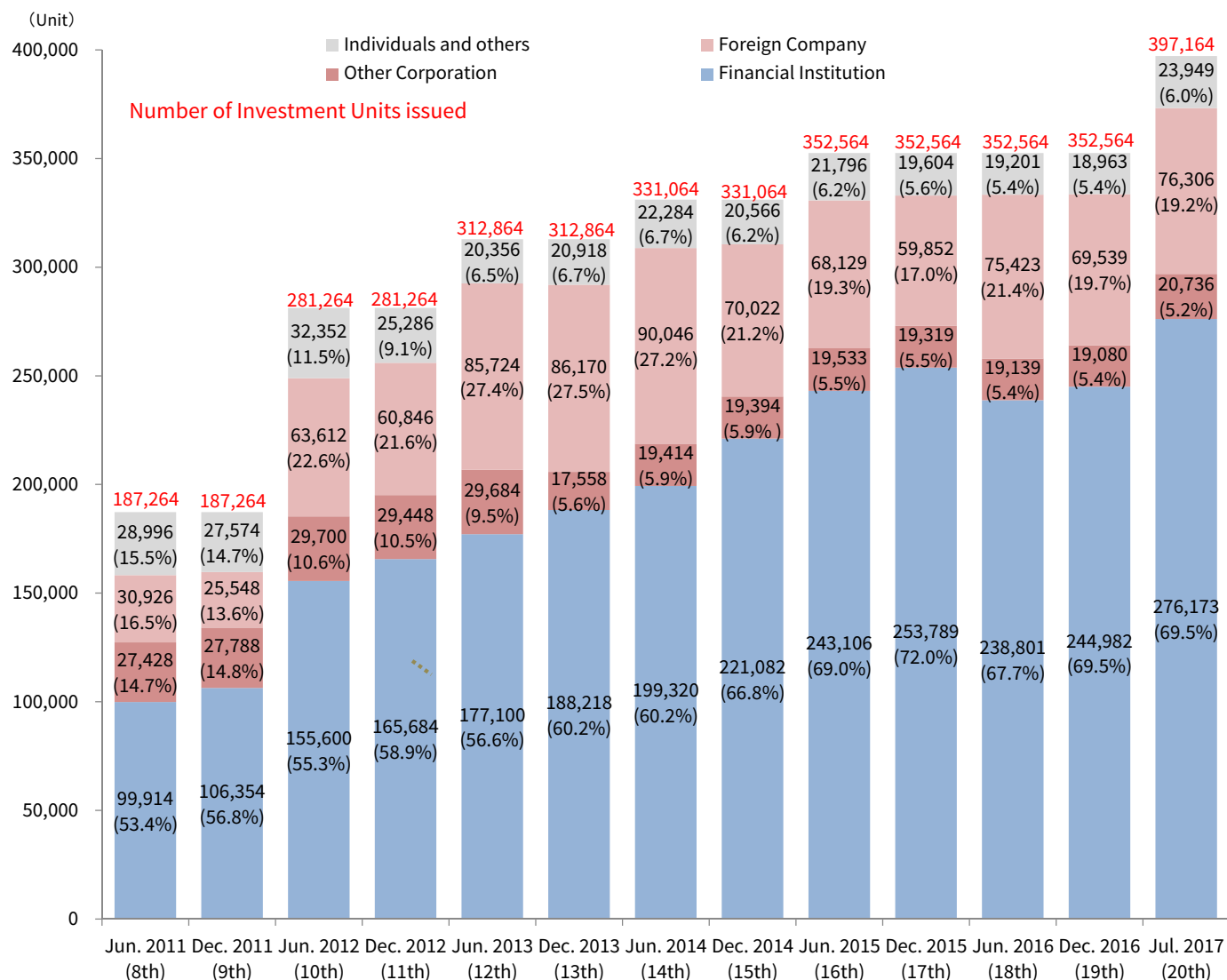


# Investors' Attributes

Top 20 Investors as of the End of Jul. 2017

Rank	Name	Number of Units Held	Ownership Ratio (%)
1	Japan Trustee Services Bank, Ltd. (Trust Account)	68,613	17.27
2	Master Trust Bank of Japan, Ltd. (Trust Account)	36,144	9.10
3	Trust & Custody Services Bank, Ltd. (Securities Investment Trust Account)	35,272	8.88
4	Nomura Trust and Banking Co., Ltd. (Trust Account)	14,440	3.63
5	STATE STREET BANK AND TRUST COMPANY 505012	8,391	2.11
6	The Chugoku Bank	7,874	1.98
7	Mizuho Trust & Banking Co., Ltd.	7,272	1.83
8	Mitsubishi Corporation	6,400	1.61
9	Trust & Custody Services Bank, Ltd. (Cash in Trust Taxable Account)	6,099	1.53
10	Joyo Bank, Ltd.	5,558	1.39
11	STICHTING PENSIOENFONDS METAAL EN TECHNIEK	5,047	1.27
12	Development Bank of Japan Inc.	5,000	1.25
13	THE BANK OF NEW YORK 133970	4,960	1.24
14	DFA INTERNATIONAL REAL ESTATE SECURITIES PORTFOLIO	4,616	1.16
15	The Chukyo Bank, Ltd.	4,606	1.15
16	The Hachijuni Bank, Ltd.	4,530	1.14
17	THE BANK OF NEW YORK, NON-TREATY JASDEC ACCOUNT	3,961	0.99
18	THE ASHIKAGA BANK, LTD.	3,733	0.93
19	SIX SIS LTD.	3,665	0.92
20	Mitsubishi UFJ Trust and Banking Corporation	3,583	0.90
Total of Top 20		239,764	60.36

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 8th to 15th period are calculated that investments are twice those as of the end of each period.

# Overview of the Asset Management Company

## Shareholders of Asset Management Company

 **Mitsubishi Corporation**

Mitsubishi Corporation

 **UBS**

UBS Asset Management AG

Shares	% in total issue	Shares	% in total issue
<b>5,100</b>	<b>51.0%</b>	<b>4,900</b>	<b>49.0%</b>

**Mitsubishi Corp. - UBS Realty Inc.**

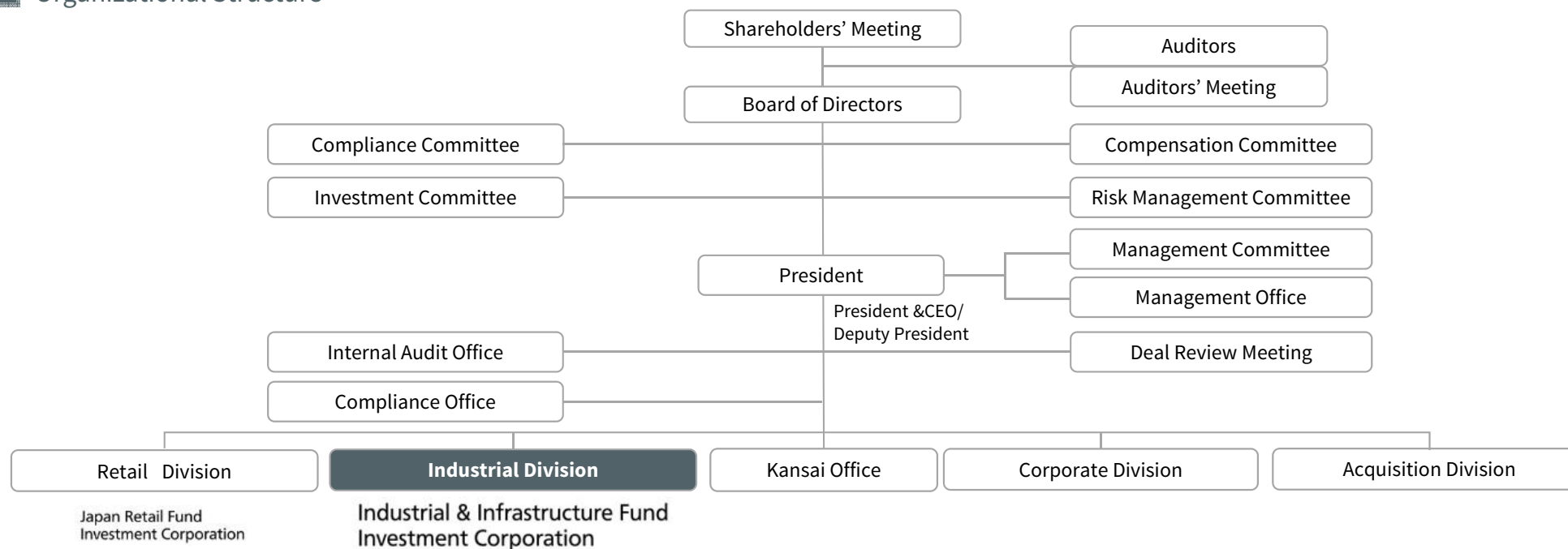
Asset Management Company:

- Number of Directors and Employees 143  
(excluding part-time directors and employees)

Number of Licensed Persons Out of the Above

• Licensed Real Estate Agents	44
• First-class Architects	9
• Real Estate Appraisers	5
• Certified Member of Security Analysts Association of Japan	7
• CPA	2
• Certified Tax Accountants	1
• MBA (including US and UK)	3

## Organizational Structure





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Think bold today for a brighter tomorrow.



Industrial & Infrastructure Fund Investment Corporation

- This material may contain information such as data on future performance, plans, management targets, and strategies. Such descriptions with regard to the future are based on current hypotheses and assumptions about future events and trends in the business environment, but these hypotheses and assumptions are not necessarily correct. As such, actual results may vary significantly due to various factors
- This material is prepared based on Japanese accounting principles 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 financial instruments contracts. When investing, we ask investors to invest on their own responsibility and their own judgment
- IIF is a publicly-offered real estate investment corporation (J-REIT) investing in real estate and related assets the prices of which may fluctuate. Unitholders of the Investment Corporation may suffer loss when unit prices decline in the market or an amount of distributions declines, according to economic and interest rate circumstances, a balance of supply and demand for units, real estate market environment, fluctuations of prices of, and rent revenues from real estate properties under management, disasters, aggravation of financial status of IIF and other reasons. For details, please see "Investment Risk" in the Securities Registration Statement (offering circular) and the Securities Report of IIF

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)