

Think bold today for a brighter tomorrow.



Industrial & Infrastructure Fund Investment Corporation
26th Period Asset Management Report
(Semi-Annual Report)

February 1, 2020 – July 31, 2020

Industrial & Infrastructure Fund Investment Corporation

Industrial & Infrastructure Fund Investment Corporation (IIF) invests in social infrastructure as a source of power for the Japanese economy and supports Japan's industrial activities from the perspective of real estate.

Industrial & Infrastructure Fund Investment Corporation (IIF) was listed on the REIT securities market of the Tokyo Stock Exchange (securities code: 3249) in October 2007 as the only J-REIT specializing in industrial properties.

IIF aims to **continuously expand unitholder value** by securing **a stable profit** and achieving steady growth of the properties under management. It aims to achieve this by investing in logistics facilities, manufacturing and research and development (R&D) facilities, and infrastructure facilities which play a vital role in various industrial activities and are expected to be utilized stably in the medium and long term (hereinafter collectively referred to as “industrial properties”).

Mitsubishi Corp. – UBS Realty Inc.

IIF has signed an asset management agreement with Mitsubishi Corp. – UBS Realty Inc. (hereinafter referred to as the “Asset Manager”) and consigned the asset management business based on its articles of incorporation and investment policy.

The Asset Manager is sponsored by Mitsubishi Corporation, one of the largest general trading companies in Japan, and UBS Asset Management A.G., the world's leading financial group. It manages IIF's portfolio with the aim of securing a stable profit and achieving steady growth of the properties under management in the medium and long term.

Distribution Per Unit

- The 26th Fiscal Period (Result: February 1, 2020 – July 31, 2020) 2,832 yen
- The 27th Fiscal Period (Forecast: August 1, 2020 – January 31, 2021) 3,158 yen
- The 28th Fiscal Period (Forecast: February 1, 2021 – July 31, 2021) 3,158 yen

Highlight of the 26th Period

	The 23rd Period	The 24th Period	The 25th Period	The 26th Period (Actual)	The 27th Period (Forecast)	The 28th Period (Forecast)
Operating Revenue (million yen)	9,806	10,602	11,049	10,984	13,897	14,837
Net Income (million yen)	4,624	5,190	5,571	5,317	6,530	6,530
Total Asset (million yen)	289,242	314,087	327,950	342,223	-	-
Distribution per Unit (yen)*	2,723	2,933	3,085	2,832	3,158	3,158
Net Asset Value per Unit (yen)	76,394	79,081	82,743	82,503	-	-

* The figures include distribution in excess of profit.

Greetings

I would like to take this opportunity to express my sincere gratitude to all investors for your ongoing support. I also would like to express my deepest sympathy to those who have suffered from the novel coronavirus disease, as well as to their families and related persons.

This report provides an update on IIF's performance for the fiscal period ended July 31, 2020 (the 26th period). In the fiscal period, IIF completed the acquisition of the last four properties, which we have announced to acquire through the ninth public offering in December 2019. The number of properties under management at the end of the fiscal period was 75, and the AUM was 323.5 billion yen (on an acquisition price basis). In addition, we announced the 10th public offering on July 27, 2020 and decided to acquire 3 properties (total acquisition price: 46.3 billion yen).

With regards to existing properties, we replaced tenants as planned in IIF Shin-Kawasaki R&D Center, which we have acquired in June 2019, and improved profitability.

As in the previous year, we continued to strengthen our ESG initiatives. IIF Hiroshima Logistics Center, IIF Kobe Logistics Center, and IIF Noda Logistics Center received S-rank ratings and IIF Koshigaya Logistics Center received B-rank ratings for CASBEE Real Estate Certification.

And in terms of financial matters, we strengthened our financial base by executing new borrowings of 14.0 billion yen, which have been announced in the ninth offering, and refinancing 4.0 billion yen.

As a result of these activities, the distribution per unit (including distribution in excess of profit) for the period was 2,832 yen. Currently, the Japanese economy is in an extremely severe situation due to the impact of novel coronavirus pandemic. However, IIF will continue to strive for stable management and work to maximize unitholder value through continuous external and internal growth. I would like to look forward to your continuous support.

Hidehiko Ueda

Executive Director

Industrial & Infrastructure Fund Investment Corporation

IIF Focus

Continuous expanding AUM and realization of stable DPU growth by Acquisition of profitable properties through CRE proposal

Topics of the 26th period

- Acquisition of the last four properties through the ninth public offering on December 2019
- In addition, announcement of the tenth PO in July 2020 and growth in AUM to approximately 370 billion
- Announcement of acquisition of one of the largest life science parks in Japan “IIF Shonan Health Innovation Park”
- Continuous internal growth measures and further efforts for ESG

Summary of the 26th Period (Fiscal Period Ended July 31, 2020)

In the period, due to the increase in rent revenues of the new properties had been acquired in the ninth PO and diminished gain on sales from the disposition of IIF Atsugi Logistics Center (50% co-ownership interest), operating revenue was 10,984 million yen (an decrease of 65 million yen from the previous period), and net income was 5,317 million yen (an decrease of 254 million yen from the previous period).

As a result, the distribution per unit decreased by 253 yen from the previous period to 2,832 yen (including distribution in excess of profit of four yen per unit). Net asset value (NAV) per unit^{*1} increased by 2,344 yen from the previous fiscal period to 113,148 yen.

IIF's portfolio as of July 31, 2020 comprised 75 properties worth 323.5 billion yen (based on acquisition price) with a total leasable area of 1,722,276.26 m² and an occupancy rate of 100.0%^{*2}.

The average remaining lease term is 7.7 years, and based on these long-term lease agreements, we have secured stable management.

Prospect for the 27th Period (Fiscal Period Ending January 31, 2021) and the 28th Period (Fiscal Period Ending July 31, 2021), and Future Management Policies

We forecast an operating revenue of 13,897 million yen, net income of 6,530 million yen, and a distribution per unit of 3,158 yen (including distribution in excess of profit of four yen) for the fiscal period ending January 31, 2021 (the 27th period). For the fiscal period ending July 31, 2021 (the 28th period), an operating revenue of 14,837 million yen, net income of 6,530 million yen, and a distribution per unit of 3,158 yen (including distribution in excess of profit of four yen).

As Japan's only REIT specializing in industrial properties^{*3}, IIF has cultivated manufacturing and research facilities and infrastructure facilities in recent years based upon our unique Corporate Real Estate (CRE^{*4}) proposals. All of the three properties acquired in the tenth public offering were based on the CRE strategy and the AUM will be approximately 370 billion yen after the completion of the acquisitions. Thus, we have built solid track records in the cultivation of new classes of assets and will continuously work to maximize unitholder value through acquisition of profitable properties. We look forward to continued support and encouragement from our unitholders.

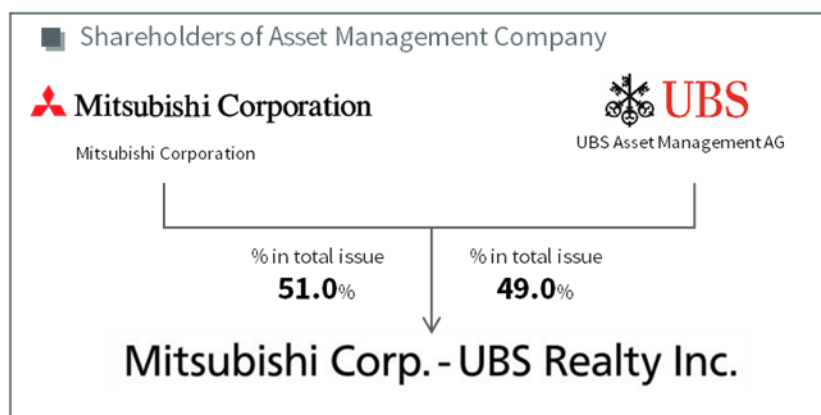
*1 “NAV per unit” is based on the appraisal value (or researched value) as of the end of the most recent fiscal period.

*2 Figures are rounded off to one decimal place.

*3 “Industrial properties” is a collective term for properties that serve as bases for a range of industrial activities such as research and development, raw material procurement, stockpiling, storage, manufacturing, production, intercompany distribution, assembly and processing, sale distribution, and recycling, and infrastructure properties that serve as bases for supporting these industrial activities.

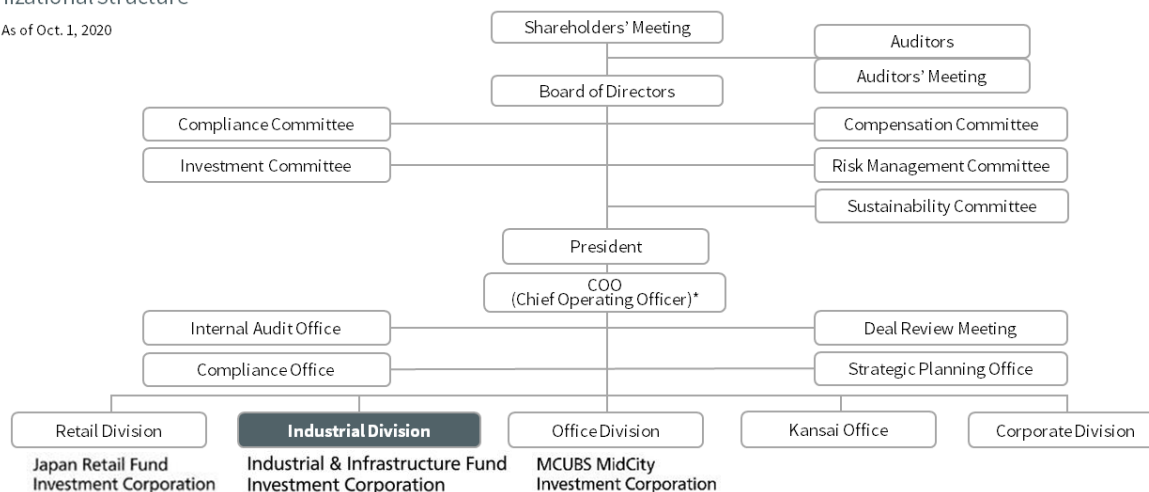
*4 “CRE” is the abbreviation for Corporate Real Estate, which refers to properties owned by companies. To contribute to solving managerial and operational issues and needs of private-sector companies and public institutions, IIF purses CRE strategy that involves making proposals for optimum and efficient management of such property holdings, and works on projects for developing plants, research facilities, and other properties.

About Asset Management Company ~ Mitsubishi Corp.-UBS Realty Inc.~



Organizational Structure

(Note) As of Oct. 1, 2020

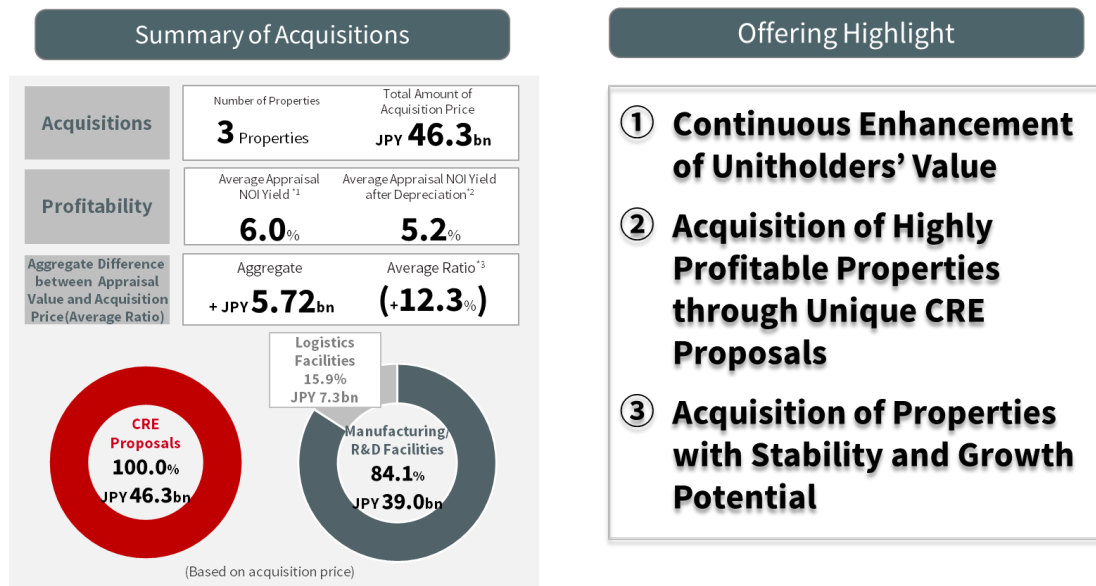


*The Chief Operating Officer (COO) concurrently serves as the Director responsible for compliance.

IIF's External Growth

Highlight of the Tenth Public Offering

IIF have announced the tenth public offering on July 2020. IIF continuously acquires assets with high profitability, long-term usability and versatility through proposing IIF's unique solutions to CRE needs diversified by the changing macro environment.



*1 Average Appraisal NOI Yield = Total Appraisal NOI / Total Acquisition Price

*2 Average Appraisal NOI Yield after Depreciation = (Total Appraisal NOI – Total depreciation) / Total Acquisition Price

*3 Average Ratio = Total Difference between Appraisal Value and Acquisition Price of / Total Acquisition Price

Acquisitions in Tenth Public Offering (Acquired in the 27th Fiscal Period)

01 IIF Shonan Health Innovation Park (60% co-ownership interest) **CRE Proposal**

IIF acquired a 60% co-ownership interest in Life Science Park equipped with one of the largest research facilities in Japan, through a CRE propose to Takeda Pharmaceutical Company Limited. Institutions from industry-government-academia fields, drug discovery companies and next-generation medical companies also use this property as a facility that aims to industrialize in the cutting-edge medical field to be expected to expand the market in the future. In addition, we will secure stable earnings over the medium term through a lease agreement (master lease) with Takeda Pharmaceutical Company Limited. At the same time, Takeda Pharmaceutical Company Limited and the Asset Manager will jointly operate facilities while utilizing the knowledge of the sponsor, Mitsubishi Corporation, with the aim of improving asset value in the future.



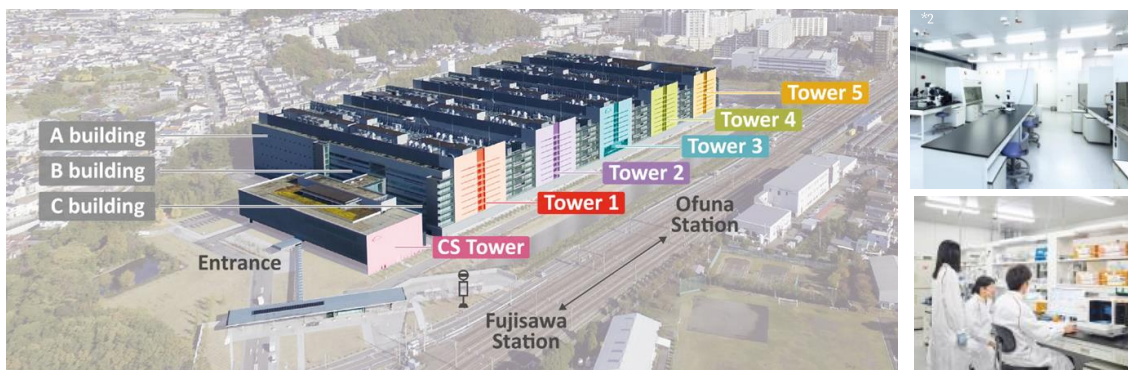
Location	Fujisawa - shi, Kanagawa
Acquisition Date	September 30, 2020
Acquisition Price	JPY 23,100mn
Appraisal Value ^{*1}	JPY 25,680mn
Appraisal NOI Yield ^{*2}	6.5%
Appraisal NOI Yield ^{*2} after Depreciation	5.1%

*1 “Appraisal value” is based on an appraisal report or a research report as of June 1, 2020. The same shall apply hereafter.

*2 “NOI Yield” is calculated by using the net operating income for the first fiscal year under the DCF method indicated in the appraisal report as of June 1, 2020. If special circumstances are expected in the first year, the second or later year net operating income is used. Depreciation is calculated based on the straight-line method according to useful life in the same way as for IIF’s acquired properties in the portfolio. The same shall apply hereafter.

With approximately 300,000m² of floor space, it is fully equipped with facilities suitable for cutting-edge life science technology research

76 wet lab* suites (area for biochemistry/synthesis experiment etc.) fully equipped with shared laboratory equipment (versatile and expensive equipment)



* “Wet lab” means conducting hands-on physics/chemistry experiments with equipment and chemicals

Communication space and amenity as a catalyst for creating innovation

<Communication space>



“Beach”



“Nomad”

<Amenity>



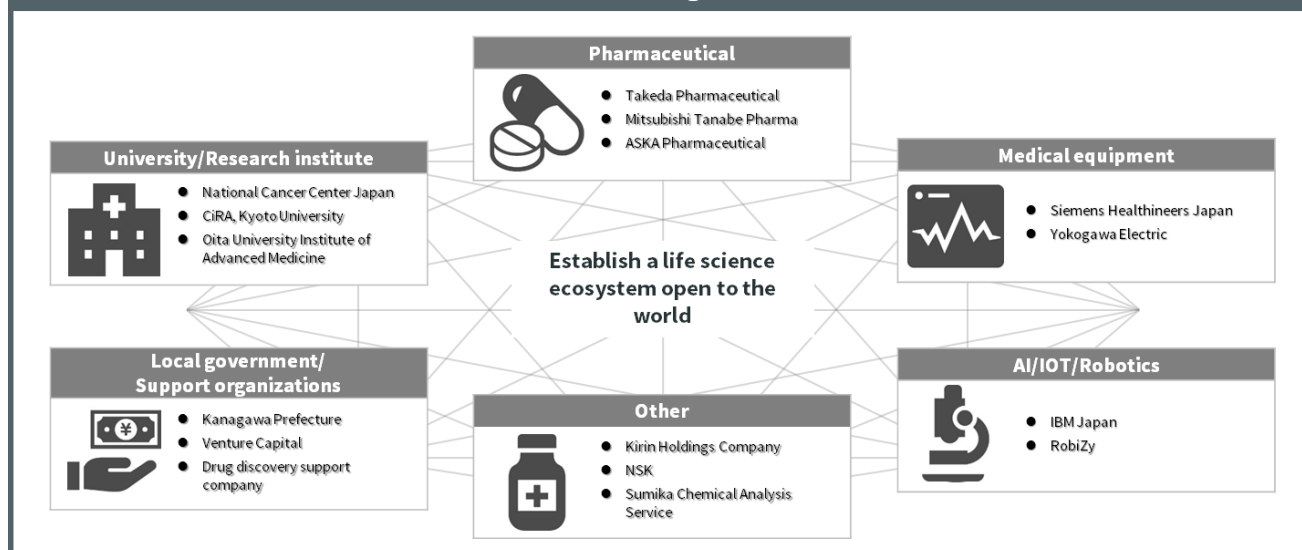
Gym

Efforts to improve asset value through facility operation in cooperation with Takeda Pharmaceutical Company Limited

Contribution to create of innovation in the cutting-edge medical field by providing real estate support for facility management, as well as utilizing Takeda Pharmaceutical Company Limited's extensive research and clinical know-how and Mitsubishi Corp.'s knowledge as a membership of this facility



Create Innovative Value with Collaborative Effort Being Promoted by Various Companies from Industry, Government and Academia Basing their Research in One Place



02 IIF Ichihara Manufacturing Center (land with leasehold interest) **CRE Proposal**

IIF acquired a large-sized land with leasehold interest for plant with good traffic access and high versatility located in the Tokyo Metropolitan area, capturing CRE needs of the seller in business restructuring. This property has strong potential and versatility as it is located in the exclusive industrial zone named as Keiyo Industrial Area and can be converted into renewable energy or logistics facilities. It is located in Ichihara City where attracts strong interest mainly from chemical companies as a possible site location, and also suitable for sea transportation as it faces Tokyo Bay.



Location	Ichihara - shi, Chiba
Acquisition Date	October 5, 2020
Acquisition Price	JPY 15,910mn
Appraisal Value	JPY 18,230mn
Appraisal NOI Yield	5.7%
Appraisal NOI Yield after Depreciation	5.7%

Located in the exclusive industrial zone “Keiyo Industrial Area”, it is highly versatile as a factory site and can also be converted into renewable energy facilities or logistics centers

[Section A] Used as a shipbuilding section by the current tenant

Mid-to-long term use

- ① Some section to be continuously used
- ② Attracting factories of other manufacturing enterprise etc.
- ③ Conversion into logistic facilities, etc.

[Section B] Used as a bridge, machinery and energy etc. section by the current tenant

Joint venture of Mitsui E&S Group*, a major trading company and a major infrastructure company is building a biomass power plant on the site (Operation is scheduled to start in October 2020)

Biomass power plant (under construction)

<Expected to produce biomass power generation business, leveraging the strength of each company>

Mitsui E&S Group	Construction/Operation/Maintenance
A major trading company	Supply biomass fuel
A major infrastructure company	Power plant operation

* “Mitsui E&S Group” indicates Mitsui E&S Holdings Co., Ltd. and its consolidated subsidiaries.

03 IIF Shonan Logistics Center **CRE Proposal**

IIF acquired an important logistics hub of Suzuken Co., Ltd., a major medical supplies wholesaler, through CRE proposal to TODA CORPORATION which is a major construction company. This property is high-functional logistics facilities equipped with automated warehousing, ordinary temperature / temperature-controlled warehousing and hazardous materials warehousing systems. This is located within approximately 1.0km from Samukawa-Minami IC on Ken-O Expressway, through which access to broad areas is provided via Tomei Expressway, Chuo Expressway and other expressway networks.

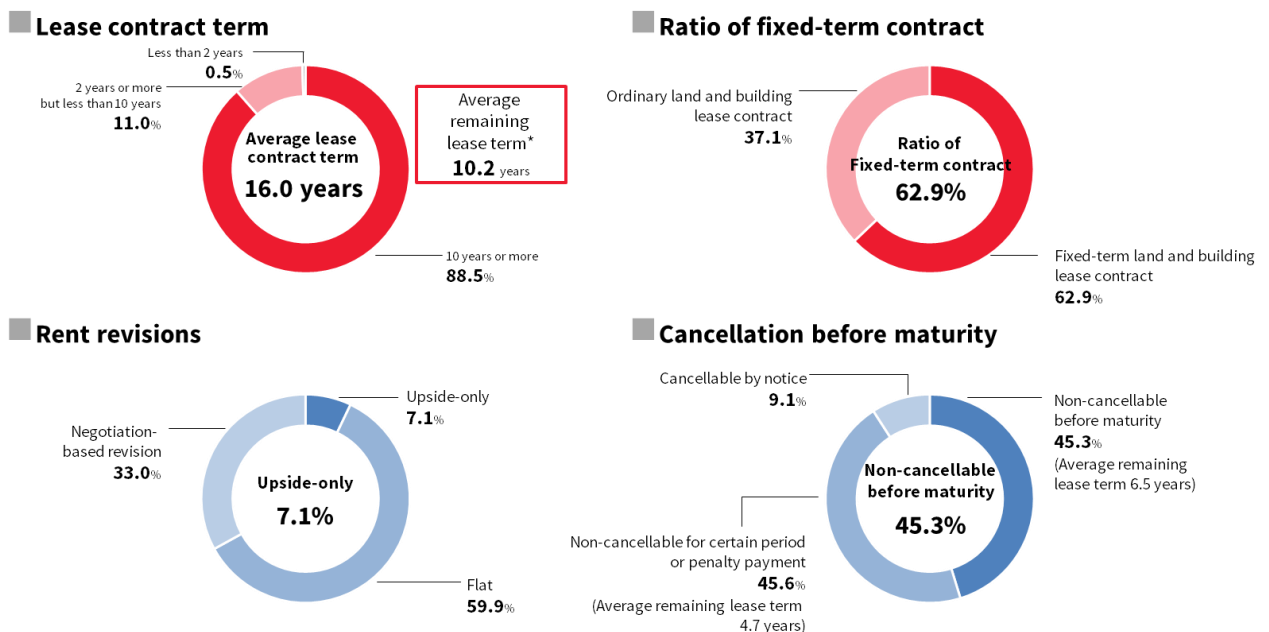


Location	Koza - gun, Kanagawa
Acquisition Date	August 12, 2020
Acquisition Price	JPY 7,380mn
Appraisal Value	JPY 8,200mn
Appraisal NOI Yield	4.9%
Appraisal NOI Yield after Depreciation	4.2%

IIF's Internal Growth

Consistently Maintained “Stable in Long-term Portfolio Management Strategy”

Portfolio with Stable and Long-term Lease Contract (After Acquisitions)



* This figure is based on annual rent.

Financial Initiatives of IIF

In this period, the percentages of long-term and fixed-interest rate borrowings were 100.0% and 100.0%, respectively, with an average applicable interest rate of 0.79% and an average of 5.7 years remaining until maturity. The loan to value (LTV) rate was 49.8%.

In addition, IIF borrowed new long-term debts in the 27th fiscal period in purpose of the aim of raising capital to acquire new properties through the tenth public offering announced on July 2020.

IIF will work to build up the continuative and stable financial foundation through the ALM strategy which is to implement long-term and fixed-interest rate borrowings.

IIF's Sustainability Management

Inclusion in the MSCI Japan ESG Select Leaders Index

IIF has been included in the MSCI Japan ESG^{*1} Select Leaders Index which had been launched by MSCI on July 3, 2017. IIF has received “A” rank as of July 2020. IIF sees inclusion in the index having a favorable effect to broaden our potential investor base and increase the liquidity of the fund.

2020 CONSTITUENT MSCI JAPAN
ESG SELECT LEADERS INDEX

MSCI Japan ESG Select Leaders Index:

MSCI, an American stock index provider listed on the New York Stock Exchange, launched index called the MSCI Japan ESG Select Leaders Index^{*2}. The index is the capitalization weighted index which provides exposure to companies with high Environment, Social, and Governance (ESG) performance relative to their sector peers. The Government Pension Investment Fund (GPIF) also announced on July 3, 2017 that it has selected the index one of three ESG indices. As announced in June 2020 by MSCI, the index covers the top 700 equities in the MSCI Japan Investable Market Index (IMI), and selects 236 equities with outstanding ESG ratings

*1 ESG stands for Environmental, Social, and Governance. IIF's efforts towards ESG issues will help solve and improve environmental and social issues, and foster a sound and growing capital market.

*2 The inclusion of IIF in any MSCI Index, and the use of MSCI logos, trademarks, service marks or index names herein, do not constitute a sponsorship, endorsement or promotion of IIF by MSCI or any of its affiliates. The MSCI indexes are the exclusive property of MSCI. MSCI and the MSCI index names and logos, trademarks or service marks of MSCI or its affiliates.

Third-Party Evaluation and Certifications (As of the end of July, 2020)

GRESB Real Estate Assessment

Awarded the “Green Star”, GRESB’s (Global Real Estate Sustainability Benchmark) highest award, for seven consecutive years. The measures implemented from the past including proactive information disclosures on website related to sustainability, new measures such as improvement of corporate governance and diversity inclusion were recognized. IIF also awarded four stars under the GRESB rating system (five-star scale). As well as, “A” rating, the highest rating, for the GRESB Public Disclosure in two consecutive years.



CASBEE

IIF has been promoting environmental and energy conservation measures as well as the efficient use of energy in its properties for the effort to strengthen environmental consciousness and reduce environmental load. 17 properties in IIF’s portfolio were awarded CASBEE Real Estate Certification.

*Includes properties subject to reporting system of local municipalities.



BELS

Eight properties in IIF’s portfolio were awarded BELS Certification.



DBJ Green Building Certification

Five properties in IIF’s portfolio have received the DBJ Green Building Certification.



Continuous Efforts Regarding ESG

Mitsubishi Corp.- UBS Realty Inc., the asset manager of IIF, has been promoting ESG initiatives. Having established basic policy on sustainability in 2013, IIF has implemented the following initiatives. IIF shares this policy in making investments.

In 2013

- Established an “Environment Charter”
- Established the Basic Policy for Responsible Property Investment
 - Established Sustainability Committee with the Asset Manager’s CEO as Chairman
- Signed the “Principles for Responsible Investment (PRI)” proposed by the UN Secretary General
- Became the first J-REIT asset manager to sign the “Principles for Financial Action Towards a Sustainable Society (Principles for Financial Action for the 21st Century)” drawn up with the Ministry of Environment serving as secretariat

In 2015

- Became the first J-REIT asset manager to sign the “Montreal Carbon Pledge”, a new commitment to reduce CO2, drawn up by the United Nations PRI General Assembly

In 2016

- Became the first J-REIT asset manager to sign the “United Nation’s Environment Programme – Finance Initiative (UNEP FI)” and participate in a working group
- Became the first J-REIT asset manager to sign the United Nations Global Compact (UNGC), an organization led by the UN Secretary General

In 2019

- Expressed support for the recommendations of the “Task Force on Climate-related Financial Disclosures (TCFD)”

In 2020

- Newly organized a “Sustainability Committee”
- Introduced Chief Sustainability Officer (CSO)



Since 2016, the Asset Manager has been committed to the UN Global Compact corporate responsibility initiative and its principles in the areas of human rights, labor, the environment and anti-corruption.

The Introduction of an Employees’ Investment Unit Ownership Program

The Asset Manager of IIF has decided to introduce its employees’ investment unit ownership program, where its employees are allowed to invest in IIF units in accordance with the rules and regulations of the Investment Unit Ownership Program and has established its investment unit ownership association on June 1, 2020.

The purpose of introducing the Investment Unit Ownership Program is to improve employees' benefits of the Asset Manager and to enhance the unitholders’ value in the long and medium-term by alignment of interests between the unitholders of IIF and the employees of the Asset Manager, through promoting the acquisition and ownership of the unit by the employees of the Asset Manager and promoting.

I. ASSET MANAGEMENT REPORT

Outline of asset management operation

1. Operating results and financial position

Fiscal period			22nd	23rd	24th	25th	26th
As of /for the six months ended			July 31, 2018	January 31, 2019	July 31, 2019	January 31, 2020	July 31, 2020
Operating revenues	Note 1	(Millions of yen)	9,686	9,806	10,602	11,049	10,984
(Rental revenues)	Note 1	(Millions of yen)	(9,686)	(9,806)	(10,131)	(10,562)	(10,979)
Operating expenses	Note 1	(Millions of yen)	4,132	4,243	4,383	4,529	4,736
(Rental expenses)	Note 1	(Millions of yen)	(3,135)	(3,210)	(3,327)	(3,392)	(3,550)
Operating income		(Millions of yen)	5,553	5,562	6,218	6,519	6,247
Ordinary income		(Millions of yen)	4,614	4,625	5,192	5,572	5,318
Net income	(a)	(Millions of yen)	4,612	4,624	5,190	5,571	5,317
Net assets	(b)	(Millions of yen)	129,765	129,780	141,873	155,559	155,107
(Period-on-period change)		(%)	(11.4)	(0.0)	(9.3)	(9.6)	(-0.3)
Total assets	(c)	(Millions of yen)	289,221	289,242	314,087	327,950	342,223
(Period-on-period change)		(%)	(10.6)	(0.0)	(8.6)	(4.4)	(4.4)
Unitholders' capital	Note 3	(Millions of yen)	125,376	125,376	136,894	150,235	150,235
(Period-on-period change)		(%)	(11.3)	(—)	(9.2)	(9.7)	(—)
Number of units issued and outstanding	(d)	(Units)	1,698,816	1,698,816	1,794,016	1,880,016	1,880,016
Net asset value per unit	(b)/(d)	(Yen)	76,385	76,394	79,081	82,743	82,503
Total distributions	(e)	(Millions of yen)	4,613	4,625	5,261	5,799	5,324
Distribution per unit	(e)/(d)	(Yen)	2,716	2,723	2,933	3,085	2,832
(Profit distribution per unit)		(Yen)	(2,715)	(2,722)	(2,893)	(2,964)	(2,828)
(Distribution per unit in excess of profit)		(Yen)	(1)	(1)	(40)	(121)	(4)
Ratio of ordinary income to total assets	Note 4	(%)	1.7 (3.4)	1.6 (3.2)	1.7 (3.5)	1.7 (3.4)	1.6 (3.2)
Return on unitholders' equity	Note 4	(%)	3.7 (7.6)	3.6 (7.1)	3.8 (7.7)	3.7 (7.4)	3.4 (6.9)
Ratio of net assets to total assets	(b)/(c)	(%)	44.9	44.9	45.2	47.4	45.3
(Period-on-period change)		(%)	(0.4)	(0.0)	(0.3)	(2.2)	(-2.1)
Payout ratio	Note 4	(%)	100.0	100.0	100.0	100.0	100.0
Additional information:							
Rental net operating income (NOI)	Note 4	(Millions of yen)	7,882	7,961	8,207	8,640	9,014
Net profit margin	Note 4	(%)	47.6	47.2	49.0	50.4	48.4
Debt service coverage ratio	Note 4	(Multiple)	9.7	9.7	11.0	11.5	11.4
Funds from operation (FFO) per unit	Note 4	(Yen)	3,499	3,526	3,413	3,487	3,671
FFO multiples	Note 4	(Multiple)	17.1	16.6	20.7	24.1	26.8
Distributable income per unit after adjustment for taxes on property, plant and equipment	Note 5	(Yen)	2,680	2,684	2,881	2,935	2,810
FFO per unit after adjustment for taxes on property, plant and equipment	Note 5	(Yen)	3,464	3,488	3,401	3,459	3,653

Note 1 Consumption taxes are not included.

Note 2 Figures less than unit indicated in the above table are rounded down for amounts and rounded for ratio unless otherwise indicated.

Note 3 Unitholders' capital does not reflect capital deduction item caused by distribution in excess of profit.

Note 4 Figures are calculated using the formulas below. Percentages in parentheses are annualized using 181,184,181,184 and 182 days for the 22nd, 23rd, 24th, 25th and 26th fiscal period, respectively. FFO multiples are unaudited.

Ratio of ordinary income to total assets	Ordinary income / Average total assets
	Average total assets = (Total assets at beginning of period + Total assets at end of period) ÷ 2
Return on unitholders' equity	Net income / Average net assets
	Average net assets = (Net assets at beginning of period + Net assets at end of period) ÷ 2
Payout ratio	Total distributions (excluding distributions in excess of profit) / Net income
Rental net operating income (NOI)	(Rental revenues – Rental expenses) + Depreciation
Net profit margin	Net income / Operating revenues
Debt service coverage ratio	Net income before interest expenses, amortization of investment corporation bonds issuance costs, amortization of investment units issuance costs and depreciation / Interest expenses
Funds from operation (FFO) per unit	(Net income + Loss on sales of real estate properties – Gain on sales of real estate properties + Depreciation + Other depreciation related property) / Number of units issued and outstanding
FFO multiples	Market price per unit at end of period/Annualized FFO per unit

Note 5 The figures indicate pro forma distributable income per unit and pro forma FFO per unit assuming that taxes on property, plant and equipment were not capitalized but charged to income in the periods in which were incurred. These figures are unaudited.

2. Outline of asset management operation

Major developments and management performance of IIF and management performance

(1) Major developments and management performance of IIF

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

IIF has continued to mark steady growth since it began investment operations in 2007 when it acquired nine properties for the total acquisition price of 66,000 million yen. IIF owned 75 properties whose total acquisition price amounted to 323,566 million yen as of July 31, 2020.

(2) Investment environment and management performance

The gross domestic product (GDP) growth for this fiscal period (February 2020 to July 2020) was the growth rates for January to March 2020 and April to June 2020 (first preliminary figure announced on August 17, 2020) decreased by 0.6% (2.5% annually) and decreased 7.8% (27.8% annually), respectively. From April to June 2020, a significant drop in household final consumption expenditures due to self-imposed isolation on an emergency declaration to prevent the spread of the novel coronavirus (COVID-19) and a decline in exports made negative contribution.

In the capital market, even though the Nikkei Stock Average fell to 16,552 yen on March 19, 2020 (approximately 71% of the level at the beginning of this year) due to the spread of the novel coronavirus, the stock has been recovering due to monetary easing and large-scale economic measures in each country, and recovered to 21,710 yen as of the end of July (approximately 94% of the level at the beginning of this year). However, the situation remains unstable amid concerns about the second and the third wave of the novel coronavirus spread and the weak economic fundamentals caused by the deterioration of corporate performance.

In J-REIT market, the Tokyo Stock Exchange REIT Index fell to 1,145 points on March 19 (approximately 53% of the level at the beginning of this year), but recovered to 1,664 points at the end of July (approximately 77% of the level at the beginning of this year). In the logistics REIT, IIF believes that the current rental markets will continue steadily, as EC demand will expand due to self-imposed isolation and further use of EC will be expected in the future.

Under these circumstances, IIF is continuing its sourcing activities from the standpoint of proposing CREs (Corporate Real Estate) as its strengths.

During this fiscal period, IIF acquired 4 properties through a public offering in previous fiscal period, IIF Yokohama Tsuzuki R&D Center (acquisition price of 5,900 million yen), IIF Hiroshima Seifushinto Logistics Center (acquisition price of 6,208 million yen), IIF Atsugi Manufacturing Center (building) (acquisition price of 6,960 million yen) and IIF Okazaki Manufacturing Center (land with leasehold interest) (acquisition price of 3,930 million yen).

As a result, assets held by IIF as of July 31, 2020 totaled 323,566 million yen, including 46 logistics facilities, 20 manufacturing and R&D facilities, and 9 infrastructure facilities. As of July 31, 2020, the total leasable area was 1,722,276.26 m² and the average occupancy rate was 100.0%.

(3) Funding

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

a) Debt Financing

As for funding of interest-bearing debt for this fiscal period, IIF newly borrowed 14 billion yen (average maturity period: 8.4 years) at a fixed interest rate for the purpose of acquiring new properties. The breakdown of the new borrowing is 3 billion yen on April 27, 2020, 7 billion yen on May 28, 2020 and 4 billion yen on July 13, 2020. Furthermore, IIF borrowed 1,500 million yen of long-term borrowings (contract period :10 years) on March 31, 2020, 1,000 million yen of long-term borrowings (contract period :7 years) and 1,500 million yen of long-term borrowings (contract period :8 years) on June 30, 2020 at a fixed interest rate, and repaid the same amount of long-term borrowings with maturities. Through new borrowings and refinancing, IIF has established a financial structure capable of securing stable distributions over the long term by making long-term fixed borrowing periods and reducing interest costs.

As a result, the total amount of IIF's interest-bearing debt as of July 31, 2020 is 170,583 million yen, which is comprised of 160,583 million yen in long-term loans (including long-term loans to be repaid within one year), and 10,000 million yen in investment corporation bonds.

b) Equity Financing

During this fiscal period, IIF raised no fund by means of equity financing.

(4) Overview of financial results and distributions

As a result of the above management activities, IIF recorded operating revenue of 10,984 million yen, operating income of 6,247 million yen, ordinary income of 5,318 million yen and net income of 5,317 million yen for this fiscal period.

For distributions, IIF includes profit distributions in deductible expenses in accordance with Article 67-15, Paragraph 1 of the Act on Special Taxation Measures Law, and profit distributions declared for this fiscal period were 5,316,685,248 yen, which was all profit as defined in Article 136, Paragraph 1 of the Act on Investment Trusts and Investment Corporations of Japan after deducting the provision of an allowance for temporary difference adjustments and excluding fractional distributions of less than one yen per unit. In addition, IIF makes distributions in excess of profit in amounts determined by IIF considering the effects of taxable income in excess of accounting income and items deducted from net assets on distribution amounts. For this fiscal period, distributions related to the allowance for temporary difference adjustments stood at 7,520,064 yen, the amount calculated as the taxable income in excess of accounting income excluding fractional distributions per unit in excess of profit less than one yen. As a result, the distribution per unit for the period and distributions related to the allowance for temporary difference adjustments stood at 2,832 yen.

3. Changes in unitholders' capital

The changes in unitholders' capital and number of units issued and outstanding for last five years were as follows:

Date	Capital transaction	Number of investment units issued and outstanding		Unitholders' capital (Millions of yen) (Note 1)		Note
		Increase	Balance	Increase	Balance	
February 14, 2017	Public offering	43,538	396,102	21,308	112,131	Note 2
March 3, 2017	Allocation of investment units to a third party	1,062	397,164	519	112,651	Note 3
February 1, 2018	Unit Split	1,191,492	1,588,656	-	112,651	Note 4
March 7, 2018	Public offering	109,275	1,697,931	12,623	125,274	Note 5
April 4, 2018	Allocation of investment units to a third party	885	1,698,816	102	125,376	Note 6
May 29, 2019	Public offering	90,700	1,789,516	10,973	136,349	Note 7
June 25, 2019	Allocation of investment units to a third party	4,500	1,794,016	544	136,894	Note 8
October 15, 2019	Distributions in excess of profit (unitcapital refunds)	-	1,794,016	(69)	136,824	Note 9
December 18, 2019	Public offering	83,900	1,877,916	13,014	149,839	Note 10
January 15, 2020	Allocation of investment units to a third party	2,100	1,880,016	325	150,165	Note 11
April 17, 2020	Distributions in excess of profit (unitcapital refunds)	-	1,880,016	(223)	149,941	Note 12

Note 1 Unitholders' capital does not reflect capital deduction item caused by allowance for temporary difference adjustment.

Note 2 New investment units were issued at a price of ¥506,025 per unit (subscription price of ¥489,417 per unit) through a public offering.

Note 3 New investment units were issued at a price of ¥489,417 per unit through the allocation of investment units to a third-party.

Note 4 The Investment Corporation implemented a split of its investment units on a four-for-one basis with January 31, 2018 as the record date for the unit split.

Note 5 New investment units were issued at a price of ¥119,437 per unit (subscription price of ¥115,517 per unit) through a public offering.

Note 6 New investment units were issued at a price of ¥115,517 per unit through the allocation of investment units to a third-party.

Note 7 New investment units were issued at a price of ¥125,092 per unit (subscription price of ¥120,986 per unit) through a public offering.

Note 8 New investment units were issued at a price of ¥120,986 per unit through the allocation of investment units to a third-party.

Note 9 The Board of Directors of the Investment Corporation, at its meeting held on September 11, 2019, resolved to make distribution in excess of profit (unitcapital refund from deduction of unitcapital under tax rule) amounting to ¥39 per unit for the six months ended July 31, 2019. The payment of distribution in excess of profit was commenced on October 15, 2019.

Note 10 New investment units were issued at a price of ¥160,387 per unit (subscription price of ¥155,123 per unit) through a public offering.

Note 11 New investment units were issued at a price of ¥155,123 per unit through the allocation of investment units to a third-party.

Note 12 The Board of Directors of the Investment Corporation, at its meeting held on March 18, 2020, resolved to make distribution in excess of profit (unitcapital refund from deduction of unitcapital under tax rule) amounting to ¥119 per unit for the six months ended January 31, 2020. The payment of distribution in excess of profit was commenced on April 17, 2020.

Fluctuation in market price of the investment securities:

The market price of the investment securities on Tokyo Stock Exchange REIT Market fluctuated during each fiscal period as follows:

(Yen)					
Fiscal period	22nd	23rd	24th	25th	26th
As of /for the six months ended	July 31, 2018	January 31, 2019	July 31, 2019	January 31, 2020	July 31, 2020
Highest price	126,400	121,900	146,900	174,500	203,400
Lowest price	111,800	106,600	115,900	141,300	94,500
Closing price at end of period	120,600	116,300	142,400	166,800	197,400

4. Distributions

The Investment Corporation intends to make profit distributions amounting to ¥5,316,685,248 which are all of profit as defined in Article 136, Paragraph 1 of the Act on Investment Trusts and Investment Corporations of Japan after deduction of reversal of allowance for temporary difference adjustment, except for fractional distribution per unit less than one yen, to be treated the distributions as a tax allowable deduction as defined in Article 67-15 of the Special Taxation Measures Act of Japan. The Investment Corporation also intends to make distributions in excess of profit amounting to ¥7,520,064 as unitcapital refund from allowance for temporary difference adjustment, considering an effect of differences between net income and taxable income and items deducted from net assets, which were corresponding to differences between net income and taxable income for the period, except for fractional distribution per unit in excess of profit less than one yen.

As a result, profit distribution per unit and unitcapital refund per unit from allowance for temporary difference adjustment for the six months ended July 31, 2020 totaled to ¥2,832.

Fiscal period	22nd	23rd	24th	25th	26th
As of /for the fiscal period ended	July 31, 2018	January 31, 2019	July 31, 2019	January 31, 2020	July 31, 2020
Net income (Thousands of yen)	4,612,919	4,624,277	5,190,477	5,571,378	5,317,160
Retained earnings carried forward (Thousands of yen)	218,599	214,007	204,317	167,392	137,303
Total cash distributions (Thousands of yen)	4,613,984	4,625,875	5,261,848	5,799,849	5,324,205
(Cash distribution per unit) (Yen)	(2,716)	(2,723)	(2,933)	(3,085)	(2,832)
Profit distributions (Thousands of yen)	4,612,285	4,624,177	5,190,088	5,572,367	5,316,685
(Profit distribution per unit) (Yen)	(2,715)	(2,722)	(2,893)	(2,964)	(2,828)
Unitcapital refunds (Thousands of yen)	1,698	1,698	71,760	227,481	7,520
(Unitcapital refund per unit) (Yen)	(1)	(1)	(40)	(121)	(4)
Unitcapital refunds from allowance for temporary difference adjustment (Thousands of yen)	1,698	1,698	1,794	3,760	7,520
(Unitcapital refund per unit from allowance for temporary difference adjustment) (Yen)	(1)	(1)	(1)	(2)	(4)
Unitcapital refunds from deduction of unitcapital under tax rules (Thousands of yen)	-	-	69,966	223,721	-
(Unitcapital refund per unit from deduction of unitcapital under tax rules) (Yen)	(-)	(-)	(39)	(119)	(-)

5. Management policies and issues

(1) Outlook for the overall management

In the logistics and real estate market, the multi-tenant logistics facilities in the metropolitan area in the Second quarter of 2020 will have kept less than 1% of the vacancy rate in the past (Reference: CBRE Market View). Preleasing will be steady in the future, so the supply-demand balance of vacancy rate will remain stably. It is also expected that stable use of IIF's properties under management will continue.

On the other hand, the need for business companies to sell their real estate is expected to increase due to concerns about deterioration in corporate performance caused by the impact of the novel coronavirus and the need to secure business funds. In addition, there is a continuous strong desire for capital investment in order to respond to the need for automation by using artificial intelligence (AI) and robots in response to labor shortages, and to respond to technological changes accompanying the progress in IT technology. Under these circumstances, the need for real estate sales to secure business funds and capital investment funds continues to be high, and IIF believes that there will continue to be many opportunities to invest in CRE (Corporate Real Estate) proposal-type acquisitions activities, which the Investment Corporation excels in. However, as the outbreak of novel coronavirus infectious disease is not seen to end, IIF needs to closely monitor the impact of corporate performance and economic fundamentals on the real estate market and the tenants of properties.

(2) Issues to be solved and management policy going forward

Under the situation described above, IIF will seek to maintain a portfolio that generates stable income to achieve sustainable growth of unitholder's value through the strategies described below.

(i) External growth

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

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

IIF will strive to expand the portfolio through acquisitions of prime properties, leveraging its unique strengths as the only listed J-REIT specializing in industrial properties, creating a flexible property acquisition structure by collecting property information through its information channels including sponsor companies or by using bridge scheme structure.

(ii) Internal growth

As of July 31, 2020, IIF's portfolio consisted of 75 properties for a total acquisition price of 323,566 million yen.

The average occupancy rate as of the end of the period stands at 100.0%. The properties are managed under long-term lease contracts with an average remaining lease period of 7.7 years, generating stable cash flows.

IIF continues to conduct "3C Management Cycle" portfolio management in order to achieve internal growth; that is to realize long-term stable management and enhanced profitability as well as asset value by providing value to tenants. "3C Management Cycle" is a portfolio management method of (i) grasping tenants' true needs through close communication (Communicate); (ii) strategically making custom-made proposals to meet tenants' individual needs (Customize); and (iii) creating unitholder value through long-term stable management coupled with enhanced profitability and asset value (Create). As a result, during this fiscal period, with regard to IIF Fukuoka Hakozaki Logistics Center II, IIF negotiated with the tenant, which has rent about 50% of the total leasable area, based on the market rent price in anticipation of the expiration of the existing fixed-term building lease agreement at the end of December 2020 and worked to improve profitability by concluding a new fixed-term building lease agreement that will realize

rent increase after the fiscal period ending January 2021 (from August 1, 2020 to January 31, 2021). IIF will work to maintain the quality of its portfolio and further improve profitability through efforts based on 3C Management Cycle and by implementing the required management tasks to maintain and improve the functionality, safety and comfort of the buildings it manages and by carrying out suitable repair work as necessary. At the same time, in order to maintain and improve the rent level and prevent cancellations, IIF will continue to exert efforts in building favorable relationships with lessees by continuously making close communications.

(iii) Financial strategy

In consideration of IIF's portfolio that generates "long-term stable cash flows based on long-term lease contracts," IIF's basic strategy in raising funds is to fix liabilities in the long term. In accordance with this policy, IIF will continue to pursue ALM (Asset Liability Management) that matches up the long-term stable cash flows of properties with the long-term fixed-rate borrowings.

IIF will also proceed with reducing fund-raising costs, lengthening borrowing periods, standardizing repayment amounts and diversifying repayment dates through effective refinancing of existing loans. Furthermore, IIF will continue to diversify lenders and procurement methods in the aim of enhancing its fund-raising base.

6. Subsequent events

Issuance of new investment units

The Board of Directors of the Investment Corporation, at its meeting held on July 27, 2020 and August 4, 2020, resolved to issue new investment units as follows. As a result of the issuance, unitholders' capital increased to ¥183,865,203,829 and number of investment units issued and outstanding increased to 2,070,016 units on September 8, 2020.

(a) Issuance of new investment units through public offering

(i) Number of new investment units to be offered:	181,000 units
(ii) Issue price (Offer price):	¥182,845 per unit
(iii) Total issue price (Total offer price):	¥33,094,945,000
(iv) Issue value (Amount to be paid in):	¥177,001 per unit
(v) Total issue value (Total amount to be paid in):	¥32,037,181,000
(vi) Payment date:	August 11, 2020
(vii) Distribution:	

The units to be issued will first be entitled to distributions, if any, for the six months commencing on August 1, 2020 and ending on January 31, 2021.

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

(i) Number of new investment units:	9,000 units
(ii) Issue value (Amount to be paid in):	¥177,001 per unit
(iii) Total issue value (Total amount to be paid in):	¥1,593,009,000
(iv) Payment date:	September 8, 2020
(v) Distribution:	

The units to be issued will first be entitled to distributions, if any, for the six months commencing on August 1, 2020 and ending on January 31, 2021.

(iv) Allottee:	Nomura Securities Co., Ltd.
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(c) Use of proceeds

The Investment Corporation will use the net proceeds from the Offerings and the third-party allotment for acquisition of additional specified assets (as defined in Article 2, Paragraph 1 of the Act on Investment Trusts and Investment Corporations.)

Additional information

Change of executive officer

Executive director of IIF, Yasuyuki Kuratsu, has given notice that he intends to resign on September 30, 2020. Therefore Hidehiko Ueda, the current alternate executive director, given the first priority for appointment, will become new executive director as of October 1, 2020.

Brief biography of new executive director is as follows.

Name (Date of birth)	Brief Biography	
Hidehiko Ueda (Dec. 27, 1972)	Apr. 1995	House Foods Corporation, Tokyo Branch
	Dec. 1998	SNK Corporation, Accounting Department
	Apr. 2000	Gap Japan K.K. Finance Department
	Jul. 2001	Manager, Finance and Accounting Group, Morgan Stanley Properties Japan K.K. (Current: Morgan Stanley Capital K.K.)
	Jul. 2004	Finance Manager, Jones Lang LaSalle K.K.,
	Apr. 2005	(Transferred to) Head of Structured Finance Department, LaSalle Investment Management K.K.
	Jul. 2007	Senior Manager, Finance Dept., Retail Division, Mitsubishi Corp.-UBS Realty Inc.
	May 2008	Senior Manager, Finance Dept., Corporate Division, Mitsubishi Corp.-UBS Realty Inc.
	May 2013	Head of Planning and Coordination Dept., Industrial Division, Mitsubishi Corp.-UBS Realty Inc.
	Mar. 2017	General Manager, New Business Development Office, Strategic Planning Dept., Management Division, Mitsubishi Corp.-UBS Realty Inc.
	Jul. 2017	Executive Officer, Head of Industrial Division, and Head of Planning and Coordination Dept, Mitsubishi Corp.-UBS Realty Inc.
	May 2019	Executive Officer, Head of Industrial Division, Mitsubishi Corp.-UBS Realty Inc. (Present post)
	Oct. 2020	Executive Director, Industrial & Infrastructure Fund Investment Corporation (Scheduled)

Outline of the Investment Corporation

1. Investment unit

Fiscal period	22nd	23rd	24th	25th	26th
As of	July 31, 2018	January 31, 2019	July 31, 2019	January 31, 2020	July 31, 2020
Number of units authorized (Units)	32,000,000	32,000,000	32,000,000	32,000,000	32,000,000
Number of units issued and outstanding (Units)	1,698,816	1,698,816	1,794,016	1,880,016	1,880,016
Number of unitholders (People)	7,996	8,921	9,296	8,978	7,910

2. Unitholders

Major unitholders as of July 31, 2020 were as follows:

Name	Address	Number of units owned (Units)	Ratio of number of units owned to total number of units issued (%) (Note)
The Master Trust Bank of Japan, Ltd. (Trust Account)	11-3, Hamamatsu-cho 2-chome, Minato-ku, Tokyo	343,012	18.24
Custody Bank of Japan, Ltd. (Trust Account)	8-12, Harumi 1-chome, Chuo-ku, Tokyo	331,575	17.63
The Nomura Trust and Banking Co., Ltd. (Investment Trust Account)	2-2, Otemachi 2-chome, Chiyoda-ku, Tokyo	80,545	4.28
Custody Bank of Japan, Ltd. (Securities Investment Trust Account)	8-12, Harumi 1-chome, Chuo-ku, Tokyo	50,512	2.68
Mizuho Securities Co., Ltd	5-1, Otemachi 1-chome, Chiyoda-ku, Tokyo	46,158	2.45
Mitsubishi Corporation	3-1, Marunouchi 2-chome, Chiyoda-ku, Tokyo	25,600	1.36
The Chugoku Bank, LTD.	15-20, Marunouchi 1-chome, Kita-ku, Okayama-shi, Okayama	23,159	1.23
BNYM AS AGT/CLTS 10 PERCENT	225 LIBERTY STREET, NEW YORK, NY 10286, UNITED STATES	23,040	1.22
STATE STREET BANK WEST CLIENT — TREATY 505234	1776 HERITAGE DRIVE, NORTH QUINCY, MA 02171, U.S.A.	22,951	1.22
Custody Bank of Japan, Ltd. (Money Trust Tax Account)	8-12, Harumi 1-chome, Chuo-ku, Tokyo	22,393	1.19
Total		968,945	51.53

Note Ratio of number of investment units owned to total number of investment units issued is calculated by rounding down to the second decimal place.

3. Officers

(1) Directors and independent auditor

(Thousands of yen)

Post	Name	Major additional post	Compensation or fees for the six months ended July 31, 2020
Executive Director (Note 1)	Yasuyuki Kuratsu	CEO of Research and Pricing Technologies Inc.	2,580
Supervisory Director (Note 1)	Katsuaki Takiguchi	Chief of Katsuaki Takiguchi CPA Office	1,620
	Kumi Honda	Attorney of The Tokyo-Marunouchi Law Offices	1,620
	Eiji Sakomoto	Representative Partner of Ginza K.T.C Tax Corporation	1,620
Independent auditor	Ernst & Young ShinNihon LLC	—	(Note 2) 13,500

Note 1 There is no investment unit of the Investment Corporation held by the Executive Director nor the Supervisory Directors in their own name or that of others. Although the Executive Director or Supervisory Directors may have additional post in other company than listed above, there is no conflict of interests between those companies including listed above and the Investment Corporation.

Note 2 The compensation for Independent auditor includes the audit fees for the financial statements prepared in English

(2) Policy for dismissal or refusal of reappointment of independent auditor

The Board of Directors shall dismiss independent auditor in accordance with the Act on Investment Trusts and Investment Corporation of Japan, if necessary. The Board of Directors shall also decide reappointment of independent auditor considering audit quality, fees or other various factors.

4. Name of asset manager and other administrator

Classification	Name
Asset manager	Mitsubishi Corp.-UBS Realty Inc.
Custodian	Sumitomo Mitsui Trust Bank, Limited
Agency for unit investment securities transference and special account administrator	Mitsubishi UFJ Trust and Banking Corporation
General administrator (regarding book keeping)	Sumitomo Mitsui Trust Bank, Limited
General administrator (regarding income and other taxes)	Ernst & Young Tax Co.
General administrator (regarding investment corporation bonds)	MUFG Bank, Ltd.

Condition of investment assets

1. Composition of assets

Classification of assets	Asset category	Location category	Region	As of January 31, 2020		As of July 31, 2020	
				Total of net book value	Composition ratio	Total of net book value	Composition ratio
				(Millions of yen)	(%) (Note2)	(Millions of yen)	(%) (Note2)
Real property	Logistics facilities or Manufacturing and R&D facilities, etc. (Industrial properties)	Urban and suburban or Industrial-area	Tokyo metropolitan area	12,951	4.0	12,910	3.8
			Osaka and Nagoya metropolitan areas	4,850	1.5	4,828	1.4
			Other area	4,080	1.2	4,076	1.2
		Other	Tokyo metropolitan area	-	-	-	-
			Osaka and Nagoya metropolitan areas	-	-	-	-
			Other area	-	-	-	-
	Infrastructure facilities (Infrastructure properties)	Urban and suburban or Industrial-area	Tokyo metropolitan area	44,011	13.4	43,791	12.8
			Osaka and Nagoya metropolitan areas	1,998	0.6	1,998	0.6
			Other area	-	-	-	-
		Other	Tokyo metropolitan area	-	-	-	-
			Osaka and Nagoya metropolitan areas	-	-	-	-
			Other area	-	-	-	-
Trust beneficial interest in real property	Logistics facilities or Manufacturing and R&D facilities, etc. (Industrial properties)	Urban and suburban or Industrial-area	Tokyo metropolitan area	111,501	34.0	124,917	36.5
			Osaka and Nagoya metropolitan areas	48,922	14.9	52,987	15.5
			Other area	26,351	8.0	32,755	9.6
		Other	Tokyo metropolitan area	-	-	-	-
			Osaka and Nagoya metropolitan areas	-	-	-	-
			Other area	7,673	2.3	7,631	2.2
	Infrastructure facilities (Infrastructure properties)	Urban and suburban or Industrial-area	Tokyo metropolitan area	12,953	4.0	12,882	3.8
			Osaka and Nagoya metropolitan areas	22,626	6.9	22,437	6.5
			Other area	-	-	-	-
		Other	Tokyo metropolitan area	-	-	-	-
			Osaka and Nagoya metropolitan areas	-	-	-	-
			Other area	-	-	-	-
Sub-total				297,921	90.8	321,217	93.9
Investments in Tokumei Kumiai agreement (Note 3)				101	0.0	95	0.0
Bank deposits and other assets				29,927	9.2	20,910	6.1
Total assets				327,950	100.0	342,223	100.0

Note 1 "Location category" is classified as bellow.

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

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

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

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

Note 3 Investments in Tokumei Kumiai agreement is equity interest of silent partnership with Godo Kaisha Industrial Asset Holdings 6 whose investment asset is trust beneficiary interest of OTA Techno CORE.

2. Major property

The principal properties (top ten properties in net book value) as of July 31, 2020 were as follows:

Name of property	Net book value (Millions of yen)	Leasable area (m ²) (Note 1)	Leased area (m ²) (Note 2)	Occupancy ratio (%) (Note 3)	Ratio of rent revenue to total rent revenues (%) (Note 3)	Major use
IIF Haneda Airport Maintenance Center	37,793	81,995.81	81,995.81	100.0	13.3	Infrastructure facility
IIF Kobe District Heating and Cooling Center	15,763	11,476.05	11,476.05	100.0	3.0	Infrastructure facility
IIF Shinonome Logistics Center (Note 4)	12,830	27,493.29	27,493.29	100.0	3.6	Logistics facility
IIF Atsugi Manufacturing Center (Note 5)	12,058	95,816.91	95,816.91	100.0	Note 6	Manufacturing and R&D facility, etc.
IIF Osaka Suminoe Logistics Center I	12,053	52,201.30	52,201.30	100.0	Note 6	Logistics facility
IIF Fukuoka Hakozaki Logistics Center II	10,207	51,530.51	51,530.51	100.0	Note 6	Logistics facility
IIF Mitaka Card Center	9,380	21,615.01	21,615.01	100.0	3.3	Manufacturing and R&D facility, etc.
IIF Osaka Konohana Logistics Center	8,597	46,262.20	46,262.20	100.0	Note 6	Logistics facility
IIF Akishima Logistics Center	8,458	31,071.21	31,071.21	100.0	Note 6	Logistics facility
IIF Shinagawa IT Solution Center	7,875	7,057.03	7,057.03	100.0	Note 6	Infrastructure facility
Total	135,017	426,519.32	426,519.32	100.0	37.2	

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

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

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

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

Note 5 The Investment Corporation had invested in IIF Atsugi Manufacturing Center only land with leasehold interest in form of the trust beneficial interests, and acquired the trust beneficial interests in building of the property on June 1, 2020. As a result, the Investment Corporation invests in the property both land with leasehold interest (the lessee of leased land is the trustee with respect to the building of the property) and building in form of the trust beneficial interests separately as of July 31, 2020. Therefore, “Leasable area” and “Leased area” of the property show total of the leasable area of the leased land (64,327.54㎡) and that of the building on the leased land (31,489.37 ㎡).

Note 6 “Ratio of rental revenue to total rental revenues” of the properties are not disclosed because the consent from the tenants has not been obtained.

3. Details of property

The details of logistics facilities, manufacturing and R&D facilities, etc. or infrastructure facilities held by the Investment Corporation as of July 31, 2020 were as follows:

Name of property	Location (Note 1)	Form of ownership	Leasable area (m ²) (Note 2)	Fair value at end of period (Millions of yen) (Note 3)	Net book value (Millions of yen)
IIF Shinonome Logistics Center (Note 4)	13-32, Shinonome 2-chome, Koto-ku, Tokyo	Trust beneficial interest	27,493.29	17,437	12,830
IIF Noda Logistics Center	340-13, Nishi-sangao, Noda-shi, Chiba	Trust beneficial interest	38,828.10	9,080	5,230
IIF Shinsuna Logistics Center	5-15, Shinsuna 3-chome, Koto-ku, Tokyo	Trust beneficial interest	5,741.75	7,530	5,146
IIF Koshigaya Logistics Center	1-1, Ryutsudanchi 4-chome, Koshigaya-shi, Saitama	Trust beneficial interest	10,113.50	3,130	1,710
IIF Nishinomiya Logistics Center	2, Nishinomiya-hama 1-chome, Nishinomiya-shi, Hyogo	Trust beneficial interest	17,200.00	3,000	1,987
IIF Narashino Logistics Center (land with leasehold interest)	34-9, Akanehama 3-chome, Narashino-shi, Chiba	Real property	19,834.71	3,070	1,223
IIF Narashino Logistics Center II (Note 5)	34-1, Akanehama 3-chome, Narashino-shi, Chiba	Trust beneficial interest	83,905.16	6,370	4,664
IIF Atsugi Logistics Center II	602-9, Aza Kitaya, Funako, Atsugi-shi, Kanagawa	Real property	20,661.13	4,120	3,159
IIF Yokohama Tsuzuki Logistics Center	747, Aza Minamikochi, Kawamukou-cho, Tsuzuki-ku Yokohama-shi, Kanagawa	Trust beneficial interest	9,615.82	3,400	2,291
IIF Saitama Logistics Center	398-3, Yoshino-cho 1-chome, Kita-ku, Saitama-shi, Saitama	Trust beneficial interest	8,995.00	2,180	1,412
IIF Nagoya Logistics Center	27, Yanagida-cho 2-chome, Nakagawa-ku, Nagoya-shi, Aichi	Real property	8,721.01	1,620	1,159
IIF Atsugi Logistics Center III	3007-7, Kamiechi Aza Uenohara, Atsugi-shi, Kanagawa	Trust beneficial interest	16,584.64	3,120	2,399
IIF Kawaguchi Logistics Center	5-3 Midori-cho, Kawaguchi-shi, Saitama	Real property	11,705.02	4,530	2,121
IIF Kobe Logistics Center	2-10, Maya-futo, Nada-ku, Kobe-shi, Hyogo	Trust beneficial interest	39,567.74	7,720	5,228
IIF Higashi-Osaka Logistics Center	7-46, Wakae-higashi-machi 6-chome, Higashi Osaka-shi, Osaka	Real property	20,495.06	3,230	2,489
IIF Kashiwa Logistics Center	1027-1, Washinoya, Kashiwa-shi, Chiba	Real property	17,379.78	2,930	1,831
IIF Misato Logistics Center	5, Izumi 3-chome, Misato-shi, Saitama	Trust beneficial interest	19,019.71	5,450	3,398
IIF Iruma Logistics Center	660-2, Aza Higashimusashino, Oaza Minami-mine, Iruma-shi, Saitama	Trust beneficial interest	17,881.65	4,130	2,999
IIF Tosu Logistics Center	127-1, Aza Uchishirage, Kuranoue-machi, Tosu-shi, Saga	Trust beneficial interest	13,862.05	2,000	1,481
IIF Inzai Logistics Center	6-1, Matsuzakidai 2-chome, Inzai-shi, Chiba	Trust beneficial interest	5,490.00	1,380	1,008
IIF Morioka Logistics Center	Plot 4-311, Oaza Hiromiyasawa, Yahabacho, Shiwa-gun, Iwate, etc.	Trust beneficial interest	8,001.57	1,250	561
IIF Hiroshima Logistics Center	22-4, Itsukaichi-ko 3-chome, Saeki-ku, Hiroshima-shi, Hiroshima	Trust beneficial interest	22,768.24	4,520	3,289
IIF Izumiotsu e-shop Logistics Center (land with leasehold interest)	8-1, Nagisa-cho, Izumiotsu-shi, Osaka	Trust beneficial interest	48,932.00	4,400	4,178
IIF Izumisano Food Processing and Logistics Center	2-11, Rinkuorai-kita, Izumisano-shi, Osaka	Real property	13,947.83	1,050	923
IIF Kyotanabe Logistics Center	55-13, Osumi-hama, Kyotanabe-shi, Kyoto	Trust beneficial interest	33,243.99	7,520	5,635
IIF Fukuoka Koga Vehicle Logistics Center (land with leasehold interest)	1134-1, Aoyagi, Koga-shi, Fukuoka	Real property	30,815.97	1,010	914

Name of property	Location (Note 1)	Form of ownership	Leasable area (m ²) (Note 2)	Fair value at end of period (Millions of yen) (Note 3)	Net book value (Millions of yen)
IIF Fukuoka Higashi Logistics Center	9-1 Kamata 4-chome, Higashi-ku, Fukuoka-shi, Fukuoka	Trust beneficial interest	11,262.86	2,100	1,908
IIF Osaka Konohana Logistics Center	4-51, Shimaya 4-chome, Konohana-ku, Osaka-shi, Osaka	Trust beneficial interest	46,262.20	9,820	8,597
IIF Kazo Logistics Center	6-1, Shintone 2-chome, Kazo-shi, Saitama	Trust beneficial interest	17,744.41	2,840	2,587
IIF Hamura Logistics Center	8-16, Shinmeidai 4-chome, Hamura-shi, Tokyo	Trust beneficial interest	3,892.66	926	923
IIF Fukuoka Hakozaki Logistics Center I	14-31, Hakozakifuto 4-chome, Higashi-ku, Fukuoka-shi, Fukuoka	Trust beneficial interest	24,967.58	5,360	5,213
IIF Fukuoka Hakozaki Logistics Center II	1-18, Hakozakifuto 4-chome, Higashi-ku, Fukuoka-shi, Fukuoka	Trust beneficial interest	51,530.51	11,400	10,207
IIF Itabashi Logistics Center	7-7, Higashi-sakashita 2-chome, Itabashi-ku, Tokyo	Trust beneficial interest	5,057.68	1,980	1,734
IIF Sendai Taiwa Logistics Center	3-15, Maino 2-chome, Taiwa-cho, Kurokawa-gun, Miyagi	Trust beneficial interest	15,555.15	1,700	1,566
IIF Ota Logistics Center	236-1, Anyoji-cho, Ota-shi, Gunma	Real property	6,900.01	1,160	1,011
IIF Osaka Suminoe Logistics Center I	2-32, Shibatani 1-chome, Suminoe-ku, Osaka-shi, Osaka	Trust beneficial interest	52,201.30	14,400	12,053
IIF Osaka Suminoe Logistics Center II	2-34, Shibatani 1-chome, Suminoe-ku, Osaka-shi, Osaka	Trust beneficial interest	12,299.76	2,810	2,552
IIF Morioka Logistics Center II	4-5, Ryutsu Center Minami 2-chome, Yahaba-cho, Shiwa-gun, Iwate	Trust beneficial interest	12,383.30	1,450	1,380
IIF Sapporo Logistics Center	2-1, Yonesato-sanjo 3-chome, Shiroishi-ku, Sapporo-shi, Hokkaido	Trust beneficial interest	13,064.75	2,600	2,504
IIF Hitachinaka Port Logistics Center (land with leasehold interest)	768-42, Terunuma aza nagisa, Tokai-mura oaza, Naka-gun, Ibaraki, etc.	Real property	20,000.00	1,210	1,193
IIF Koriyama Logistics Center	213, Aza Mukaiharu, Otsuki-machi, Koriyama-shi, Fukushima	Trust beneficial interest	17,533.15	3,180	2,515
IIF Kobe Nishi Logistics Center (land with leasehold interest)	10-4, Mitsugaoka 4-chome, Nishi-ku, Kobe-shi, Hyogo	Trust beneficial interest	33,000.00	2,250	2,047
IIF Hyogo Tatsuno Logistics Center	300-2, Tai-san, Nagao, Issaicho, Tatsuno-shi, Hyogo, etc.	Trust beneficial interest	25,186.78	4,410	4,120
IIF Akishima Logistics Center	3928-4, Kohake, Haijimacho, Akishima-shi, Tokyo	Trust beneficial interest	31,071.21	8,520	8,458
IIF Gifu Kakamigahara Logistics Center	2-8, Aza Takehaya, Kawashima Takehayamachi, Kakamigahara-shi, Gifu, etc.	Trust beneficial interest	16,708.51	2,910	2,481
IIF Hiroshima Seifushinto Logistics Center	3-1, Tomominami 2-chome, Asaminami-ku, Hiroshima-shi, Hiroshima	Trust beneficial interest	28,988.91	6,870	6,492
IIF Totsuka Technology Center (land with leasehold interest)	344-1, Nase-cho, Totsuka-ku, Yokohama-shi, Kanagawa, etc.	Trust beneficial interest	31,442.47	5,380	4,553
IIF Yokohama Tsuzuki Technology Center	25-2, Kitayamada 4-chome, Tsuzuki-ku, Yokohama-shi, Kanagawa	Real property	4,655.48	1,330	1,261
IIF Mitaka Card Center	5-14, Shimo-Renjaku 7-chome, Mitaka-shi, Tokyo	Trust beneficial interest	21,615.01	10,100	9,380
IIF Kamata R&D Center	16-46, Minami-Kamata 2-chome, Ota-ku, Tokyo	Trust beneficial interest	21,896.56	8,380	7,533
IIF Kawasaki Science Center	25-19, Tono-machi 3-chome, Kawasaki-ku, Kawasaki-shi, Kanagawa	Real property	4,857.73	3,000	1,967
IIF Sagamihara R&D Center	1-35, Minamihashimoto 3-chome, Chuo-ku, Sagamihara-shi, Kanagawa	Trust beneficial interest	19,328.40	4,420	3,361
IIF Yokohama Shinyamashita R&D Center	16-5, Shinyamashita 1-chome, Naka-ku, Yokohama-shi, Kanagawa	Trust beneficial interest	4,887.83	4,240	3,812
IIF Kakegawa Manufacturing Center(Land with leasehold interest)	30, Tanyo, Kakegawa-shi, Shizuoka	Trust beneficial interest	66,171.92	1,750	1,572

Name of property	Location (Note 1)	Form of ownership	Leasable area (m ²) (Note 2)	Fair value at end of period (Millions of yen) (Note 3)	Net book value (Millions of yen)
IIF Urayasu Machinery Maintenance Center (Land with leasehold interest)	195, Tekkadori 3-chome, Urayasu-shi, Chiba	Real property	7,925.94	1,660	1,345
IIF Yokosuka Technology Center	1-15, Shinmei-cho, Yokosuka-shi, Kanagawa	Trust beneficial interest	13,779.77	4,480	4,267
IIF Shonan Technology Center	1-1, Ichinomiya 6-chome, Samukawa-cho, Koza-gun, Kanagawa	Trust beneficial interest	7,244.71	1,330	1,311
IIF Hiroshima Manufacturing Center (land with leasehold interest)	1461-1, Eba-minami 2-chome, Naka-ku, Hiroshima-shi, Hiroshima	Trust beneficial interest	23,106.75	1,870	1,693
IIF Totsuka Manufacturing Center (land with leasehold interest)	2277-4, Kamiyabe-cho Aza Kunichiyato, Totsuka-ku, Yokohama-shi, Kanagawa, etc.	Trust beneficial interest	19,458.49	2,600	2,413
IIF Atsugi Manufacturing Center (Note 6)	832-1, Aza Momijiyama, Shimofurusawa, Atsugi-shi, Kanagawa, etc.	Trust beneficial interest	95,816.91	16,000	12,058
IIF Tsukuba Manufacturing Center (land with leasehold interest)	9-1, Kouyodai 1-chome, Ryugasaki-shi, Ibaraki	Real property	17,721.03	1,310	957
IIF Shin-Kawasaki R&D Center	1-2, Shinogura, Saiwai-ku, Kawasaki-shi, Kanagawa	Trust beneficial interest	11,865.54	8,710	6,548
IIF Ichikawa Food Processing Center	1-1-2, Higashihama 1-chome, Ichikawa-shi, Chiba, etc.	Trust beneficial interest	27,424.22	6,320	6,395
IIF Gifu Kakamigahara Manufacturing Center (land with leasehold interest)	3, Takehaya, Kawashima Takehayamachi, Kakamigahara-shi, Gifu, etc.	Real property	12,551.51	261	255
IIF Yokohama Tsuzuki R&D Center	9-2, Ushikubo 3-chome, Tsuzuki-ku, Yokohama-shi, Kanagawa	Trust beneficial interest	18,132.42	6,350	6,484
IIF Okazaki Manufacturing Center (land with leasehold interest)	34-6, Aza Okasaku, Makihiro-cho, Okazaki-shi, Aichi, etc.	Trust beneficial interest	42,049.87	4,190	4,104
IIF Kobe District Heating and Cooling Center	8-2, Higashikawasaki-cho 1-chome, Chuo-ku, Kobe-shi, Hyogo	Trust beneficial interest	11,476.05	14,500	15,763
IIF Haneda Airport Maintenance Center	5-1 and 2, Haneda Airport 3-chome, Ota-ku, Tokyo	Real property	81,995.81	41,300	37,793
IIF Zama IT Solution Center	1-78, Higashihara 5-chome, Zama-shi, Kanagawa	Trust beneficial interest	10,931.89	5,530	5,007
IIF Shinagawa Data Center	9-15, Futaba 2-chome, Shinagawa-ku, Tokyo	Real property	19,547.11	6,950	5,268
IIF Osaka Toyonaka Data Center	1-8, Shin-senri-nishi-machi 1-chome, Toyonaka-shi, Osaka	Trust beneficial interest	20,027.14	6,290	5,490
IIF Osaka Nanko IT Solution Center	1-23, Nanko-kita 1-chome, Suminoe-ku, Osaka-shi, Osaka	Trust beneficial interest	18,429.14	2,440	1,184
IIF Nagoya Port Tank Terminal (land with leasehold interest)	37-31, Shiomi-cho, Minato-ku, Nagoya-shi, Aichi	Real property	51,583.70	2,240	1,998
IIF Shinagawa IT Solution Center	31-18, Nishi-Gotanda 4-chome, Shinagawa-ku, Tokyo	Trust beneficial interest	7,057.03	6,940	7,875
IIF Higashimatsuyama Gas Tank Maintenance Center (land with leasehold interest)	75-1, Shingo, Higashimatsuyama-shi, Saitama	Real property	12,880.38	759	729
Total			1,722,276.26	383,703	321,217

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

Note 2 "Leasable area" means the leasable area of the building or land of each property indicated in the lease agreement, except for IIF Shinsuna Logistics Center of which leasable area shows a total area of the building indicated in the registry book. Furthermore, "Leasable area" of IIF Narashino Logistics Center II is total of the leasable area of the leased land and that of the building on the leased land.

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

Note 4 The leasable area of IIF Shinonome Logistics Center (53% of quasi-co-ownership) is calculated multiplying the total leasable area by the share of quasi-co-ownership.

Note 5 As the Investment Corporation invests in IIF Narashino Logistics Center II both land with leasehold interest (the lessee of leased land is the trustee with respect to the building of the property) and building with leasehold interest of the property in form of the trust beneficial interests separately, "Leasable area" of the property shows total of the leasable area of the leased land (58,070.00m²) and that of the building on the leased land (25,835.16m²).

Note 6 The Investment Corporation had invested in IIF Atsugi Manufacturing Center only land with leasehold interest in form of the trust beneficial interests, and acquired the trust beneficial interests in building of the property on June 1, 2020. As a result, the Investment Corporation invests in the property both land with leasehold interest (the lessee of leased land is the trustee with respect to the building of the property) and building in form of the trust beneficial interests separately as of July 31, 2020. Therefore, "Leasable area" of the property shows total of the leasable area of the leased land (64,327.54m²) and that of the building on the leased land (31,489.37m²).

Operating results of each property for the fiscal period ended January 31, 2020 and July 31, 2020 were as follows:

Name of property	For the six months ended							
	January 31, 2020				July 31, 2020			
	Number of tenants (Note 1)	Occupancy ratio (%)(Note 2)	Rental revenues (Millions of yen)	Ratio of rental revenue to total rental revenues (%)(Note 2)	Number of tenants (Note 1)	Occupancy ratio (%)(Note 2)	Rental revenues (Millions of yen)	Ratio of rental revenue to total rental revenues (%)(Note 2)
IIF Shinonome Logistics Center	1	100.0	403	3.8	1	100.0	400	3.6
IIF Noda Logistics Center	2	100.0	(Note 3)	(Note 3)	2	100.0	(Note 3)	(Note 3)
IIF Shinsuna Logistics Center	1	100.0	190	1.8	1	100.0	179	1.6
IIF Koshigaya Logistics Center	1	100.0	75	0.7	1	100.0	75	0.7
IIF Nishinomiya Logistics Center	2	100.0	(Note 3)	(Note 3)	2	100.0	(Note 3)	(Note 3)
IIF Narashino Logistics Center (land with leasehold interest)	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
IIF Narashino Logistics Center II (Note 4)	2	100.0	(Note 3)	(Note 3)	2	100.0	(Note 3)	(Note 3)
IIF Atsugi Logistics Center II	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
IIF Yokohama Tsuzuki Logistics Center	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
IIF Saitama Logistics Center	1	100.0	66	0.6	1	100.0	66	0.6
IIF Nagoya Logistics Center	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
IIF Atsugi Logistics Center III	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
IIF Kawaguchi Logistics Center	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
IIF Kobe Logistics Center	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
IIF Higashi-Osaka Logistics Center	2	97.3	(Note 3)	(Note 3)	2	97.3	(Note 3)	(Note 3)
IIF Kashiwa Logistics Center	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
IIF Misato Logistics Center	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
IIF Iruma Logistics Center	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
IIF Tosu Logistics Center	2	100.0	(Note 3)	(Note 3)	2	100.0	(Note 3)	(Note 3)
IIF Inzai Logistics Center	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
IIF Morioka Logistics Center	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
IIF Hiroshima Logistics Center	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
IIF Izumiotsu e-shop Logistics Center (land with leasehold interest)	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
IIF Izumisano Food Processing and Logistics Center	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
IIF Kyotanabe Logistics Center	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
IIF Fukuoka Koga Vehicle Logistics Center (land with leasehold interest)	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
IIF Fukuoka Higashi Logistics Center	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)

Name of property	For the six months ended							
	January 31, 2020				July 31, 2020			
	Number of tenants (Note1)	Occupancy ratio (%)(Note2)	Rental revenues (Millions of yen)	Ratio of rental revenue to total rental revenues (%)(Note2)	Number of tenants (Note1)	Occupancy ratio (%)(Note2)	Rental revenues (Millions of yen)	Ratio of rental revenue to total rental revenues (%)(Note2)
IIF Osaka Konohana Logistics Center	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
IIF Kazo Logistics Center	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
IIF Hamura Logistics Center	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
IIF Fukuoka Hakozaki Logistics Center I	3	100.0	(Note 3)	(Note 3)	3	100.0	(Note 3)	(Note 3)
IIF Fukuoka Hakozaki Logistics Center II	5	100.0	(Note 3)	(Note 3)	4	100.0	(Note 3)	(Note 3)
IIF Itabashi Logistics Center	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
IIF Sendai Taiwa Logistics Center	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
IIF Ota Logistics Center	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
IIF Osaka Suminoe Logistics Center I	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
IIF Osaka Suminoe Logistics Center II	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
IIF Morioka Logistics Center II	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
IIF Sapporo Logistics Center	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
IIF Hitachinaka Port Logistics Center (land with leasehold interest)	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
IIF Koriyama Logistics Center	2	100.0	(Note 3)	(Note 3)	2	100.0	(Note 3)	(Note 3)
IIF Kobe Nishi Logistics Center (land with leasehold interest)	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
IIF Hyogo Tatsuno Logistics Center	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
IIF Akishima Logistics Center	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
IIF Gifu Kakamigahara Logistics Center	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
IIF Hiroshima Seifushinto Logistics Center (Note 5)	-	-	-	-	1	100.0	(Note 3)	(Note 3)
IIF Totsuka Technology Center (land with leasehold interest)	1	100.0	154	1.5	1	100.0	154	1.4
IIF Yokohama Tsuzuki Technology Center	1	100.0	59	0.6	1	100.0	59	0.5
IIF Mitaka Card Center	1	100.0	370	3.5	1	100.0	364	3.3
IIF Kamata R&D Center	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
IIF Kawasaki Science Center	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
IIF Sagami-hara R&D Center	2	100.0	(Note 3)	(Note 3)	2	100.0	(Note 3)	(Note 3)
IIF Yokohama Shinyamashita R&D Center	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
IIF Kakegawa Manufacturing Center(Land with leasehold interest)	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
IIF Urayasu Machinery Maintenance Center (Land with leasehold interest)	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)

Name of property	For the six months ended							
	January 31, 2020				July 31, 2020			
	Number of tenants (Note1)	Occupancy ratio (%) (Note2)	Rental revenues (Millions of yen)	Ratio of rental revenue to total rental revenues (%) (Note2)	Number of tenants (Note1)	Occupancy ratio (%) (Note2)	Rental revenues (Millions of yen)	Ratio of rental revenue to total rental revenues (%) (Note2)
IIF Yokosuka Technology Center	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
IIF Shonan Technology Center	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
IIF Hiroshima Manufacturing Center (land with leasehold interest)	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
IIF Totsuka Manufacturing Center (land with leasehold interest)	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
IIF Atsugi Manufacturing Center (Notes 6 and 7)	1	100.0	(Note 3)	(Note 3)	2	100.0	(Note 3)	(Note 3)
IIF Tsukuba Manufacturing Center (land with leasehold interest)	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
IIF Shin-Kawasaki R&D Center	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
IIF Ichikawa Food Processing Center	2	100.0	(Note 3)	(Note 3)	2	100.0	(Note 3)	(Note 3)
IIF Gifu Kakamigahara Manufacturing Center (land with leasehold interest)	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
IIF Yokohama Tsuzuki R&D Center (Note 8)	-	-	-	-	1	100.0	(Note 3)	(Note 3)
IIF Okazaki Manufacturing Center (land with leasehold interest) (Notes 9)	-	-	-	-	1	100.0	(Note 3)	(Note 3)
IIF Kobe District Heating and Cooling Center	4	100.0	332	3.2	4	100.0	332	3.0
IIF Haneda Airport Maintenance Center	1	100.0	1,442	13.7	1	100.0	1,456	13.3
IIF Zama IT Solution Center	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
IIF Shinagawa Data Center	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
IIF Osaka Toyonaka Data Center	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
IIF Osaka Nanko IT Solution Center	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
IIF Nagoya Port Tank Terminal (land with leasehold interest)	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
IIF Shinagawa IT Solution Center	6	72.7	(Note 3)	(Note 3)	9	100.0	(Note 3)	(Note 3)
IIF Higashimatsuyama Gas Tank Maintenance Center (land with leasehold interest)	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
Total (Note 10)	94	99.8	10,562	100.0	100	100.0	10,979	100.0

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

Note 2 "Occupancy ratio" (percentage of leased area against the leasable area at the end of accounting period) and "Composition ratio of NOI" are calculated by rounding to the nearest first decimal place.

Note 3 Rental revenues are not disclosed because the consent from the tenants has not been obtained.

Note 4 As the Investment Corporation invests in IIF Narashino Logistics Center II both land with leasehold interest (the lessee of leased land is the trustee with respect to the building of the property) and building with leasehold interest of the property in form of the trust beneficial interests separately. Therefore, "Number of tenants" shows total of the number of tenant of leased land and that of the building.

Note 5 The property was acquired on April 30, 2020.

Note 6 The buildings of the property were acquired on June 1, 2020 in form of trust beneficial interest.

Note 7 The Investment Corporation had invested in IIF Atsugi Manufacturing Center only land with leasehold interest in form of the trust beneficial interests, and acquired the trust beneficial interests in building of the property on June 1, 2020. As a result, the Investment Corporation invests in the property both land with leasehold interest (the lessee of leased land is the trustee with respect to the building of the property) and building in form of the trust beneficial interests separately as of July 31, 2020. Therefore, "Number of tenants" shows total of the number of tenant of leased land and that of the building.

Note 8 The property was acquired on March 2, 2020.

Note 9 The property was acquired on July 15, 2020.

Note 10 The total column of "Occupancy ratio" shows percentage of total leased area against total leasable area at the end of accounting period. Figures are rounded to the nearest first decimal place.

4. Details of renewable energy generation facilities

None

5. Details of operation rights of public facilities

None

6. Details of investment securities

The investment in Tokumei Kumiai (“TK”) agreements as July 31, 2020 were as follows:

Name	Classification of assets	Quantity	Net book value (Millions of yen)		Fair value (Note1) (Millions of yen)		Valuation	Remarks
			Per unit	Amount	Per unit	Amount		
Tokumei Kumiai interest in Godo Kaisha Industrial Asset Holdings 6	Investments in Tokumei Kumiai agreement	—	—	95	—	115	20	—
Total		—	—	95	—	115	20	

Note 1 The value of the investments in Tokumei Kumiai agreements, or TK, represents the proportionate ownership of the net asset value of the TK. The net asset value of the TK is determined as the difference between the assets owned by the TK, which is comprised properties which are, per the Investment Corporation's policy, valued by discount cash flow model and financial assets which are valued as appropriate per generally accepted accounting standards, and liabilities held by the TK. The method used to determine the value of the TK is not consistent with a method used to determine the fair value of the investments in TK as financial assets (please refer to “Note 17 - Financial Instruments, (b) Quantitative information for financial instruments, Note (2) Financial instruments for which fair value is difficult to determine” in the accompanying financial statements).

Note 2 The investment asset held by the TK is as follows:

Name	Investment asset	Location of property
Tokumei Kumiai interest in Godo Kaisha Industrial Asset Holdings 6	Trust beneficial interest in Higashi kojiya 6-chome Rental Factory (OTA Techno CORE)	4-17, Higashi kojiya 6-chome, Ota-ku, Tokyo

7. Details of specified transaction

The details of specified transaction as of July 31, 2020 were as follows:

Classification	Transaction	Notional contract amount (Millions of yen)		Fair value (Note 1)
			Over 1 year	
Over-the-counter	Interest rate swaps (Floating-rate to fixed-rate interest)	33,600	33,600	(926)
Total		33,600	33,600	(926)

Note 1 The fair value is estimated by the counterparty to the interest rate swaps contracts using market interest rates and other assumptions.

Note 2 The interest rate swaps for which the Investment Corporation had applied the special treatment provided under the Accounting Standards Board of Japan Statement No.10, “Accounting Standard for Financial Instruments” revised on March 10, 2008, are not required to be measured in the balance sheets.

8. Other assets

Real property and trust beneficial interests in real property are included the above tables in “3. Details of property.”

There was no other significant specified asset as of July 31, 2020.

Capital expenditures for property

1. Schedule of capital expenditures

The significant plan for capital expenditures on property maintenance as of July 31, 2020 was as below. The amounts of estimated cost shown in the below table are including expenses which will be charged to income.

(Millions of yen)

Name of property	Location	Purpose	Scheduled term for construction or maintenance	Estimated cost		
				Total	Advanced payment	Total of advanced payment
					Payment for the six months ended July 31, 2020	
IIF Haneda Airport Maintenance Center	Ota-ku, Tokyo	Repair of typhoon damage	December, 2020	122	-	-
IIF Sagami-hara R&D Center	Sagami-hara-shi, Kanagawa	Renewal of outside air conditioner	January, 2021	60	-	-
IIF Akishima Logistics Center	Akishima-shi, Tokyo	Repair of outer wall (2nd period / 2 periods)	October, 2020	50	-	-

2. Capital expenditures for the six months ended July 31, 2020

Maintenance expenditures on property for the six months ended July 31, 2020 were totaling to ¥797 million consisting of ¥699 million of capital expenditures stated as below and ¥98 million of repair and maintenance expenses charged to income.

(Millions of yen)

Name of property	Location	Purpose	Term for construction or maintenance	Capital expenditures
IIF Haneda Airport Maintenance Center	Ota-ku, Tokyo	Renewal of main parts of elevator (2nd period / 3 periods)	April, 2020 to June, 2020	60
IIF Osaka Suminoe Logistics Center I	Osaka-shi, Osaka	Installment of LED lighting equipment	January, 2020 to February, 2020	55
IIF Akishima Logistics Center	Akishima-shi, Tokyo	Repair of outer wall (1st period / 2 periods)	January, 2020 to June, 2020	51
Other	-	-	-	532
Total				699

3. Reserved funds for long-term maintenance plan

None

Condition of expenses and liabilities

1. Details of asset management expenses

(Thousands of yen)

Item	25th fiscal period	26th fiscal period
	For the six months ended January 31, 2020	For the six months ended July 31, 2020
(a) Asset management fees	971,774	1,020,654
(b) Asset custody fees	7,098	7,440
(c) Administrative service fees	36,387	37,411
(d) Directors' compensations	7,440	7,440
(e) Other operating expenses	114,528	112,961
Total	1,137,229	1,185,909

2. Loans payable

Loans payable as of July 31, 2020 were as follows:

Classification	Name of lender	Borrowing date	Balance as of		Average interest rate (%) (Note 1)	Maturity date	Repayment method (Note 3)	Use of proceeds (Note 4)	Remarks
			January 31 2020 (Millions of yen)	July 31 2020 (Millions of yen)					
Long-term loans payable	Mizuho Bank, Ltd.	March 30, 2012	1,500	-	1.6 (Note 2)	March 31, 2020	Lump sum (Note 3)	Note 4	Unsecured and unguaranteed
	Development Bank of Japan Inc.	March 30, 2012	1,000	1,000	2.2	March 29, 2024	Lump sum	Note 4	Unsecured and unguaranteed
	Development Bank of Japan Inc.	March 30, 2012	2,000	2,000	1.9	March 29, 2022	Lump sum	Note 4	Unsecured and unguaranteed
	Sumitomo Mitsui Banking Corporation	March 30, 2012	500	500	1.9 (Note 2)	March 31, 2022	Lump sum (Note 3)	Note 4	Unsecured and unguaranteed
	Nippon Life Insurance Company	June 29, 2012	1,000	-	1.4	June 30, 2020	Lump sum	Note 5	Unsecured and unguaranteed
	Development Bank of Japan Inc.	February 6, 2013	1,000	1,000	1.8	February 5, 2025	Lump sum	Note 4	Unsecured and unguaranteed
	MUFG Bank, Ltd.	February 6, 2013	2,534	2,534	1.4 (Note 2)	February 6, 2023	Lump sum (Note 3)	Note 4	Unsecured and unguaranteed
	Sumitomo Mitsui Trust Bank, Limited		966	966					
	Sumitomo Mitsui Banking Corporation	February 6, 2013	500	500	1.4 (Note 2)	February 6, 2023	Lump sum (Note 3)	Note 4	Unsecured and unguaranteed
	Mizuho Bank, Ltd.	February 6, 2013	1,000	1,000	1.5 (Note 2)	February 6, 2023	Lump sum (Note 3)	Note 4	Unsecured and unguaranteed
	Nippon Life Insurance Company	February 6, 2013	500	500	1.6	February 6, 2023	Lump sum	Note 4	Unsecured and unguaranteed
	Shinsei Bank, Limited	February 6, 2013	500	500	1.4 (Note 2)	February 6, 2023	Lump sum (Note 3)	Note 4	Unsecured and unguaranteed
	MUFG Bank, Ltd.	February 6, 2013	362	362	1.2 (Note 2)	February 4, 2022	Lump sum (Note 3)	Note 4	Unsecured and unguaranteed
	Sumitomo Mitsui Trust Bank, Limited		138	138					
	Sumitomo Mitsui Banking Corporation	February 6, 2013	500	500	1.2 (Note 2)	February 4, 2022	Lump sum (Note 3)	Note 4	Unsecured and unguaranteed
	Nippon Life Insurance Company	June 28, 2013	2,000	2,000	1.8	June 28, 2024	Lump sum	Note 5	Unsecured and unguaranteed
	Sumitomo Mitsui Trust Bank, Limited	June 28, 2013	2,500	2,500	1.7 (Note 2)	June 30, 2023	Lump sum (Note 3)	Note 5	Unsecured and unguaranteed
	Mizuho Bank, Ltd.	June 28, 2013	1,500	1,500	1.6 (Note 2)	June 30, 2022	Lump sum (Note 3)	Note 5	Unsecured and unguaranteed

Classification	Name of lender	Borrowing date	Balance as of		Average interest rate (%) (Note 1)	Maturity date	Repayment method	Use of proceeds	Remarks
			January 31 2020 (Millions of yen)	July 31 2020 (Millions of yen)					
Long-term loans payable	The Nomura Trust and Banking Co., Ltd.	June 28, 2013	500	-	1.2 (Note 2)	June 30, 2020	Lump sum (Note 3)	Note 5	Unsecured and unguaranteed
	Resona Bank, Limited		500	-					
	The Yamaguchi Bank, Ltd.		500	-					
	MUFG Bank, Ltd.	October 18, 2013	7,500	7,500	1.4 (Note 2)	October 18, 2023	Lump sum (Note 3)	Note 5	Unsecured and unguaranteed
	Sumitomo Mitsui Banking Corporation	December 30, 2013	2,000	2,000	1.4 (Note 2)	December 29, 2023	Lump sum (Note 3)	Note 5	Unsecured and unguaranteed
	MUFG Bank, Ltd.	February 6, 2014	700	700	1.3	August 6, 2024	Lump sum (Note 3)	Note 4	Unsecured and unguaranteed
	Sumitomo Mitsui Banking Corporation	February 6, 2014	900	900	1.2 (Note 2)	February 6, 2024	Lump sum (Note 3)	Note 4	Unsecured and unguaranteed
	The Yamaguchi Bank, Ltd.	February 6, 2014	500	500	1.1	August 4, 2023	Lump sum (Note 3)	Note 4	Unsecured and unguaranteed
	The Nishi-Nippon City Bank, Ltd.	February 6, 2014	500	500	1.0 (Note 2)	August 5, 2022	Lump sum (Note 3)	Note 4	Unsecured and unguaranteed
	MUFG Bank, Ltd.	February 6, 2014	868	868	0.9 (Note 2)	February 4, 2022	Lump sum (Note 3)	Note 4	Unsecured and unguaranteed
	Sumitomo Mitsui Trust Bank, Limited		331	331					
	Development Bank of Japan Inc.	March 13, 2014	1,000	1,000	1.7	March 13, 2026	Lump sum	Note 4	Unsecured and unguaranteed
	MUFG Bank, Ltd.	March 13, 2014	724	724	1.7 (Note 2)	March 13, 2026	Lump sum (Note 3)	Note 4	Unsecured and unguaranteed
	Sumitomo Mitsui Trust Bank, Limited		276	276					
	MUFG Bank, Ltd.	March 13, 2014	1,158	1,158	1.3 (Note 2)	March 13, 2024	Lump sum (Note 3)	Note 4	Unsecured and unguaranteed
	Sumitomo Mitsui Trust Bank, Limited		441	441					
	MUFG Bank, Ltd.	March 16, 2015	1,350	1,350	1.0	March 14, 2025	Lump sum	Note 4	Unsecured and unguaranteed
	Shinsei Bank, Limited	March 16, 2015	850	850	1.0 (Note 2)	March 14, 2025	Lump sum (Note 3)	Note 4	Unsecured and unguaranteed
	Mizuho Trust & Banking Co., Ltd.	March 16, 2015	850	850	1.0 (Note 2)	March 14, 2025	Lump sum (Note 3)	Note 4	Unsecured and unguaranteed
	MUFG Bank, Ltd.	March 16, 2015	2,570	2,570	0.9 (Note 2)	September 13, 2024	Lump sum (Note 3)	Note 4	Unsecured and unguaranteed
	Sumitomo Mitsui Trust Bank, Limited		979	979					
	The Chugoku Bank, LTD.	March 16, 2015	700	700	0.7 (Note 2)	September 15, 2022	Lump sum (Note 3)	Note 4	Unsecured and unguaranteed
	Development Bank of Japan Inc.	March 31, 2015	1,000	1,000	1.3	March 31, 2027	Lump sum	Note 4	Unsecured and unguaranteed
	Meiji Yasuda Life Insurance Company	March 31, 2015	850	850	1.2	March 31, 2026	Lump sum (Note 3)	Note 4	Unsecured and unguaranteed
	Sumitomo Mitsui Trust Bank, Limited	March 31, 2015	1,500	1,500	1.0	March 31, 2025	Lump sum (Note 3)	Note 4	Unsecured and unguaranteed
	MUFG Bank, Ltd.	March 31, 2015	832	832	0.9 (Note 2)	September 30, 2024	Lump sum (Note 3)	Note 4	Unsecured and unguaranteed
	Sumitomo Mitsui Trust Bank, Limited		317	317					
	Mizuho Bank, Ltd.	April 15, 2016	800	800	0.5 (Note 2)	March 31, 2026	Lump sum (Note 3)	Note 4	Unsecured and unguaranteed
	The Bank of Fukuoka, Ltd.	April 15, 2016	800	800	0.5	March 31, 2026	Lump sum (Note 3)	Note 4	Unsecured and unguaranteed
	MUFG Bank, Ltd.	August 31, 2016	2,000	2,000	0.4	August 31, 2026	Lump sum	Note 5	Unsecured and unguaranteed
	MUFG Bank, Ltd.	February 17, 2017	1,600	1,600	0.5	August 15, 2025	Lump sum	Note 4	Unsecured and unguaranteed
	MUFG Bank, Ltd.	March 6, 2017	3,255	3,255	0.6	March 6, 2026	Lump sum (Note 3)	Note 5	Unsecured and unguaranteed
	Sumitomo Mitsui Trust Bank, Limited		1,244	1,244					
	MUFG Bank, Ltd.	March 6, 2017	2,170	2,170	0.7	September 4, 2026	Lump sum (Note 3)	Note 5	Unsecured and unguaranteed
	Sumitomo Mitsui Trust Bank, Limited		829	829					
	Sumitomo Mitsui Banking Corporation	March 6, 2017	1,500	1,500	0.5	March 6, 2025	Lump sum (Note 3)	Note 5	Unsecured and unguaranteed
	MUFG Bank, Ltd.	March 17, 2017	2,099	2,099	0.6	September 17, 2025	Lump sum (Note 3)	Note 4	Unsecured and unguaranteed
	Sumitomo Mitsui Trust Bank, Limited		800	800					
	MUFG Bank, Ltd.	March 17, 2017	1,000	1,000	0.5	March 17, 2026	Lump sum	Note 4	Unsecured and unguaranteed
	Development Bank of Japan Inc.	March 17, 2017	1,000	1,000	0.9	March 16, 2029	Lump sum	Note 4	Unsecured and unguaranteed
	Sumitomo Mitsui Banking Corporation	March 17, 2017	1,500	1,500	0.5	March 17, 2025	Lump sum (Note 3)	Note 4	Unsecured and unguaranteed

Classification	Name of lender	Borrowing date	Balance as of		Average interest rate (%) (Note 1)	Maturity date	Repayment method	Use of proceeds	Remarks
			January 31 2020 (Millions of yen)	July 31 2020 (Millions of yen)					
Long-term loans payable	Mizuho Bank, Ltd.	March 17, 2017	1,000	1,000	0.6	March 17, 2027	Lump sum (Note 3)	Note 4	Unsecured and unguaranteed
	The Nishi-Nippon City Bank, Ltd.	March 17, 2017	1,000	1,000	0.7	March 17, 2027	Lump sum (Note 3)	Note 4	Unsecured and unguaranteed
	Mizuho Trust & Banking Co., Ltd.	March 17, 2017	1,000	1,000	0.7	March 17, 2027	Lump sum (Note 3)	Note 4	Unsecured and unguaranteed
	The Bank of Fukuoka, Ltd.	March 17, 2017	1,000	1,000	0.7	March 17, 2027	Lump sum (Note 3)	Note 4	Unsecured and unguaranteed
	The Norinchukin Bank	March 17, 2017	1,000	1,000	0.5	March 17, 2025	Lump sum (Note 3)	Note 4	Unsecured and unguaranteed
	MUFG Bank, Ltd.	March 31, 2017	4,054	4,054	0.6	September 30, 2025	Lump sum (Note 3)	Note 5	Unsecured and unguaranteed
	Sumitomo Mitsui Trust Bank, Limited		1,545	1,545					
	MUFG Bank, Ltd.	March 31, 2017	1,000	1,000	0.7	March 31, 2027	Lump sum (Note 3)	Note 5	Unsecured and unguaranteed
	Sumitomo Mitsui Banking Corporation	March 31, 2017	600	600	0.5	March 31, 2025	Lump sum (Note 3)	Note 5	Unsecured and unguaranteed
	Shinsei Bank, Limited	March 31, 2017	1,000	1,000	0.7	March 31, 2027	Lump sum (Note 3)	Note 5	Unsecured and unguaranteed
	Development Bank of Japan Inc.	March 31, 2017	1,300	1,300	0.8	March 30, 2029	Lump sum	Note 5	Unsecured and unguaranteed
	Mizuho Bank, Ltd.	March 31, 2017	1,200	1,200	0.6	March 31, 2027	Lump sum (Note 3)	Note 5	Unsecured and unguaranteed
	MUFG Bank, Ltd.	September 29, 2017	2,791	2,791	0.3	September 30, 2022	Lump sum (Note 3)	Note 5	Unsecured and unguaranteed
	Sumitomo Mitsui Trust Bank, Limited		1,009	1,009					
	MUFG Bank, Ltd.	September 29, 2017	2,938	2,938	0.7	September 30, 2027	Lump sum (Note 3)	Note 5	Unsecured and unguaranteed
	Sumitomo Mitsui Trust Bank, Limited		1,062	1,062					
	MUFG Bank, Ltd.	September 29, 2017	2,791	2,791	0.9	September 28, 2029	Lump sum (Note 3)	Note 5	Unsecured and unguaranteed
	Sumitomo Mitsui Trust Bank, Limited		1,009	1,009					
	MUFG Bank, Ltd.	February 1, 2018	2,099	2,099	0.5	August 1, 2024	Lump sum (Note 3)	Note 4	Unsecured and unguaranteed
	Sumitomo Mitsui Trust Bank, Limited		800	800					
	JAPAN POST INSURANCE Co., Ltd.	February 1, 2018	2,300	2,300	0.9	February 1, 2030	Lump sum (Note 3)	Note 4	Unsecured and unguaranteed
	Sumitomo Mitsui Trust Bank, Limited		100	100					
	Mizuho Bank, Ltd.	February 1, 2018	700	700	0.7	February 1, 2028	Lump sum (Note 3)	Note 4	Unsecured and unguaranteed
	Development Bank of Japan Inc.	February 27, 2018	2,500	2,500	0.7	August 31, 2028	Lump sum	Note 5	Unsecured and unguaranteed
	Development Bank of Japan Inc.	February 27, 2018	2,500	2,500	0.9	February 28, 2030	Lump sum	Note 5	Unsecured and unguaranteed
	Development Bank of Japan Inc.	March 7, 2018	400	400	0.7	September 7, 2028	Lump sum	Note 4	Unsecured and unguaranteed
	Sumitomo Mitsui Banking Corporation	March 7, 2018	400	400	0.6	September 7, 2027	Lump sum (Note 3)	Note 4	Unsecured and unguaranteed
	Mizuho Bank, Ltd.	March 7, 2018	400	400	0.6	March 7, 2028	Lump sum (Note 3)	Note 4	Unsecured and unguaranteed
	Mizuho Trust & Banking Co., Ltd.	March 7, 2018	1,100	1,100	0.6	March 7, 2028	Lump sum (Note 3)	Note 4	Unsecured and unguaranteed
	MUFG Bank, Ltd.	March 9, 2018	1,808	1,808	0.3	September 9, 2021	Lump sum (Note 3)	Note 5	Unsecured and unguaranteed
	Sumitomo Mitsui Trust Bank, Limited		692	692					
	MUFG Bank, Ltd.	March 9, 2018	3,618	3,618	0.7	March 9, 2028	Lump sum (Note 3)	Note 5	Unsecured and unguaranteed
	Sumitomo Mitsui Trust Bank, Limited		1,382	1,382					
	MUFG Bank, Ltd.	March 9, 2018	724	724	0.8	March 9, 2029	Lump sum (Note 3)	Note 5	Unsecured and unguaranteed
	Sumitomo Mitsui Trust Bank, Limited		276	276					
	MUFG Bank, Ltd.	March 30, 2018	796	796	0.3	September 30, 2021	Lump sum (Note 3)	Note 4	Unsecured and unguaranteed
	Sumitomo Mitsui Trust Bank, Limited		303	303					
	MUFG Bank, Ltd.	March 30, 2018	434	434	0.6	September 30, 2027	Lump sum (Note 3)	Note 4	Unsecured and unguaranteed
	Sumitomo Mitsui Trust Bank, Limited		165	165					
	Development Bank of Japan Inc.	March 30, 2018	1,200	1,200	0.7	September 29, 2028	Lump sum	Note 4	Unsecured and unguaranteed
	Sumitomo Mitsui Banking Corporation	March 30, 2018	1,000	1,000	0.3	September 30, 2021	Lump sum (Note 3)	Note 4	Unsecured and unguaranteed
	Sumitomo Mitsui Banking Corporation	March 30, 2018	600	600	0.6	September 30, 2027	Lump sum (Note 3)	Note 4	Unsecured and unguaranteed

Classification	Name of lender	Borrowing date	Balance as of		Average interest rate (%) (Note 1)	Maturity date	Repayment method	Use of proceeds	Remarks
			January 31 2020 (Millions of yen)	July 31 2020 (Millions of yen)					
Long-term loans payable	Mizuho Bank, Ltd.	March 30, 2018	500	500	0.6	March 31, 2028	Lump sum (Note 3)	Note 4	Unsecured and unguaranteed
	Sumitomo Mitsui Trust Bank, Limited	March 29, 2019	500	500	0.5	March 31, 2027	Lump sum (Note 3)	Note 5	Unsecured and unguaranteed
	Sumitomo Mitsui Banking Corporation	March 29, 2019	1,500	1,500	0.2	March 29, 2024	Lump sum (Note 3)	Note 5	Unsecured and unguaranteed
	MUFG Bank, Ltd.	March 29, 2019	1,000	1,000	0.4	September 30, 2027	Lump sum	Note 5	Unsecured and unguaranteed
	MUFG Bank, Ltd.	March 29, 2019	1,000	1,000	0.5	September 29, 2028	Lump sum	Note 5	Unsecured and unguaranteed
	MUFG Bank, Ltd.	March 29, 2019	3,274	3,274	0.5	March 29, 2029	Lump sum	Note 5	Unsecured and unguaranteed
	MUFG Bank, Ltd.	May 31, 2019	1,000	1,000	0.2	November 30, 2021	Lump sum	Note 4	Unsecured and unguaranteed
	MUFG Bank, Ltd.	May 31, 2019	900	900	0.4	November 30, 2028	Lump sum	Note 4	Unsecured and unguaranteed
	Sumitomo Mitsui Trust Bank, Limited	May 31, 2019	800	800	0.2	May 31, 2022	Lump sum (Note 3)	Note 4	Unsecured and unguaranteed
	Sumitomo Mitsui Trust Bank, Limited	May 31, 2019	800	800	0.4	November 30, 2026	Lump sum (Note 3)	Note 4	Unsecured and unguaranteed
	The Norinchukin Bank	May 31, 2019	1,000	1,000	0.3	August 2, 2027	Lump sum (Note 3)	Note 4	Unsecured and unguaranteed
	Sumitomo Mitsui Banking Corporation	May 31, 2019	800	800	0.4	November 30, 2027	Lump sum (Note 3)	Note 4	Unsecured and unguaranteed
	Sumitomo Mitsui Banking Corporation	May 31, 2019	800	800	0.4	November 30, 2028	Lump sum (Note 3)	Note 4	Unsecured and unguaranteed
	Mizuho Bank, Ltd.	May 31, 2019	1,000	1,000	0.4	May 31, 2028	Lump sum (Note 3)	Note 4	Unsecured and unguaranteed
	Mizuho Bank, Ltd.	May 31, 2019	1,000	1,000	0.5	May 31, 2029	Lump sum (Note 3)	Note 4	Unsecured and unguaranteed
	Shinsei Bank, Limited	May 31, 2019	1,000	1,000	0.5	May 31, 2029	Lump sum (Note 3)	Note 4	Unsecured and unguaranteed
	Development Bank of Japan Inc.	May 31, 2019	1,600	1,600	0.6	May 31, 2030	Lump sum	Note 4	Unsecured and unguaranteed
	Nippon Life Insurance Company	May 31, 2019	1,500	1,500	0.6	May 31, 2030	Lump sum	Note 4	Unsecured and unguaranteed
	MUFG Bank, Ltd.	June 28, 2019	583	583	0.5	November 30, 2028	Lump sum	Note 5	Unsecured and unguaranteed
	Sumitomo Mitsui Banking Corporation	September 30, 2019	1,626	1,626	0.3	September 29, 2028	Lump sum (Note 3)	Note 5	Unsecured and unguaranteed
	Mizuho Bank, Ltd.	March 31, 2020	-	1,500	0.4	March 29, 2030	Lump sum (Note 3)	Note 5	Unsecured and unguaranteed
	MUFG Bank, Ltd.	April 27, 2020	-	200	0.2	April 30, 2023	Lump sum	Note 4	Unsecured and unguaranteed
	MUFG Bank, Ltd.	April 27, 2020	-	400	0.4	October 31, 2029	Lump sum	Note 4	Unsecured and unguaranteed
	Sumitomo Mitsui Trust Bank, Limited	April 27, 2020	-	200	0.3	October 31, 2024	Lump sum (Note 3)	Note 4	Unsecured and unguaranteed
	Sumitomo Mitsui Trust Bank, Limited	April 27, 2020	-	300	0.4	October 31, 2027	Lump sum (Note 3)	Note 4	Unsecured and unguaranteed
	Mizuho Bank, Ltd.	April 27, 2020	-	300	0.3	April 30, 2028	Lump sum (Note 3)	Note 4	Unsecured and unguaranteed
	Mizuho Bank, Ltd.	April 27, 2020	-	300	0.4	October 31, 2029	Lump sum (Note 3)	Note 4	Unsecured and unguaranteed
	Sumitomo Mitsui Banking Corporation	April 27, 2020	-	500	0.4	October 31, 2028	Lump sum (Note 3)	Note 4	Unsecured and unguaranteed
	Mizuho Trust & Banking Co., Ltd.	April 27, 2020	-	300	0.4	October 31, 2029	Lump sum (Note 3)	Note 4	Unsecured and unguaranteed
	Development Bank of Japan Inc.	April 27, 2020	-	500	0.5	October 31, 2030	Lump sum	Note 4	Unsecured and unguaranteed
	MUFG Bank, Ltd.	May 28, 2020	-	300	0.2	April 30, 2023	Lump sum	Note 4	Unsecured and unguaranteed
	MUFG Bank, Ltd.	May 28, 2020	-	1,000	0.4	October 31, 2029	Lump sum	Note 4	Unsecured and unguaranteed
	Sumitomo Mitsui Trust Bank, Limited	May 28, 2020	-	500	0.3	October 31, 2024	Lump sum (Note 3)	Note 4	Unsecured and unguaranteed
	Sumitomo Mitsui Trust Bank, Limited	May 28, 2020	-	700	0.4	October 31, 2027	Lump sum (Note 3)	Note 4	Unsecured and unguaranteed

Classification	Name of lender	Borrowing date	Balance as of		Average interest rate (%) (Note 1)	Maturity date	Repayment method	Use of proceeds	Remarks
			January 31 2020 (Millions of yen)	July 31 2020 (Millions of yen)					
Long-term loans payable	Mizuho Bank, Ltd.	May 28, 2020	-	500	0.3	April 30, 2028	Lump sum (Note 3)	Note 4	Unsecured and unguaranteed
	Mizuho Bank, Ltd.	May 28, 2020	-	800	0.4	October 31, 2029	Lump sum (Note 3)	Note 4	Unsecured and unguaranteed
	Sumitomo Mitsui Banking Corporation	May 28, 2020	-	1,100	0.4	October 31, 2028	Lump sum (Note 3)	Note 4	Unsecured and unguaranteed
	Mizuho Trust & Banking Co., Ltd.	May 28, 2020	-	800	0.4	October 31, 2029	Lump sum (Note 3)	Note 4	Unsecured and unguaranteed
	Development Bank of Japan Inc.	May 28, 2020	-	1,300	0.5	October 31, 2030	Lump sum	Note 4	Unsecured and unguaranteed
	Sumitomo Mitsui Trust Bank, Limited	June 30, 2020	-	1,000	0.4	June 30, 2027	Lump sum (Note 3)	Note 5	Unsecured and unguaranteed
	The Norinchukin Bank	June 30, 2020	-	1,500	0.3	June 30, 2028	Lump sum (Note 3)	Note 5	Unsecured and unguaranteed
	MUFG Bank, Ltd.	July 13, 2020	-	300	0.2	April 30, 2023	Lump sum	Note 4	Unsecured and unguaranteed
	MUFG Bank, Ltd.	July 13, 2020	-	500	0.4	October 31, 2029	Lump sum	Note 4	Unsecured and unguaranteed
	Sumitomo Mitsui Trust Bank, Limited	July 13, 2020	-	200	0.2	October 31, 2024	Lump sum (Note 3)	Note 4	Unsecured and unguaranteed
	Sumitomo Mitsui Trust Bank, Limited	July 13, 2020	-	400	0.4	October 31, 2027	Lump sum (Note 3)	Note 4	Unsecured and unguaranteed
	Mizuho Bank, Ltd.	July 13, 2020	-	200	0.3	April 30, 2028	Lump sum (Note 3)	Note 4	Unsecured and unguaranteed
	Mizuho Bank, Ltd.	July 13, 2020	-	500	0.4	October 31, 2029	Lump sum (Note 3)	Note 4	Unsecured and unguaranteed
	Sumitomo Mitsui Banking Corporation	July 13, 2020	-	700	0.4	October 31, 2028	Lump sum (Note 3)	Note 4	Unsecured and unguaranteed
	Mizuho Trust & Banking Co., Ltd.	July 13, 2020	-	500	0.4	October 31, 2029	Lump sum (Note 3)	Note 4	Unsecured and unguaranteed
	Development Bank of Japan Inc.	July 13, 2020	-	700	0.5	October 31, 2030	Lump sum	Note 4	Unsecured and unguaranteed
	Sub-total		146,583	160,583					
	Total		146,583	160,583					

Note 1 The average interest rate indicates a weighted average interest rate for the period, rounded to the first decimal place.

Note 2 These long-term loans payable are hedged by interest rate swaps and the average interest rate of these long-term loans payable is calculated adjusting for the effect of the interest rate swaps.

Note 3 The Investment Corporation may repay all or part of principal of the loans payable on interest payment date.

Note 4 The funds were appropriated to acquisition of real estate property, etc.

Note 5 The funds were appropriated to repayment of outstanding loans payable.

3. Investment corporation bonds

Name of bonds	Issuance date	Balance as of		Interest rate (%)	Maturity date	Repayment method	Use of proceeds	Remarks
		January 31, 2020 (Millions of yen)	July 31, 2020 (Millions of yen)					
The 2 nd Unsecured Investment Corporation Bond	December 27, 2012	5,000	5,000	1.40	December 27, 2022	Lump sum (Note)	Repayment of outstanding loans payable	Unsecured and unguaranteed
The 3 rd Unsecured Investment Corporation Bond	June 26, 2014	2,000	2,000	0.89	June 26, 2024	Lump sum (Note)	Repayment of outstanding loans payable	Unsecured and unguaranteed
The 4 th Unsecured Investment Corporation Bond	December 26, 2016	3,000	3,000	0.40	December 25, 2026	Lump sum (Note)	Repayment of investment corporation bonds	Unsecured and unguaranteed
Total		10,000	10,000					

Note The Investment Corporation may repurchase bonds at any time on or after the next day of issuance except for the case that transferring term is otherwise limited.

4. Short-term investment corporation bonds

None

5. Investment unit warrants

None

Condition of investment transactions

1. Transactions of property and asset-backed securities, etc.

(Millions of yen)

	Name of real property, etc.	Acquisition		Disposition			
		Date of acquisition	Acquisition cost (Note)	Date of disposition	Disposition amount (Note)	Net book value	Gain (loss) on disposition
Trust beneficial interest	IIF Yokohama Tsuzuki R&D Center	March 2, 2020	5,900	-	-	-	-
	IIF Hiroshima Seifushinto Logistics Center	April 30, 2020	6,208	-	-	-	-
	IIF Atsugi Manufacturing Center (building)	June 1, 2020	6,960	-	-	-	-
	IIF Okazaki Manufacturing Center (land with leasehold interest)	July 15, 2020	3,930	-	-	-	-
Total			22,998		-	-	-

Note The acquisition cost or disposition amount indicates contracted amount of the property in the purchase agreement excluding related expenses (brokerage fee, taxes, etc.).

2. Transactions of other assets

Other assets than property or asset-backed securities, etc. are bank deposits and bank deposits in trust.

3. Research for specified assets value, etc.

(1) Property (Appraisal value)

(Millions of yen)

Acquisition /Disposition	Name of property	Date of acquisition /disposition	Acquisition Cost /Disposition amount (Note 1)	Appraisal value	Name of appraiser	Date of appraisal
Acquisition	IIF Yokohama Tsuzuki R&D Center	March 2, 2020	5,900	6,350	Tanizawa Sōgō Appraisal Co., Ltd.	November 1, 2019
Acquisition	IIF Hiroshima Seifushinto Logistics Center	April 30, 2020	6,208	6,870	Tanizawa Sōgō Appraisal Co., Ltd.	November 1, 2019
Acquisition	IIF Atsugi Manufacturing Center (building)	June 1, 2020	6,960	6,990	CBRE K.K.	November 1, 2019
Acquisition	IIF Okazaki Manufacturing Center (land with leasehold interest)	July 15, 2020	3,930	4,180	Tanizawa Sōgō Appraisal Co., Ltd.	November 1, 2019

Note 1 The acquisition cost or disposition amount indicates contracted amount of the property in the purchase agreement excluding related expenses (brokerage fee, taxes, etc.).

(2) Investment securities

None

(3) Other transaction

None

4. Transactions with interested parties

(1) Outline of transactions

None

(2) Amounts of fees paid and other expenses

(Thousand of yen)

Classification	Total amount (A)	Transactions with interested parties or major shareholders		(B) / (A)
		Name of counter party	Amount of payment (B)	
Facility management fees	147,338	NIKKEN CORPORATION	4,297	2.9%

Note 1 "Interested parties" means the interested parties related with the asset management company of the Investment Corporation as prescribed under Article 26, Item 27 of the Regulations for Management Reports by Investment Trusts and Investment Corporations of the Investment Trusts Association, Japan.

5. Transactions with asset manager relating to other business than asset management

None

Financial information

1. Financial position and operating results

Please refer to the accompanying financial statements.

2. Changes in depreciation method

None

3. Changes in valuation method of real property

None

Outline of overseas real estate investment corporation

1. Disclosure relating to overseas real estate investment corporation

None

2. Disclosure relating to property held by overseas real estate investment corporation

None

Other information

1. Investment units held by the asset manager

Investment units held by the asset manager (Mitsubishi Corp.-UBS Realty Inc.) were as follows:

(1) Transactions of investment units held by the asset manager

Date	Number of units increased (Units)	Number of units decreased (Units)	Number of units held (Units)
February 1, 2018	(Note) 3,600	-	4,800
Accumulated number	4,800	-	4,800

Note The Investment Corporation implemented a split of its investment units.

(2) Number of investment units held by the asset manager

Date	Number of investment units held at end of period (Units)	Aggregated value of investment units held at end of period (Thousands of yen) (Note 1)	Ratio of number of investment units held to number of investment units issued and outstanding
The 17th fiscal period (July 1, 2015 to December 31, 2015)	1,200	691,200	0.3%
The 18th fiscal period (January 1, 2016 to June 30, 2016)	1,200	687,600	0.3%
The 19th fiscal period (July 1, 2016 to December 31, 2016)	1,200	668,400	0.3%
The 20th fiscal period (January 1, 2017 to July 31, 2017)	1,200	598,800	0.3%
The 21st fiscal period (August 1, 2017 to January 31, 2018)	1,200	599,040	0.3%
The 22nd fiscal period (February 1, 2018 to July 31, 2018)	4,800	578,880	0.3%
The 23rd fiscal period (August 1, 2018 to January 31, 2019)	4,800	558,240	0.3%
The 24th fiscal period (February 1, 2019 to July 31, 2019)	4,800	683,520	0.3%
The 25th fiscal period (August 1, 2019 to January 31, 2020)	4,800	800,640	0.3%
The 26th fiscal period (February 1, 2020 to July 31, 2020)	4,800	947,520	0.3%

Note 1 "Aggregated value of investment units held at end of period" is calculated by market price of the investment securities on Tokyo Stock Exchange REIT Market at end of period.

2. Notice

None

3. Other

Figures less than unit indicated in each statement have been rounded down for amounts and rounded for ratio unless otherwise indicated in this presentation.