

Translation

**INDUSTRIAL & INFRASTRUCTURE FUND INVESTMENT CORPORATION**  
**SUMMARY OF FINANCIAL RESULTS**  
**FOR THE SIX MONTHS ENDED JANUARY 31, 2021**

March 17, 2021

Name of issuer:	Industrial & Infrastructure Fund Investment Corporation ("the Investment Corporation")
Stock exchange listing:	Tokyo Stock Exchange
Securities code:	3249
Website:	<a href="https://www.iif-reit.com/english/">https://www.iif-reit.com/english/</a>
Representative of the Investment Corporation:	Kumi Honda, Executive Director
Name of asset manager:	Mitsubishi Corp.-UBS Realty Inc.
Representative of the asset manager:	Katsuji Okamoto, President & CEO
Contact:	Hidehiko Ueda, Executive Officer Head of Industrial Division Tel: (03)5293-7091
Scheduled date for filing of securities report:	April 30, 2021
Scheduled date for distributions payment:	April 19, 2021
Supplementary materials for financial results:	Otherwise prepared
Analyst meeting:	Scheduled

(Amounts of less than one million yen are rounded down)

**1. Financial results for the six months ended January 31, 2021 (August 1, 2020 to January 31, 2021)**

(1) Operating results

(Percentages show period-on-period changes)

	Operating revenues		Operating income		Ordinary income		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
For the six months ended January 31, 2021	13,892	26.5	7,614	21.9	6,618	24.4	6,617	24.5
July 31, 2020	10,984	-0.6	6,247	-4.2	5,318	-4.5	5,317	-4.6

  

	Net income per unit		Return on unitholders' equity		Ratio of ordinary income to total assets		Ratio of ordinary income	
	Yen		%		%		%	
For the six months ended January 31, 2021	3,215		3.8		1.8		47.6	
July 31, 2020	2,828		3.4		1.6		48.4	

(2) Distributions

	Distribution per unit (including distributions in excess of profit)	Distribution per unit (excluding distributions in excess of profit)	Distribution per unit in excess of profit	Total distributions (including distributions in excess of profit)	Total distributions (excluding distributions in excess of profit)	Total distributions in excess of profit	Payout ratio	Ratio of distributions to net assets
	Yen	Yen	Yen	Millions of yen	Millions of yen	Millions of yen	%	%
For the six months ended January 31, 2021	3,201	3,197	4	6,626	6,617	8	100.0	3.7
July 31, 2020	2,832	2,828	4	5,324	5,316	7	100.0	3.4

Note 1: All of distribution per unit in excess of profit for the six months ended January 31, 2021 amounting to ¥4 consist of allowance for temporary difference adjustment.

Note 2: All of distribution per unit in excess of profit for the six months ended July 31, 2020 amounting to ¥4 consist of allowance for temporary difference adjustment.

Note 3: Payout ratio for the six months ended January 31, 2021 is calculated by following formula, as new investment units were issued during the period.

Payout ratio = Total distributions (excluding distributions in excess of profit) ÷ Net income × 100

(3) Financial position

	Total assets		Net assets		Ratio of net assets to total assets		Net asset value per unit	
	Millions of yen		Millions of yen		%		Yen	
As of January 31, 2021	406,290		190,053		46.8		91,812	
July 31, 2020	342,223		155,107		45.3		82,503	

(4) Cash flows

	Net cash provided by (used in)			Cash and cash equivalents at end of period
	Operating activities	Investing activities	Financing activities	
For the six months ended	Millions of yen	Millions of yen	Millions of yen	Millions of yen
January 31, 2021	11,595	(44,396)	52,026	36,360
July 31, 2020	5,009	(23,499)	8,134	17,135

**2. Outlook for the six months ending July 31, 2021 (February 1, 2021 to July 31, 2021)**

(Percentages show period-on-period changes)

	Operating revenues		Operating income		Ordinary income		Net income	
For the six months ending	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
July 31, 2021	14,888	7.2	7,549	-0.9	6,572	-0.7	6,570	-0.7

	Net income per unit	Distribution per unit (including distributions in excess of profit)	Distributions per unit (excluding distributions in excess of profit)	Distributions in excess of profit per unit
For the six months ending	Yen	Yen	Yen	Yen
July 31, 2021	3,174	3,178	3,174	4

**※ Others**

(1) Changes in accounting policies and accounting estimates or restatements

Changes in accounting policies due to accounting standards revision: None

Changes in accounting policies due to other reasons: None

Changes in accounting estimates: None

Restatements: None

(2) Number of investment units issued

Number of investment units issued at the end of period (including own investment units):

As of January 31, 2021 2,070,016 units

As of July 31, 2020 1,880,016 units

Number of own investment units at the end of period:

As of January 31, 2021 0 units

As of July 31, 2020 0 units

Note: For the number of unit as a basis of calculation of net income per unit, please refer to per unit information on page 26.

**Forward-looking Statements and Other Notes**

Forward-looking statements in this presentation are based on the information currently available and certain assumptions we believe reasonable. Actual results may differ materially from the forward-looking statements in this presentation due to various factors. Furthermore, those statements do not guarantee the amount of future distributions.

For further information and assumptions regarding the forward-looking statements, please refer to “B. Outlook for the next period” on page 5.

## 1. Results of Operation

### (1) Management Policy

On March 11, 2021, the following changes were made regarding “Part 1, Fund Information, Item 1. Status of Fund, 2. Investment Policies, (3) Cash Distribution Policies, (ii) Cash Distributions in Excess of Profits, (a) Policy regarding Temporary Distribution in Excess of Profit” in the securities report submitted on October 29, 2020.

Unless specifically mentioned, the terms defined in the securities report dated October 29, 2020 will have the same meaning in this document. The underlined parts indicate changes.

#### Part 1, Fund Information

##### Item 1. Status of Fund

##### 2. Investment Policies

##### (3) Cash Distribution Policies

##### (ii) Cash Distributions in Excess of Profits

(omission)

##### (a) Policy regarding Temporary Distribution in Excess of Profit

When the amount of distribution per unit is expected to temporarily decrease in a certain amount in cases where, for example, dilution or incurrence of considerable expenses due to the acquisition of assets or fund raising such as issuance of new investment units occur; losses on retirement of fixed assets or other accounting losses due to redevelopment such as reconstruction of property under management or a decrease in revenue during the period of redevelopment occur; decrease in revenues or incurrence of expenses for major repairs, etc. due to occurrence of natural disasters such as earthquakes, fires or other accident; payment of legal settlement money, etc., losses on retirement of fixed assets, losses on sales of fixed assets or other temporary incurrence of considerable expenses occur, IIF may distribute the amount of cash determined by IIF as temporary distribution in excess of profit solely for the purpose of keeping the level of distribution per unit.

(omission)

Disclosure of other items is omitted because there are no material changes from the "Distribution Policy" in the most recent securities report (submitted on October 29, 2020).

### (2) Operations

#### A. Operations during the period

##### i. 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 77 properties whose total acquisition price amounted to 368,811 million yen as of January 31, 2021.

## ii. Investment environment and management performance

In the fiscal year under review (August 2020 to January 2021), the Japanese economy was affected by the global economic slowdown due to the spread of the new coronavirus (COVID-19), and the outlook is likely to remain uncertain. Closely monitoring the impact of the new coronavirus pandemic and changes in the capital markets is needed continuously.

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 3 properties, IIF Shonan Logistics Center (acquisition price of 7,380 million yen), IIF Shonan Health Innovation Park (60% co-ownership interest) (acquisition price of 23,100 million yen), IIF Ichihara Manufacturing Center (land with leasehold interest) (acquisition price of 15,910 million yen). IIF disposed IIF Hitachinaka Port Logistics Center (land with leasehold interest) (disposition price of 1,230 million yen) dated on December 17, 2020 and a gain on sale of the property of 23 million yen was recorded.

As a result, assets held by IIF as of January 31, 2021 totaled 368,811 million yen, including 46 logistics facilities, 22 manufacturing and R&D facilities, and 9 infrastructure facilities. As of January 31, 2021, the average occupancy rate was 100.0% and IIF keeps high occupancy conditions.

## iii. 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) Equity Financing

IIF announced a public offering in July 2020, issuing 190,000 new investment units (including a third-party allotment in conjunction with a secondary offering through overallotment) and procuring 33,630 million yen with the aim of raising capital to acquire new properties. As a result, the number of issued investment units reached 2,070,016 as of the end of this fiscal period.

### b) Debt Financing

As for funding of interest-bearing debt for this fiscal period, IIF newly borrowed 23,800 million yen (average maturity period: 8.3 years) on September 28, 2020 at a fixed interest rate for the purpose of acquiring new properties. Through new borrowings, 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 January 31, 2021 is 194,383 million yen, which is comprised of 184,383 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.

## iv. Overview of financial results and distributions

As a result of the above management activities, IIF recorded operating revenue of 13,892 million yen, operating income of 7,614 million yen, ordinary income of 6,618 million yen and net income of 6,617 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 6,617,841,152 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 8,280,064 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 3,201 yen.

## B. Outlook for the next period

### i. Issues to be solved and management policy going forward

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

#### a) 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.

#### b) Internal growth

As of January 31, 2021, IIF's portfolio consisted of 77 properties for a total acquisition price of 368,811 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 10.2 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 after this fiscal period by concluding a new fixed-term building lease agreement in the previous fiscal period that realized rent increase meeting the need of improving the labor environment in the warehouse. 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.

c) 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.

ii. Earnings forecast for the next fiscal period

The forecasts of operating results for the fiscal period ending July 31, 2021 (February 1, 2021 to July 31, 2021) are operating revenue of 14,888 million yen, ordinary income of 6,572 million yen, net income of 6,570 million yen and distributions per unit of 3,178 yen (including a distribution per unit in excess of profit of 4 yen). For the assumptions regarding these forecasts, refer to the following "Earnings Forecast Assumptions for the 28<sup>th</sup> Fiscal Period (February 1, 2021 to July 31, 2021)".

The main changes from the 27<sup>th</sup> Fiscal Period (August 1, 2020 to January 31, 2021) include the following.

Operating revenue (increase of 995 million yen from the previous fiscal period)

- Increase in rental revenue from the three properties acquired in the Fiscal Period ended January 31, 2021 (August 1, 2020 to January 31, 2021)(full contribution)

Operating expense (increase of 1,060 million yen from the previous fiscal period)

- Increase in rental expenses for the three properties acquired in the Fiscal Period ended January 31, 2021 (August 1, 2020 to January 31, 2021)(full contribution)
- Taxes and public charges expensed on the 7 properties acquired in 2020 (Partial contribution).

Note: The above forecasts are based on current assumptions. Actual net income and distribution may fluctuate depending on changes in circumstances. The forecasts don't guarantee of the amount of distribution.

【Attachment】

Earnings Forecast Assumptions for the 28<sup>th</sup> Fiscal Period (February 1, 2021 to July 31, 2021)

Item	Assumption
Accounting period	28 <sup>th</sup> Fiscal Period from February 1, 2021 to July 31, 2021 (181 days)
Assets owned	It is assumed that IIF has owned 77 properties for the real estate and trust beneficial right in real estate as of the end of January 2021. It is assumed that there is no change in the properties until the end of July 2021, however, there may be a change due to the acquisition or disposal of our properties in actual.
Interest-bearing debt	The total amount of interest-bearing debt as of January 31, 2021 was 194,383 million yen, consisting of long-term debt of 184,383 million yen and investment corporation bonds of 10,000 million yen. In addition, there is no repayment of interest-bearing debt during the 28 <sup>th</sup> fiscal period.
Operating revenues	IIF has estimated the rent revenue based on lease agreements that IIF expect to be effective during the 28 <sup>th</sup> fiscal period, as well as, among others, market environment, characteristic of individual property, competitiveness of properties and status of individual tenant (including a plan for evacuation). IIF assume that the properties are owned as described in “Assets owned” above and that there is no arrears or non-payments of rent by the 28 <sup>th</sup> fiscal period.
Operating expenses	Fixed property tax, city planning tax and depreciable property tax, and repair costs in the 28 <sup>th</sup> period are forecast to be approximately 1,132 million yen and approximately 515 million yen, respectively. Depreciation (including ancillary expenses) is calculated based on the straight-line method and is estimated to be approximately 1,859 million yen for the 28 <sup>th</sup> fiscal period. Calculation of external outsourcing expenses (property management fees, building management fees, etc.) is based on actual results thus far.
Non-operating expenses	Based on the assumptions of “Interest-bearing debt” above, IIF estimate the interest expenses, other debt-related expenses, interest expenses on investment corporation bonds and amortization of investment corporation bond issuance costs will be approximately 922 million yen for the 28 <sup>th</sup> fiscal period. IIF estimate the amortization of the cost concerning the issuance of new investment units will be approximately 53 million yen for the 28 <sup>th</sup> fiscal period.
Extraordinary gain or loss	No extraordinary gain or loss is expected for the 28 <sup>th</sup> fiscal period.
Total number of units issued	It is assumed that the total number of issued investment units as of the submission date is 2,070,016.
Distribution per unit (excluding distributions in excess of retained earnings per unit)	It is assumed that net income excluding amounts less than 1 yen per unit is distributed in its entirety. The calculations of distribution per unit for the 28 <sup>th</sup> fiscal period is based on the assumption that fluctuations in the fair value of interest rate swaps will not have any impact on distributions per unit.
Distribution in excess of retained earnings per unit (allowance for temporary difference adjustments)	With respect to IIF Kazo Logistics Center, which IIF acquired on September 1, 2016, IIF Hamura Logistics Center, which IIF acquired on December 22, 2016, IIF Ichikawa Food Processing Center, which IIF acquired on June 3, 2019, and IIF Yokohama Tsuzuki R&D Center, which IIF acquired on March 2, 2020, IIF recorded asset retirement obligations related to asbestos removal and expects to record an allowance for temporary difference adjustment for tax accounting discrepancies related to interest costs on such asset retirement obligations and depreciation expenses relating to buildings, etc. During the 28 <sup>th</sup> fiscal period, IIF assumes that IIF makes a distribution in excess of retained earnings of 4 yen per unit (allowance for temporary difference adjustments).

Distribution in excess of retained earnings per unit (distributions under tax law resulting in a decrease of investment capital)	There is no plan at present to make distributions under tax law resulting in a decrease of investment capital.
--	--

(3) Investment risk

There are no significant changes of “Investment risk” from the most recent securities report (submitted on October 29, 2020), and the disclosure of these matters is omitted.



## 2. Financial information

### (1) Balance sheets

(Thousands of yen)		
	As of	
	July 31, 2020	January 31, 2021
<b>ASSETS</b>		
<b>Current assets:</b>		
Cash and bank deposits	13,133,520	30,246,169
Cash and bank deposits in trust	4,002,053	6,114,450
Rental receivables	697,026	463,104
Prepaid expenses	698,522	631,145
Income taxes receivable	265	-
Consumption taxes refundable	867,180	58,202
Other	941	511
<b>Total current assets</b>	<b>19,399,511</b>	<b>37,513,582</b>
<b>Noncurrent assets:</b>		
<b>Property, plant and equipment:</b>		
Buildings, at cost	34,297,858	34,565,269
Less: Accumulated depreciation	(7,947,518)	(8,353,882)
Buildings, net	26,350,339	26,211,387
Structures, at cost	111,795	113,055
Less: Accumulated depreciation	(39,522)	(43,431)
Structures, net	72,273	69,623
Machinery and equipment, at cost	11,892	11,892
Less: Accumulated depreciation	(11,892)	(11,892)
Machinery and equipment, net	0	0
Tools, furniture and fixtures, at cost	13,855	21,025
Less: Accumulated depreciation	(9,085)	(9,801)
Tools, furniture and fixtures, net	4,770	11,223
Land	21,343,414	20,150,219
Buildings in trust, at cost	90,851,946	99,873,525
Less: Accumulated depreciation	(14,197,083)	(15,522,714)
Buildings in trust, net	76,654,863	84,350,810
Structures in trust, at cost	1,029,414	1,050,936
Less: Accumulated depreciation	(429,596)	(468,410)
Structures in trust, net	599,817	582,526
Machinery and equipment in trust, at cost	119,385	133,357
Less: Accumulated depreciation	(38,945)	(45,796)
Machinery and equipment in trust, net	80,440	87,561
Tools, furniture and fixtures in trust, at cost	46,881	55,769
Less: Accumulated depreciation	(20,487)	(23,842)
Tools, furniture and fixtures in trust, net	26,394	31,926
Land in trust	176,244,234	215,746,473
Construction in progress in trust	6,000	4,696
<b>Total net property, plant and equipment</b>	<b>301,382,547</b>	<b>347,246,448</b>
<b>Intangible assets:</b>		
Leasehold right (Note 1)	19,833,966	19,833,966
Other	9,198	7,896
<b>Total intangible assets</b>	<b>19,843,164</b>	<b>19,841,862</b>
<b>Investments and other assets:</b>		
Investment securities	95,456	95,456
Lease and guarantee deposits	10,200	10,200
Long-term prepaid expenses	1,274,360	1,362,072
Other	3,000	3,000
<b>Total investments and other assets</b>	<b>1,383,016</b>	<b>1,470,728</b>
<b>Total noncurrent assets</b>	<b>322,608,728</b>	<b>368,559,039</b>
<b>Deferred assets:</b>		
Investment unit issuance costs	183,670	190,799
Investment corporation bonds issuance costs	31,362	27,555
<b>Total deferred assets</b>	<b>215,033</b>	<b>218,354</b>
<b>TOTAL ASSETS</b>	<b>342,223,273</b>	<b>406,290,976</b>

The accompanying notes in sections (6), (7) and (8) below are an integral part of these statements.

(Thousands of yen)

	As of	
	July 31, 2020	January 31, 2021
<b>LIABILITIES</b>		
<b>Current liabilities:</b>		
Operating accounts payable	769,132	1,122,763
Current portion of long-term loans payable	-	5,600,000
Accounts payable – other	703,629	748,320
Accrued expenses	127,282	134,684
Income taxes payable	897	876
Advances received	1,789,422	2,609,537
Other	51,476	17,597
<b>Total current liabilities</b>	<b>3,441,840</b>	<b>10,233,779</b>
<b>Noncurrent liabilities:</b>		
Investment corporation bonds – unsecured	10,000,000	10,000,000
Long-term loans payable	160,583,000	178,783,000
Tenant leasehold and security deposits	2,451,531	2,422,971
Tenant leasehold and security deposits in trust	9,866,243	14,045,677
Asset retirement obligations	636,267	637,671
Derivatives liabilities	136,661	114,078
Other	653	402
<b>Total noncurrent liabilities</b>	<b>183,674,357</b>	<b>206,003,801</b>
<b>TOTAL LIABILITIES</b>	<b>187,116,198</b>	<b>216,237,581</b>
<b>NET ASSETS</b>		
<b>Unitholders' equity:</b>		
Unitholders' capital	150,235,013	183,865,203
Capital deduction:		
Allowance for temporary difference adjustment (Note 3)	(182,141)	(159,098)
Other deduction of unitholders' capital	(293,688)	(293,688)
Total capital deduction	(475,830)	(452,786)
Unitholders' capital, net	149,759,183	183,412,417
Surplus:		
Retained earnings	5,484,552	6,755,057
Total surplus	5,484,552	6,755,057
<b>Total unitholders' equity</b>	<b>155,243,735</b>	<b>190,167,474</b>
<b>Valuation and translation adjustments:</b>		
Deferred gains or (losses) on hedges	(136,661)	(114,078)
<b>Total valuation and translation adjustments</b>	<b>(136,661)</b>	<b>(114,078)</b>
<b>TOTAL NET ASSETS (Note 2)</b>	<b>155,107,074</b>	<b>190,053,395</b>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>342,223,273</b>	<b>406,290,976</b>

The accompanying notes in sections (6), (7) and (8) below are an integral part of these statements.

## (2) Statements of income and retained earnings

(Thousands of yen)		
	For the six months ended	
	July 31, 2020	January 31, 2021
<b>Operating revenue</b>		
Rent revenue—real estate (Note 4)	10,979,943	13,867,370
Gain on sales of property (Note 5)	-	23,774
Dividend income from investments in Tokumei Kumiai	4,381	1,362
Total operating revenue	10,984,324	13,892,507
<b>Operating expenses</b>		
Expenses related to property rental business (Note 4)	3,550,678	4,886,257
Asset management fees	1,020,654	1,202,156
Directors' compensations	7,440	7,010
Asset custody fees	7,440	8,758
Administrative service fees	37,411	37,086
Other	112,961	137,143
Total operating expenses	4,736,587	6,278,411
<b>Operating income</b>	6,247,737	7,614,095
<b>Non-operating income</b>		
Interest income	89	97
Interest on refund	-	2,237
Reversal of distribution payable	305	318
Total non-operating income	394	2,653
<b>Non-operating expenses</b>		
Interest expenses	618,870	658,202
Interest expenses on investment corporation bonds	49,626	50,173
Amortization of investment corporation bonds issuance costs	3,807	3,807
Borrowing related expenses	189,955	209,322
Amortization of investment unit issuance costs	62,309	76,197
Other	4,862	122
Total non-operating expenses	929,431	997,825
<b>Ordinary income</b>	5,318,700	6,618,923
<b>Income before income taxes</b>	5,318,700	6,618,923
<b>Income taxes</b>		
Current	1,539	1,169
Total income taxes	1,539	1,169
<b>Net income</b>	5,317,160	6,617,754
<b>Retained earnings brought forward</b>	167,392	137,303
<b>Unappropriated retained earnings</b>	5,484,552	6,755,057

The accompanying notes in sections (6), (7) and (8) below are an integral part of these statements.

### (3) Statements of changes in net assets

(Thousands of yen)

	Unitholders' equity							Valuation and translation adjustments			
	Unitholders' capital				Surplus			Deferred gains or (losses) on hedges	Total valuation and translation adjustments	Total net assets	
	Unitholders' capital (Note 2)	Capital deduction		Total capital deduction	Unitholders' capital, net	Retained earnings	Total surplus				Total unitholders' equity
		Allowance for temporary difference adjustment	Other deduction of unitholders' capital								
<b>Balance as of January 31, 2020</b>	150,235,013	(214,318)	(69,966)	(284,285)	149,950,728	5,775,696	5,775,696	155,726,424	(167,225)	(167,225)	155,559,199
<u>Changes during the period</u>											
Dividends from surplus	-	-	-	-	-	(5,572,367)	(5,572,367)	(5,572,367)	-	-	(5,572,367)
Reversal of allowance for temporary difference adjustment	-	35,936	-	35,936	35,936	(35,936)	(35,936)	-	-	-	-
Dividend in excess of profit from allowance for temporary difference adjustment	-	(3,760)	-	(3,760)	(3,760)	-	-	(3,760)	-	-	(3,760)
Other distribution in excess of profit	-	-	(223,721)	(223,721)	(223,721)	-	-	(223,721)	-	-	(223,721)
Net income	-	-	-	-	-	5,317,160	5,317,160	5,317,160	-	-	5,317,160
Net changes of items other than unitholders' equity	-	-	-	-	-	-	-	-	30,563	30,563	30,563
<u>Total changes during the period</u>	-	32,176	(223,721)	(191,545)	(191,545)	(291,143)	(291,143)	(482,688)	30,563	30,563	(452,125)
<b>Balance as of July 31, 2020</b>	150,235,013	(182,141)	(293,688)	(475,830)	149,759,183	5,484,552	5,484,552	155,243,735	(136,661)	(136,661)	155,107,074
<u>Changes during the period</u>											
Issuance of new investment units	33,630,190	-	-	-	33,630,190	-	-	33,630,190	-	-	33,630,190
Dividends from surplus	-	-	-	-	-	(5,316,685)	(5,316,685)	(5,316,685)	-	-	(5,316,685)
Reversal of allowance for temporary difference adjustment	-	30,563	-	30,563	30,563	(30,563)	(30,563)	-	-	-	-
Dividend in excess of profit from allowance for temporary difference adjustment	-	(7,520)	-	(7,520)	(7,520)	-	-	(7,520)	-	-	(7,520)
Net income	-	-	-	-	-	6,617,754	6,617,754	6,617,754	-	-	6,617,754
Net changes of items other than unitholders' equity	-	-	-	-	-	-	-	-	22,582	22,582	22,582
<u>Total changes during the period</u>	33,630,190	23,043	-	23,043	33,653,233	1,270,505	1,270,505	34,923,738	22,582	22,582	34,946,321
<b>Balance as of January 31, 2021</b>	183,865,203	(159,098)	(293,688)	(452,786)	183,412,417	6,755,057	6,755,057	190,167,474	(114,078)	(114,078)	190,053,395

The accompanying notes in sections (6), (7) and (8) below are an integral part of these statements.

#### (4) Statements of cash distributions

	(Yen)	
	For the six months ended	
	July 31, 2020	January 31, 2021
I Unappropriated retained earnings	5,484,552,689	6,755,057,775
II Distributions in excess of profit	7,520,064	8,280,064
Allowance for temporary difference adjustment	7,520,064	8,280,064
Other unitcapital deduction	-	-
III Capitalization	30,563,804	22,582,384
Reversal of allowance for temporary difference adjustment	30,563,804	22,582,384
IV Cash distribution declared	5,324,205,312	6,626,121,216
<i>(Cash distribution declared per unit)</i>	<i>(2,832)</i>	<i>(3,201)</i>
Profit distributions	5,316,685,248	6,617,841,152
<i>(Profit distributions per unit)</i>	<i>(2,828)</i>	<i>(3,197)</i>
Allowance for temporary difference adjustment	7,520,064	8,280,064
<i>(Distribution per unit in excess of profit from allowance for temporary difference adjustment)</i>	<i>(4)</i>	<i>(4)</i>
Other distribution in excess of profit	-	-
<i>(Distribution per unit in excess of profit from other distribution in excess of profit)</i>	<i>(-)</i>	<i>(-)</i>
V Retained earnings carried forward	137,303,637	114,634,239

#### Note:

For the six months ended July 31, 2020:

Cash distributions declared for the six months ended July 31, 2020 were ¥5,324,205,312.

In accordance with the distribution policy in Article 25, Paragraph 1, Item 2 of the Investment Corporation's articles of incorporation which stipulates making distributions in excess of 90% of distributable profit as defined in Article 67-15, Paragraph 1 of the Special Taxation Measures Act of Japan for the fiscal period, profit distributions (do not include distributions in excess of profit) declared for the six months ended July 31, 2020 were ¥5,316,685,248 which were 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 (as defined in Article 2, Paragraph 2, Item 30 of the Ordinance on Accountings of Investment Corporations of Japan), except for fractional distribution per unit less than one yen.

In addition, the Investment Corporation makes distributions in excess of profit considering an effect of differences between net income and taxable income (as defined in Article 2, Paragraph 2, Item 30 of the Ordinance on Accountings of Investment Corporations of Japan) and items deducted from net assets (as defined in Article 2, Paragraph 2, Item 30 of the Ordinance on Accountings of Investment Corporations of Japan) in accordance with the policy for the distributions in excess of profit prescribed in the article of incorporation 25, Paragraph 2. Distributions in excess of profit corresponding to differences between net income and taxable income for the six months ended July 31, 2020 were amounting to ¥7,520,064, except for fractional distribution per unit in excess of profit less than one yen. Furthermore, the Investment Corporation makes unitcapital refunds from deduction of unitcapital amounting to ¥ to level cash distributions. As a result, cash distributions declared for the six months ended July 31, 2020 totaled ¥5,324,205,312.

For the six months ended January 31, 2021:

Cash distributions declared for the six months ended January 31, 2021 were ¥6,626,121,216.

In accordance with the distribution policy in Article 25, Paragraph 1, Item 2 of the Investment Corporation's articles of incorporation which stipulates making distributions in excess of 90% of distributable profit as defined in Article 67-15, Paragraph 1 of the Special Taxation Measures Act of Japan for the fiscal period, profit distributions (do not include distributions in excess of profit) declared for the six months ended January 31, 2021 were ¥6,617,841,152 which were 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 (as defined in Article 2, Paragraph 2, Item 30 of the Ordinance on Accountings of Investment Corporations of Japan), except for fractional distribution per unit less than one yen.

In addition, the Investment Corporation makes distributions in excess of profit considering an effect of differences between net income and taxable income (as defined in Article 2, Paragraph 2, Item 30 of the Ordinance on Accountings of Investment Corporations of Japan) and items deducted from net assets (as defined in Article 2, Paragraph 2, Item 30 of the Ordinance on Accountings of Investment Corporations of Japan) in accordance with the policy for the distributions in excess of profit prescribed in the article of incorporation 25, Paragraph 2. Distributions in excess of profit corresponding to differences between net income and taxable income for the six months ended January 31, 2021 were amounting to ¥8,280,064, except for fractional distribution per unit in excess of profit less than one yen. As a result, cash distributions declared for the six months ended January 31, 2021 totaled ¥6,626,121,216.

## (5) Statements of cash flows

(Thousands of yen)

	For the six months ended	
	July 31, 2020	January 31, 2021
<b>Net cash provided by (used in) operating activities:</b>		
Income before income taxes	5,318,700	6,618,923
Depreciation and amortization	1,585,464	1,791,961
Amortization of investment corporation bonds issuance costs	3,807	3,807
Amortization of investment unit issuance costs	62,309	76,197
Interest income	(89)	(97)
Interest expenses	668,497	708,375
Changes in assets and liabilities:		
Decrease (increase) in operating accounts receivable	(408,480)	233,922
Decrease (increase) in consumption taxes refundable	(867,180)	808,978
Decrease (increase) in prepaid expenses	(148,639)	67,377
Decrease (increase) in long-term prepaid expenses	18,259	(87,711)
Increase (decrease) in operating accounts payable	(85,285)	37,991
Increase (decrease) in accounts payable - other	75,809	55,531
Increase (decrease) in accrued expenses	(72)	141
Increase (decrease) in consumption taxes payable	(491,424)	-
Increase (decrease) in advances received	6,793	820,114
Increase (decrease) in other noncurrent liabilities	(517)	(251)
Decrease from sales of property and equipment	-	1,193,195
Decrease from sales of property and equipment in trust	35,194	-
Other, net	(93,988)	(31,468)
Subtotal	5,679,157	12,296,990
Interest income received	89	97
Interest expenses paid	(668,161)	(701,115)
Income taxes paid	(1,121)	(924)
Net cash provided by operating activities	5,009,964	11,595,047
<b>Net cash provided by (used in) investing activities:</b>		
Purchases of property, plant and equipment	(145,404)	(125,848)
Purchases of property, plant and equipment in trust	(24,260,978)	(48,428,979)
Proceeds from tenant leasehold and security deposits	24,019	9,523
Payments of tenant leasehold and security deposits	(180)	(30,000)
Proceeds from tenant leasehold and security deposits in trust	1,435,854	4,235,184
Payments of tenant leasehold and security deposits in trust	(558,746)	(56,074)
Proceeds from investment securities	6,060	-
Net cash used in investing activities	(23,499,375)	(44,396,195)
<b>Net cash provided by (used in) financing activities:</b>		
Proceeds from long-term loans payable	18,000,000	23,800,000
Repayments of long-term loans payable	(4,000,000)	-
Proceeds from issuance of investment units	-	33,630,190
Payments of investment unit issuance costs	(65,637)	(79,802)
Dividends paid	(5,799,942)	(5,324,194)
Net cash provided by financing activities	8,134,419	52,026,192
<b>Net change in cash and cash equivalents</b>	<b>(10,354,990)</b>	<b>19,225,045</b>
<b>Cash and cash equivalents at beginning of period</b>	<b>27,490,564</b>	<b>17,135,574</b>
<b>Cash and cash equivalents at end of period (Note 6)</b>	<b>17,135,574</b>	<b>36,360,619</b>

The accompanying notes in sections (6), (7) and (8) below are an integral part of these statements.

(6) Note relating to going concern assumption

Nothing to be noted.

(7) Summary of significant accounting policies

**(a) Securities**

Non-marketable securities held as available-for-sale are stated at cost determined by the moving average method. Investments in Tokumei Kumiai (silent partnership) agreements are accounted for by using the equity method of accounting.

**(b) Property and equipment**

Property, plant and equipment is recorded at cost. Depreciation of property, plant and equipment, except for land, is calculated on a straight-line basis over the estimated useful lives of the assets as stated below:

Buildings	13 - 70 years
Structures	2 - 45 years
Machinery and equipment	3 - 10 years
Tools, furniture and fixtures	6 - 15 years

**(c) Other intangible assets**

Other intangible assets are amortized on a straight-line basis.

**(d) Long-term prepaid expenses**

Long-term prepaid expenses are amortized on a straight-line basis.

**(e) Investment unit issuance costs**

Investment unit issuance costs are capitalized and amortized on a straight-line basis over three years.

**(f) Investment corporation bonds issuance costs**

Investment corporation bonds issuance costs are capitalized and amortized on a straight-line basis over the maturity period of the investment corporation bonds.

**(g) Taxes on property, plant and equipment**

Property, plant and equipment are annually subject to various taxes, such as property taxes and urban planning taxes. An owner of a property is registered in the record maintained by the local government in each jurisdiction, and such taxes are imposed on the owner registered in the record as of January 1 of each year based on the assessment made by the local government.

Under the above tax rules, a seller of a property at the time of disposal is liable for these taxes on the property from the date of disposal to the end of the calendar year in which the property is disposed. The seller, however, is reimbursed by the purchaser for these accrued tax liabilities and the amount of settlement reflects this adjustment. For the purchaser, a portion of such taxes calculated from the acquisition date to the end of the calendar year is capitalized as a cost of the property in accordance with accounting principles and practices generally accepted in Japan ("Japanese GAAP"). In subsequent calendar years, half of such taxes on property, plant and equipment for each calendar year are charged as operating expenses in each fiscal period.

Taxes on property, plant and equipment capitalized as part of the acquisition cost of properties amounted to ¥90,305 thousand and ¥162,826 thousand for the six months ended July 31, 2020 and January 31, 2021, respectively.

**(h) Hedge accounting**

In accordance with the Investment Corporation's risk management policy and its internal rules, the Investment Corporation uses derivative instruments for the purpose of hedging risks that are prescribed in the Investment Corporation's articles of incorporation. The Investment Corporation hedges fluctuations in interest rates of loans payable through the use of interest rate swaps as hedging instruments and deferred hedge accounting is generally applied. The hedge effectiveness of the interest rate swaps is assessed by comparing the cumulative changes in the cash flows of the hedging instruments with those of the hedged items. The Investment Corporation applies, however, the special treatment provided under Japanese GAAP for the interest rate swaps which qualify for hedge accounting and meet specific criteria, under which only the interest received or paid under such swap contracts can be recognized and added to or reduced from any interest earned or incurred on the hedged asset or liability, as appropriate, and the fair value of the interest rate swap is not required to be evaluated separately. An assessment of hedge effectiveness is not performed when the interest rate swaps meet the specific criteria required for such special treatment.

**(i) Cash and cash equivalents**

Cash and cash equivalents consist of cash, demand deposits, and short-term investments which are highly liquid and readily convertible to cash, have a low risk of price fluctuation, and mature within three months from the date of acquisition.

**(j) Accounting treatment of trust beneficiary interests in real estate trusts**

For the trust beneficiary interests in real estate trusts, which are commonly utilized to obtain ownership in investment properties in Japan and through which the Investment Corporation holds all of its real estate, all assets and liabilities with respect to assets in trust, as well as all income generated and expenses incurred with respect to assets in trust, are recorded in the relevant balance sheet and income statement accounts of the Investment Corporation in proportion to the percentage interest that such trust beneficiary interest represents. Certain material accounts with respect to assets and liabilities in trust are presented separately from other accounts in the balance sheet of the Investment Corporation.

**(k) Consumption taxes**

Consumption taxes withheld and consumption taxes paid are not included in the statement of income and retained earnings. The consumption taxes paid are generally offset against the balance of consumption taxes withheld. As such, the excess of payments over amounts withheld are included in current assets and the excess of amounts withheld over payments are included in current liabilities as the case may be.

**(New accounting standards not yet applied)**

- "Accounting Standard for Revenue Recognition"  
(Accounting Standards Board of Japan (ASBJ) Statement No. 29 revised on March 31, 2020)
- "Implementation Guidance on Accounting Standard for Revenue Recognition"  
(ASBJ Guidance No. 30 revised on March 31, 2020)
- "Implementation Guidance on Disclosures about Fair Value of Financial Instruments"  
(ASBJ Guidance No. 19 revised on March 31, 2020)

**(1) Overview**

The International Accounting Standards Board (IASB) and the Financial Accounting Standards Board (FASB) in the United States have jointly developed comprehensive accounting standards for revenue recognition and issued "Revenue from Contracts with Customers" (IFRS 15 in IASB and Topic 606 in FASB) in May 2014. Given the situation where IFRS 15 will be applied from fiscal years beginning on or after January 1, 2018 and that Topic 606 will be applied from fiscal years beginning after December 15, 2017, the ASBJ has developed comprehensive accounting standards for revenue recognition and issued them together with the implementation guidance. The basic policy of the ASBJ when it developed the accounting standards for revenue recognition was to specify the accounting standards, incorporating the basic principles of IFRS 15 as a starting point, from the perspective of comparability between financial statements, which is one of the benefits of maintaining compatibility with IFRS 15. The basic policy also stipulates that if there is an item to which consideration should be given, such as practices that have been conducted thus far in Japan, alternative treatments will be added to the extent to which comparability is not impaired.

**(2) Scheduled date of application**

The Investment Corporation will adopt the accounting standards from the beginning of the six months ending January 31, 2022.

**(3) Impact of applying the accounting standards**

The Investment Corporation is currently evaluating the effect on its financial statements by applying the "Accounting Standard for Revenue Recognition", etc.



- "Accounting Standard for Fair Value Measurement"  
(ASBJ Statement No. 30 issued on July 4, 2019)
- "Accounting Standard for Financial Instruments"  
(ASBJ Statement No. 10 revised on July 4, 2019)
- "Implementation Guidance on Accounting Standard for Fair Value Measurement"  
(ASBJ Guidance No. 31 issued on July 4, 2019)
- "Implementation Guidance on Disclosures about Fair Value of Financial Instruments"  
(ASBJ Guidance No. 19 revised on March 31, 2020)

(1) Overview

The IASB and FASB have established similar detailed guidance regarding fair value measurement (IFRS 13 "Fair Value Measurement" in IFRS and Accounting Standards Codification Topic 820 "Fair Value Measurement" in FASB).

The ASBJ repeatedly considered the guidance regarding fair value of financial instruments and disclosure in order to ensure the consistency of Japanese GAAP with such international accounting standards, and issued the Accounting Standard for Fair Value Measurement, etc.

As the basic policy of the ASBJ for the development of accounting standard for fair value measurement, the ASBJ basically adopted all provisions of IFRS 13 by using the unified measurement method, from the point of view of improving the comparability of financial statements among domestic and foreign companies.

In addition, considering the actual practices that have been executed in Japan, other treatments for individual items are established within the scope not to impair comparability between the financial statements.

(2) Scheduled date of application

The Investment Corporation will adopt the accounting standards from the beginning of the six months ending January 31, 2022.

(3) Impact of applying the accounting standards

The Investment Corporation is currently evaluating the effect on its financial statements by applying the "Accounting Standard for Fair Value Measurement", etc.

- "Accounting Standard for Disclosure of Accounting Estimates"  
(ASBJ Statement No. 31 issued on March 31, 2020)

(1) Overview

With respect to "Sources of estimation uncertainty" which are required to be disclosed under Paragraph 125 of International Accounting Standard ("IAS") 1 "Presentation of Financial Statements" ("IAS 1") issued by the IASB in 2003, ASBJ was requested to examine disclosures of such information under Japanese GAAP as useful information for users of financial statements. Accordingly, the ASBJ has developed and published the accounting standard for disclosures of accounting estimates (the "Accounting Standard").

The basic policy of ASBJ for the development of the Accounting Standard was to provide general principles (disclosure purpose) instead of expanding individual notes, and an entity shall determine specific disclosure content in accordance with its disclosure purpose. The development of this standard is based on Paragraph 125 of IAS 1.

(2) Scheduled date of application

The Investment Corporation will adopt the accounting standard from the end of the six months ending July 31, 2021.

- "Accounting Standard for Accounting Policy Disclosures, Accounting Changes and Error Corrections"  
(ASBJ Statement No. 24 revised on March 31, 2020)

(1) Overview

In response to the recommendation to improve note information concerning "The accounting policies and methods which have been adopted in the cases where the relevant accounting standards are not available", the ASBJ revised Accounting Standard for Accounting Policy Disclosures, Accounting Changes and Error Corrections.

To improve the note information concerning "The accounting policies and methods which have been adopted in the cases where the relevant accounting standards are not available", the provision of Financial Accounting Principles (note 1-2) will be followed to ensure consistency with actual practices when the relevant accounting standards exist.

(2) Scheduled date of application

The Investment Corporation will adopt the accounting standard from the end of the six months ending July 31, 2021.

## (8) Notes to financial information

### Note 1 — Leasehold right

Leasehold right is right to use nationally-owned land on which IIF Haneda Airport Maintenance Center is located with approval of the authorities under Article 18-6 and 19 of the National Property Act of Japan.

### Note 2 — Unitholders' equity

(1) Number of units

	As of	
	July 31, 2020	January 31, 2021
Authorized	32,000,000 units	32,000,000 units
Issued and outstanding	1,880,016 units	2,070,016 units

(2) The Investment Corporation is required to maintain net assets of at least ¥ 50,000 thousand as required by Article 67-4 of the Act on Investment Trusts and Investment Corporations of Japan.

### Note 3 — Allowance for temporary difference adjustment

Movements of allowance for temporary difference adjustment for the six months ended July 31, 2020 and January 31, 2021 are as follows:

#### For the six months ended July 31, 2020:

(Thousands of yen)

Content of temporary difference			Allowance for temporary difference adjustment				
Item	Reason for the difference	Initial amount	Balance at beginning of the period	Allowance	Reversal	Balance at end of the period	Note
Buildings in trust	Excess of depreciation allowance	15,172	11,412	3,760	-	15,172	(i)
Deferred gains or (losses) on hedges	Valuation losses on interest rate swaps	405,448	202,906	-	(35,936)	166,969	(ii)
Total		420,621	214,318	3,760	(35,936)	182,141	

#### For the six months ended January 31, 2021:

(Thousands of yen)

Content of temporary difference			Allowance for temporary difference adjustment				
Item	Reason for the difference	Initial amount	Balance at beginning of the period	Allowance	Reversal	Balance at end of the period	Note
Buildings in trust	Excess of depreciation allowance	22,692	15,172	7,520	-	22,692	(i)
Deferred gains or (losses) on hedges	Valuation losses on interest rate swaps	405,448	166,969	-	(30,563)	136,405	(ii)
Total		428,141	182,141	7,520	(30,563)	159,098	

Note (i): The allowance will be reversed corresponding to disposal of the buildings in the future.

Note (ii): The allowance will be reversed corresponding to future change in values of the hedging derivatives.

**Note 4 — Rent revenue — real estate and expenses related to property rental business**

Rent revenue— real estate and expenses related to property rental business for the six months ended July 31, 2020 and January 31, 2021 consist of the following:

	(Thousands of yen)	
	<b>For the six months ended</b>	
	<b>July 31, 2020</b>	<b>January 31, 2021</b>
Rent revenue— real estate:		
Rental and parking revenue	10,624,010	13,506,063
Common area charges	263,425	254,887
Other	92,506	106,419
Total rent revenue-real estate	10,979,943	13,867,370
Expenses related to property rental business:		
Property management fees	76,758	89,898
Facility management fees	147,338	651,656
Utilities	263,438	540,119
Property-related taxes	907,417	942,466
Insurance	23,865	36,541
Repair and maintenance	98,209	375,443
Depreciation	1,585,464	1,791,961
Trust fees	18,740	20,178
Leasehold rents	418,259	425,005
Other	11,184	12,986
Total expenses related to property rental business	3,550,678	4,886,257
Operating income from property leasing activities	7,429,264	8,981,113

**Note 5 — Analysis of gain on sales of property**

Analysis of gain on sales of property is as follows:

	(Thousands of yen)	
	<b>For the six months ended</b>	
	<b>July 31, 2020</b>	<b>January 31, 2021</b>
Sale of property	-	1,230,000
Cost of property	-	1,193,195
Other sales expenses	-	13,030
Gain on sales of property, net	-	23,774

**Note 6 — Cash and cash equivalents**

Cash and cash equivalents shown in the statement of cash flows consist of the following balance sheet items:

	(Thousands of yen)	
	<b>As of</b>	
	<b>July 31, 2020</b>	<b>January 31, 2021</b>
Cash and bank deposits	13,133,520	30,246,169
Cash and bank deposits in trust	4,002,053	6,114,450
Cash and cash equivalents	17,135,574	36,360,619

**Note 7 — Lease rental revenues**

The Investment Corporation leases its properties mainly to corporate tenants. Future minimum rental revenues pursuant to existing rental contracts as of July 31, 2020 and January 31, 2021 scheduled to be received are summarized as follows:

	(Thousands of yen)	
	As of	
	July 31, 2020	January 31, 2021
Due within one year	19,459,162	26,613,448
Due after one year	87,458,204	121,090,010
Total	106,917,366	147,703,458

**Note 8 — Financial instruments****(a) Qualitative information for financial instruments***(i) Policy for financial instrument transactions*

The Investment Corporation raises funds through loans payable, the issuance of investment corporation bonds or investment units for the acquisition of real estate properties, expenditures on property maintenance and/or repayment of existing debt. Surplus funds are managed carefully through investment in financial instruments taking into account liquidity and safety in light of the current financial market condition. Derivative instruments are used only for hedging purposes and not for speculation.

*(ii) Nature and extent of risks arising from financial instruments and risk management*

The funds raised through loans payable or issuance of investment corporation bonds are mainly used to acquire real estate properties or properties in trust, and for the repayment of existing loans payable or investment corporation bonds. Tenant leasehold and security deposits are deposits from tenants. Although loans payable with floating interest rates are subject to fluctuations in market interest rates, the asset manager manages interest fluctuation risk by monitoring market interest rates and measuring the effect on the results of operation of the Investment Corporation. In addition, a certain portion of loans payable with floating interest rates is hedged by derivative instruments (interest rate swaps) as hedging instruments. The hedge effectiveness of the interest rate swaps is assessed by comparing the cumulative changes in the cash flows of the hedging instruments and the hedged items. When the interest rate swaps meet specific criteria required for the special treatment provided under Japanese GAAP, the assessment of hedge effectiveness is not performed. The Investment Corporation uses derivative instruments in accordance with its risk management policy and internal rules.

Liquidity risks relating to loans payable, investment corporation bonds or tenant leasehold and security deposits are managed by preparing monthly plans for funds, maintaining high liquidity and entering into commitment line agreements with banks.

*(iii) Supplemental information on fair value of financial instruments*

The fair value of financial instruments is based on quoted market prices, if available. When quoted market prices are not available, fair value is estimated by using valuation techniques which contain various assumptions. If other valuation models or assumptions were used, the estimated fair value may differ.

**(b) Quantitative information for financial instruments**

The following table shows the carrying amounts, fair value and valuation differences of financial instruments for which fair value is available as of July 31, 2020 and January 31, 2021.

(Thousands of yen)

	As of July 31, 2020			As of January 31, 2021		
	Carrying amounts	Fair value	Difference	Carrying amounts	Fair value	Difference
(1) Cash and bank deposits	13,133,520	13,133,520	-	30,246,169	30,246,169	-
(2) Cash and bank deposits in trust	4,002,053	4,002,053	-	6,114,450	6,114,450	-
Total assets	17,135,574	17,135,574	-	36,360,619	36,360,619	-
(1) Current portion of long-term loans payable	-	-	-	5,600,000	5,606,857	6,857
(2) Investment corporation bonds—unsecured	10,000,000	10,066,160	66,160	10,000,000	10,076,510	76,510
(3) Long-term loans payable	160,583,000	164,705,939	4,122,939	178,783,000	182,587,231	3,804,231
(4) Tenant leasehold and security deposits in trust	402,500	401,007	(1,492)	485,480	483,136	(2,343)
Total liabilities	170,985,500	175,173,107	4,187,607	194,868,480	198,753,735	3,885,255
Derivatives (derivatives liabilities), net	(136,661)	(136,661)	-	(114,078)	(114,078)	-

Note (i): The methods and assumption used to estimate fair value are as follows:

Assets

(1) Cash and bank deposits and (2) Cash and bank deposits in trust

Because of their short maturities, the carrying amounts approximate their fair value.

Liabilities

(1) Current portion of long-term loans payable and (3) Long-term loans payable

Long-term loans payable with floating interest rates reflecting changes in market rates within a short term period are stated at their carrying amounts as their carrying amounts approximate their fair values. When long-term loans payable with floating interest rates are hedged by interest rate swaps which qualify for hedge accounting and meet special criteria, the fair value of the hedged long-term loans payable is determined based on the present value of contractual cash flows in conjunction with the hedging interest rate swaps discounted at current market interest rates which would be applicable to new loans payable under the same conditions and terms. The fair value of long-term loans payable with fixed interest rates is determined based on the present value of contractual cash flows discounted at current market interest rates which would be applicable to new loans payable under the same conditions and terms.

(2) Investment corporation bonds—unsecured

The fair value is the quoted price provided by financial market information provider.

(4) Tenant leasehold and security deposits in trust

The fair value is determined based on the present value of contractual cash flows discounted at current interest rates which would be applicable to contracts with similar terms and credit risk.

Derivatives

Please refer to “Note 9 - Derivative instruments.”

Note (ii): Financial instruments for which fair value is difficult to determine are as follows:

(Thousands of yen)

	As of	
	July 31, 2020	January 31, 2021
Investment securities	95,456	95,456
Total assets	95,456	95,456
Tenant leasehold and security deposits	2,451,531	2,422,971
Tenant leasehold and security deposits in trust	9,463,743	13,560,197
Total liabilities	11,915,275	15,983,169

The investment securities (equity interests in silent partner ship) are not traded in markets, and it is too difficult to estimate reasonable fair value. Also, tenant leasehold and security deposits are not publicly traded, and it is difficult to determine their fair value based on estimated future cash flows because the repayment dates of those deposits are not certain. Therefore, these financial instruments are not included in the above quantitative information.

Note (iii): Cash flows schedule of financial assets after the balance sheet date

(Thousands of yen)

As of July 31, 2020	Up to 1 year	1-2 years	2-3 years	3-4 years	4-5 years	Over 5 years
Cash and bank deposits	13,133,520	-	-	-	-	-
Cash and bank deposits in trust	4,002,053	-	-	-	-	-
Total	17,135,574	-	-	-	-	-
As of January 31, 2021	Up to 1 year	1-2 years	2-3 years	3-4 years	4-5 years	Over 5 years
Cash and bank deposits	30,246,169	-	-	-	-	-
Cash and bank deposits in trust	6,114,450	-	-	-	-	-
Total	36,360,619	-	-	-	-	-

Note (iv): Cash flows schedule of interest-bearing financial liabilities after the balance sheet date

(Thousands of yen)

As of July 31, 2020	Up to 1 year	1-2 years	2-3 years	3-4 years	4-5 years	Over 5 years
Investment corporation bonds—unsecured	-	-	5,000,000	2,000,000	-	3,000,000
Long-term loans payable	-	12,600,000	14,300,000	17,000,000	19,350,000	97,333,000
Total	-	12,600,000	19,300,000	19,000,000	19,350,000	100,333,000
As of January 31, 2021	Up to 1 year	1-2 years	2-3 years	3-4 years	4-5 years	Over 5 years
Investment corporation bonds—unsecured	-	5,000,000	-	2,000,000	-	3,000,000
Long-term loans payable	5,600,000	12,000,000	20,300,000	18,500,000	20,250,000	107,733,000
Total	5,600,000	17,000,000	20,300,000	20,500,000	20,250,000	110,733,000

## Note 9 — Derivative instruments

Derivative instruments are used only for hedging purpose and are subject to hedge accounting as following tables show.

**As of July 31, 2020**

(Thousands of yen)

Method of hedge accounting	Derivative instruments	Hedged item	Notional contract amount of derivative instruments		Fair value	Valuation method
				Over 1 year		
Deferred hedge accounting	Interest rate swaps (Floating-rate to fixed-rate interest)	Long-term loans payable	4,800,000	4,800,000	(136,661)	Note (ii)
Special treatment for hedge accounting of interest rate swaps (Note (i))	Interest rate swaps (Floating-rate to fixed-rate interest)	Long-term loans payable	28,800,000	28,800,000	Note (i)	-

**As of January 31, 2021**

(Thousands of yen)

Method of hedge accounting	Derivative instruments	Hedged item	Notional contract amount of derivative instruments		Fair value	Valuation method
				Over 1 year		
Deferred hedge accounting	Interest rate swaps (Floating-rate to fixed-rate interest)	Long-term loans payable	4,800,000	4,800,000	(114,078)	Note (ii)
Special treatment for hedge accounting of interest rate swaps (Note (i))	Interest rate swaps (Floating-rate to fixed-rate interest)	Long-term loans payable	28,800,000	28,800,000	Note (i)	-

Note:

- (i) As disclosed in "(7) Summary of significant accounting policies (h) Hedge accounting", the Investment Corporation applies the special treatment provided under Japanese GAAP for the interest rate swaps which qualify for hedge accounting and meet specific criteria, under which only the interest received or paid under swap contracts, and not the fair value of the derivative, can be determined separately from the hedged asset or liability. Consequently, the fair value of the interest rate swaps as the hedging instruments and the long-term loans payable as the hedged items is calculated together as one and disclosed as such under Note (i) in "Note 8 - Financial instruments (b) Quantitative information for financial instruments".
- (ii) The fair value is estimated by the counterparty to the interest rate swaps contracts using market interest rates and other assumptions.

## Note 10 — Income taxes

Deferred tax assets consist of the following:

(Thousands of yen)

	As of	
	July 31, 2020	January 31, 2021
Deferred tax assets:		
Enterprise tax payable	50	27
Asset retirement obligations	200,169	200,611
Deferred losses on hedges	42,993	35,889
Subtotal	243,213	236,527
Valuation allowance	(243,213)	(236,527)
Total	-	-
Net deferred tax assets	-	-

A reconciliation of the Investment Corporation's effective tax rates and statutory tax rates is as follows:

	For the six months ended	
	July 31, 2020	January 31, 2021
Statutory tax rates	31.46%	31.46%
Deductible cash distributions	(31.49)	(31.49)
Other	0.06	0.05
Effective tax rates	0.03%	0.02%

**Note 11 — Related-party transactions**

There were no related-party transactions to be disclosed for the fiscal period ended July 31, 2020 and January 31, 2021.

**Note 12 — Asset retirement obligations*****(a) Asset retirement obligations recognized as liabilities in the balance sheets***

The Investment Corporation has obligations to remove asbestos contained in the buildings of IIF Kazo Logistics Center (acquired on September 1, 2016), IIF Hamura Logistics Center (acquired on December 22, 2016), IIF Ichikawa Food Processing Center (acquired on June 3, 2019) and IIF Yokohama Tsuzuki R&D Center (acquired on March 2, 2020). The estimated periods of use of the properties are estimated at 53 years, 33 years, 50 years and 41 years, respectively, based on the useful life of each building containing asbestos. The asset retirement obligations for the removal of asbestos are recognized as a liability using discount rates at 0.500%, 0.689%, 0.550% and 0.312%, respectively.

Movements of asset retirement obligations are as follows:

	(Thousands of yen)	
	<b>For the six months ended</b>	
	<b>July 31, 2020</b>	<b>January 31, 2021</b>
Balance at the beginning of the period	318,248	636,267
Increase due to acquisition of properties	316,714	-
Adjustment for passage of time	1,304	1,403
Balance at the end of the period	<u>636,267</u>	<u>637,671</u>

***(b) Asset retirement obligations not recognized as a liability in the balance sheets***

As the Investment Corporation owns IIF Haneda Airport Maintenance Center with the permission for use of the underlying land granted by the Secretary of Tokyo Regional Civil Aviation Bureau under the National Property Act of Japan, the Investment Corporation is obliged to demolish the building and restore the land if the permission is not extended or is revoked. The Investment Corporation, however, expects that, unless exceptional circumstances arise, the permission will continue to be granted until the Investment Corporation voluntarily demolishes the property in light of the past practice relating to the extension and revocation of permission under the National Property Act and the importance of the property as public infrastructure. As the Investment Corporation intends to keep the property for the foreseeable future, it is difficult to determine when the asset retirement obligation may need to be performed, and as such it is impossible to reasonably foresee the amount of the asset retirement obligation. Therefore, the Investment Corporation does not recognize such obligation as a liability.



### Note 13 — Fair value of investment and rental property

The Investment Corporation has mainly industrial and infrastructure facilities as investment and rental properties which are located mainly in three major metropolitan areas in Japan. The following table shows the net book value and the fair value of the investment and rental properties in aggregate for the fiscal period ended July 31, 2020 and January 31, 2021.

	(Thousands of yen)	
	For the six months ended	
	July 31, 2020	January 31, 2021
<b>Net book value<sup>(i)</sup></b>		
Balance at the beginning of the period	297,921,339	321,217,151
Net increase (decrease) during the period <sup>(ii)</sup>	23,295,811	45,863,863
Balance at the end of the period	321,217,151	367,081,014
<b>Fair value<sup>(iii)</sup></b>	383,703,000	439,309,000

Note:

(i) The net book value includes leasehold right.

(ii) Changes in the net book value are mainly due to the following transactions (except for depreciation):

	Increase (decrease) in net book value (Thousands of yen)
<b>For the six months ended July 31, 2020:</b>	
Acquisition:	
IIF Atsugi Manufacturing Center (building).....	7,077,534
IIF Hiroshima Seifushinto Logistics Center.....	6,527,074
IIF Yokohama Tsuzuki R&D Center.....	6,508,331
IIF Okazaki Manufacturing Center (land with leasehold interest).....	4,104,214
<b>For the six months ended January 31, 2021:</b>	
Acquisitions:	
IIF Shonan Health Innovation Park.....	23,553,461
IIF Ichihara Manufacturing Center (Land with leasehold interest).....	16,605,864
IIF Shonan Logistics Center.....	7,682,976
Disposition:	
IIF Hitachinaka Port Logistics Center (Land with leasehold interest).....	(1,193,195)

(iii) Fair value has been determined based on the appraisal or researched value provided by independent real estate appraisers.

For rent revenues and expenses for the six months ended July 31, 2020 and January 31, 2021, please refer to "Note 4— Rent revenue— real estate and expenses related to property rental business".

### Note 14 — Segment information

Segment information for the fiscal period ended July 31, 2020 and January 31, 2021 is as follows:

#### (a) Asset retirement obligations recognized as liabilities in the balance sheets

Disclosure is omitted as the Investment Corporation is comprised of a single reportable segment engaged in the property rental business.

#### (b) Enterprise-wide disclosures

##### (i) Information about products and services

Disclosure is not required as revenues from external customers for the single segment are in excess of 90% of total revenues.

##### (ii) Information about geographic areas

###### Revenues from overseas customers:

Disclosure is not required as revenues from external customers attributable to Japan are in excess of 90% of total revenues.

###### Tangible fixed assets:

Disclosure is not required as tangible fixed assets located in Japan are in excess of 90% of total tangible fixed assets.

#### (c) Information about major customers

Name of customer	Revenues for the six months ended		Relating segment
	July 31, 2020	January 31, 2021	
Japan Airlines Co., Ltd.	1,455,572	1,467,096	Property rental business

Note: The revenues from Takeda Pharmaceutical Company Limited, which are more than 10% of total operating revenues for the six months ended January 31, 2021, are not disclosed because the consent from the customer has not been obtained. Relating segment is property rental business.

**Note 15 — Per unit information**

Following table shows the net asset value per unit per unit as of July 31, 2020 and January 31, 2021 and net income per unit for the six months then ended.

	(Yen)	
	For the six months ended	
	July 31, 2020	January 31, 2021
Net asset value per unit	82,503	91,812
Net income per unit	2,828	3,215

Net income per unit is calculated by dividing the net income attributable to unitholders by the weighted average number of units outstanding during the fiscal period. The Investment Corporation has no potentially dilutive units.

A basis of calculation of net income per unit is as follows:

	(Thousands of yen)	
	For the six months ended	
	July 31, 2020	January 31, 2021
Net income	5,317,160	6,617,754
Effect of dilutive unit	-	-
Net income available to common unitholders	5,317,160	6,617,754
Adjusted weighted-average number of units outstanding for the period	1,880,016 units	2,058,320 units

**Note 16 — Allowance for temporary difference adjustment**

Changes of temporary difference subject to allowance for temporary difference adjustment for the six months ended July 31, 2020 and January 31, 2021 are as follows:

(Thousands of yen)				
For the six months ended	Item	Reason for changes of temporary difference	Amount for allowance (or reversal)	Note
July 31, 2020	Buildings in trust	Excess of depreciation allowance	7,520	(i)
	Deferred gains or (losses) on hedges	Decrease of Valuation losses on interest rate swaps	(30,563)	(ii)
January 31, 2021	Buildings in trust	Excess of depreciation allowance	8,280	(i)
	Deferred gains or (losses) on hedges	Decrease of Valuation losses on interest rate swaps	(22,582)	(ii)

Note (i) : The allowance will be reversed corresponding to disposal of the buildings in the future.

Note (ii): The allowance will be reversed corresponding to future change in values of the hedging derivatives.

[Omission of disclosure]

Notes relating to investment securities and retirement benefits are omitted as immaterial.

## (9) Changes in unit issued and outstanding

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

Date	Capital transaction	Number of 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
August 11, 2020	Public offering	181,000	2,061,016	32,037	181,978	Note 13
September 8, 2020	Allocation of investment units to a third party	9,000	2,070,016	1,593	183,571	Note 14

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.

Note 13 New investment units were issued at a price of ¥182,845 per unit (subscription price of ¥177,001 per unit) through a public offering.

Note 14 New investment units were issued at a price of ¥177,001 per unit through the allocation of investment units to a third-party.

### 3. Additional information

#### (1) Composition of assets

Classification of assets	Asset category	Location category	Region	As of July 31, 2020		As of January 31, 2021	
				Total of net book value	Composition ratio	Total of net book value	Composition ratio
		(Note 1)		(Millions of yen)	(%) (Note 2)	(Millions of yen)	(%) (Note 2)
Real property	Logistics facilities or Manufacturing and R&D facilities, etc. (Industrial properties)	Urban and suburban or Industrial-area	Tokyo metropolitan area	12,910	3.8	12,878	3.2
			Osaka and Nagoya metropolitan areas	4,828	1.4	4,842	1.2
			Other area	4,076	1.2	2,879	0.7
		Other	Tokyo metropolitan area	-	-	-	-
			Osaka and Nagoya metropolitan areas	-	-	-	-
			Other area	-	-	-	-
	Infrastructure facilities (Infrastructure properties)	Urban and suburban or Industrial-area	Tokyo metropolitan area	43,791	12.8	43,678	10.7
			Osaka and Nagoya metropolitan areas	1,998	0.6	1,998	0.5
			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	124,917	36.5	172,627	42.5
			Osaka and Nagoya metropolitan areas	52,987	15.5	52,798	13.0
			Other area	32,755	9.6	32,590	8.0
		Other	Tokyo metropolitan area	-	-	-	-
			Osaka and Nagoya metropolitan areas	-	-	-	-
			Other area	7,631	2.2	7,605	1.9
	Infrastructure facilities (Infrastructure properties)	Urban and suburban or Industrial-area	Tokyo metropolitan area	12,882	3.8	12,861	3.2
			Osaka and Nagoya metropolitan areas	22,437	6.5	22,319	5.5
			Other area	-	-	-	-
		Other	Tokyo metropolitan area	-	-	-	-
			Osaka and Nagoya metropolitan areas	-	-	-	-
			Other area	-	-	-	-
Sub-total				321,217	93.9	367,081	90.4
Investments in Tokumei Kumiai agreement (Note 3)				95	0.0	95	0.0
Bank deposits and other assets				20,910	6.1	39,114	9.6
Total assets				342,223	100.0	406,290	100.0
Total liabilities				187,116	54.7	216,237	53.2
Total net assets				155,107	45.3	190,053	46.8

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 billion in manufactured product shipments
Other properties	Properties that do not fall within either of the above categories but have an expected risk/return profiles 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) Outline of portfolio properties

The principal properties (top ten properties in net book value) as of January 31, 2021 were as follows:

Name of property	Net book value (Millions of yen)	Leasable area (m <sup>2</sup> ) (Note 1)	Leased area (m <sup>2</sup> ) (Note 2)	Occupancy ratio (%) (Note 3)	Ratio of rent revenue to total rent revenues (%) (Note 3)	Major use
IIF Haneda Airport Maintenance Center	37,602	81,995.81	81,995.81	100.0	10.6	Infrastructure facility
IIF Shonan Health Innovation Park (Note4)	23,565	73,897.65	73,897.65	100.0	Note 7	Manufacturing and R&D facility, etc.
IIF Ichihara Manufacturing Center (Land with leasehold interest)	16,605	637,802.64	637,802.64	100.0	Note 7	Manufacturing and R&D facility, etc.
IIF Kobe District Heating and Cooling Center	15,666	11,476.05	11,476.05	100.0	2.4	Infrastructure facility
IIF Shinonome Logistics Center (Note5)	12,831	27,493.29	27,493.29	100.0	2.9	Logistics facility
IIF Osaka Suminoe Logistics Center I	12,009	52,201.30	52,201.30	100.0	Note 7	Logistics facility
IIF Atsugi Manufacturing Center (Note6)	11,984	95,816.91	95,816.91	100.0	Note 7	Manufacturing and R&D facility, etc.
IIF Fukuoka Hakozaki Logistics Center II	10,157	51,530.51	51,530.51	100.0	Note 7	Logistics facility
IIF Mitaka Card Center	9,361	21,615.01	21,615.01	100.0	2.6	Manufacturing and R&D facility, etc.
IIF Osaka Konohana Logistics Center	8,564	46,262.20	46,262.20	100.0	Note 7	Logistics facility
Total	158,350	1,100,091.37	1,100,091.37	100.0	43.7	

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 60% of the trust beneficial interest in the property. The leasable area and leased area of the property show 60% of the total leasable area or leased area as the share of quasi-co-ownership and are calculated by rounding to the nearest second decimal place.

Note 5 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 and are calculated by rounding to the nearest second decimal place.

Note 6 As the Investment Corporation invests in IIF Atsugi Manufacturing Center 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, "Leasable area" and "Leased area" of the property show total of the leasable area of the leased land (64,327.54m<sup>2</sup>) and that of the building on the leased land (31,489.37m<sup>2</sup>).

Note 7 "Ratio of rental revenue to total rental revenues" of the properties are not disclosed because the consent from the tenants has not been obtained.

The details of logistics facilities, manufacturing and R&D facilities, etc. or infrastructure facilities held by the Investment Corporation as of January 31, 2021 were as follows:

Name of property	Location (Note 1)	Form of ownership	Leasable area (m <sup>2</sup> ) (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	17,808	12,831
IIF Noda Logistics Center	340-13, Nishi-sangao, Noda-shi, Chiba	Trust beneficial interest	38,828.10	9,180	5,195
IIF Shinsuna Logistics Center	5-15, Shinsuna 3-chome, Koto-ku, Tokyo	Trust beneficial interest	5,741.75	7,710	5,145
IIF Koshigaya Logistics Center	1-1, Ryutsudanchi 4-chome, Koshigaya-shi, Saitama	Trust beneficial interest	10,113.50	3,200	1,705
IIF Nishinomiya Logistics Center	2, Nishinomiya 1-chome, Nishinomiya-shi, Hyogo	Trust beneficial interest	17,200.00	2,940	1,969
IIF Narashino Logistics Center (Land with leasehold interest)	34-9, Akanehama 3-chome, Narashino-shi, Chiba	Real property	19,834.71	3,100	1,223
IIF Narashino Logistics Center II (Note 5)	34-1, Akanehama 3-chome, Narashino-shi, Chiba	Trust beneficial interest	83,905.16	6,530	4,692
IIF Atsugi Logistics Center II	602-9, Aza Kitaya, Funako, Atsugi-shi, Kanagawa	Real property	20,661.13	4,210	3,142
IIF Yokohama Tsuzuki Logistics Center	747, Aza Minamikochi, Kawamukou-cho, Tsuzuki-ku Yokohama-shi, Kanagawa	Trust beneficial interest	9,615.82	3,470	2,282
IIF Saitama Logistics Center	398-3, Yoshino-cho 1-chome, Kita-ku, Saitama-shi, Saitama	Trust beneficial interest	8,995.00	2,370	1,401
IIF Nagoya Logistics Center	27, Yanagida-cho 2-chome, Nakagawa-ku, Nagoya-shi, Aichi	Real property	8,721.01	1,470	1,189
IIF Atsugi Logistics Center III	3007-7, Kamiechi Aza Uenohara, Atsugi-shi, Kanagawa	Trust beneficial interest	16,584.64	3,200	2,386
IIF Kawaguchi Logistics Center	5-3 Midori-cho, Kawaguchi-shi, Saitama	Real property	11,705.02	4,790	2,142
IIF Kobe Logistics Center	2-10, Maya-futo, Nada-ku, Kobe-shi, Hyogo	Trust beneficial interest	39,567.74	8,160	5,211
IIF Higashi-Osaka Logistics Center	7-46, Wakae-higashi-machi 6-chome, Higashi Osaka-shi, Osaka	Real property	20,495.06	3,280	2,476
IIF Kashiwa Logistics Center	1027-1, Washinoya, Kashiwa-shi, Chiba	Real property	17,379.78	2,990	1,821
IIF Misato Logistics Center	5, Izumi 3-chome, Misato-shi, Saitama	Trust beneficial interest	19,019.71	5,560	3,383
IIF Iruma Logistics Center	660-2, Aza Higashimusashino, Oaza Minami-mine, Iruma-shi, Saitama	Trust beneficial interest	17,881.65	4,180	3,000
IIF Tosu Logistics Center	127-1, Aza Uchishirage, Kuranoue-machi, Tosu-shi, Saga	Trust beneficial interest	13,862.05	2,030	1,475
IIF Inzai Logistics Center	6-1, Matsuzakidai 2-chome, Inzai-shi, Chiba	Trust beneficial interest	5,490.00	1,420	1,013
IIF Morioka Logistics Center	Plot 4-311, Oaza Hiromiyasawa, Yahabacho, Shiwa-gun, Iwate, etc.	Trust beneficial interest	8,001.57	1,260	556
IIF Hiroshima Logistics Center	22-4, Itsukaichi-ko 3-chome, Saeki-ku, Hiroshima-shi, Hiroshima	Trust beneficial interest	22,768.24	4,600	3,264
IIF Izumiotsu e-shop Logistics Center (Land with leasehold interest)	8-1, Nagisa-cho, Izumiotsu-shi, Osaka	Trust beneficial interest	48,932.00	4,390	4,178
IIF Izumisano Food Processing and Logistics Center	2-11, Rinkuorai-kita, Izumisano-shi, Osaka	Real property	13,947.83	1,070	920
IIF Kyotanabe Logistics Center	55-13, Osumi-hama, Kyotanabe-shi, Kyoto	Trust beneficial interest	33,243.99	7,650	5,602
IIF Fukuoka Koga Vehicle Logistics Center (Land with leasehold interest)	1134-1, Aoyagi, Koga-shi, Fukuoka	Real property	30,815.97	1,020	914
IIF Fukuoka Higashi Logistics Center	9-1 Kamata 4-chome, Higashi-ku, Fukuoka-shi, Fukuoka	Trust beneficial interest	11,262.86	2,140	1,903
IIF Osaka Konohana Logistics Center	4-51, Shimaya 4-chome, Konohana-ku, Osaka-shi, Osaka	Trust beneficial interest	46,262.20	9,810	8,564
IIF Kazo Logistics Center	6-1, Shintone 2-chome, Kazo-shi, Saitama	Trust beneficial interest	17,744.41	2,880	2,578

Name of property	Location (Note 1)	Form of ownership	Leasable area (m <sup>2</sup> ) (Note 2)	Fair value at end of period (Millions of yen) (Note 3)	Net book value (Millions of yen)
IIF Hamura Logistics Center	8-16, Shinmeidai 4-chome, Hamura-shi, Tokyo	Trust beneficial interest	3,892.66	928	934
IIF Fukuoka Hakozaki Logistics Center I	14-31, Hakozakifuto 4-chome, Higashi-ku, Fukuoka-shi, Fukuoka	Trust beneficial interest	24,967.58	5,350	5,197
IIF Fukuoka Hakozaki Logistics Center II	1-18, Hakozakifuto 4-chome, Higashi-ku, Fukuoka-shi, Fukuoka	Trust beneficial interest	51,530.51	11,400	10,157
IIF Itabashi Logistics Center	7-7, Higashi-sakashita 2-chome, Itabashi-ku, Tokyo	Trust beneficial interest	5,057.68	2,030	1,728
IIF Sendai Taiwa Logistics Center	3-15, Maino 2-chome, Taiwa-cho, Kurokawa-gun, Miyagi	Trust beneficial interest	15,555.15	1,730	1,557
IIF Ota Logistics Center	236-1, Anyoji-cho, Ota-shi, Gunma	Real property	6,900.01	1,170	1,007
IIF Osaka Suminoe Logistics Center I	2-32, Shibatani 1-chome, Suminoe-ku, Osaka-shi, Osaka	Trust beneficial interest	52,201.30	14,600	12,009
IIF Osaka Suminoe Logistics Center II	2-34, Shibatani 1-chome, Suminoe-ku, Osaka-shi, Osaka	Trust beneficial interest	12,299.76	2,810	2,547
IIF Morioka Logistics Center II	4-5, Ryutsu Center Minami 2-chome, Yahaba-cho, Shiwa-gun, Iwate	Trust beneficial interest	12,383.30	1,430	1,386
IIF Sapporo Logistics Center	2-1, Yonesato-sanjo 3-chome, Shiroishi-ku, Sapporo-shi, Hokkaido	Trust beneficial interest	13,064.75	2,650	2,496
IIF Koriyama Logistics Center	213, Aza Mukaihara, Otsuki-machi, Koriyama-shi, Fukushima	Trust beneficial interest	17,533.15	3,210	2,493
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	2,290	2,047
IIF Hyogo Tatsuno Logistics Center	300-2, Tai-san, Nagao, Issaicho, Tatsuno-shi, Hyogo, etc.	Trust beneficial interest	25,186.78	4,350	4,101
IIF Akishima Logistics Center	3928-4, Kohake, Haijicho, Akishima-shi, Tokyo	Trust beneficial interest	31,071.21	8,520	8,506
IIF Gifu Kakamigahara Logistics Center	2-8, Aza Takehaya, Kawashima Takehayamachi, Kakamigahara-shi, Gifu, etc.	Trust beneficial interest	16,708.51	2,950	2,460
IIF Hiroshima Seifushinto Logistics Center	3-1, Tomominami 2-chome, Asaminami-ku, Hiroshima-shi, Hiroshima	Trust beneficial interest	28,988.91	6,870	6,441
IIF Shonan Logistics Center	9-2, Ichinomiya 7-chome, Samukawa-machi, Koza-gun, Kanagawa	Trust beneficial interest	23,728.15	8,370	7,654
IIF Totsuka Technology Center (Land with leasehold interest)	344-1, Nase-cho, Totsuka-ku, Yokohama-shi, Kanagawa, etc.	Trust beneficial interest	31,442.47	5,370	4,553
IIF Yokohama Tsuzuki Technology Center	25-2, Kitayamada 4-chome, Tsuzuki-ku, Yokohama-shi, Kanagawa	Real property	4,655.48	1,330	1,257
IIF Mitaka Card Center	5-14, Shimo-Renjaku 7-chome, Mitaka-shi, Tokyo	Trust beneficial interest	21,615.01	10,100	9,361
IIF Kamata R&D Center	16-46, Minami-Kamata 2-chome, Ota-ku, Tokyo	Trust beneficial interest	21,896.56	8,390	7,507
IIF Kawasaki Science Center	25-19, Tono-machi 3-chome, Kawasaki-ku, Kawasaki-shi, Kanagawa	Real property	4,857.73	3,000	1,944
IIF Sagami R&D Center	1-35, Minamihashimoto 3-chome, Chuo-ku, Sagami R&D Center, Kanagawa	Trust beneficial interest	19,328.40	4,420	3,404
IIF Yokohama Shinyamashita R&D Center	16-5, Shinyamashita 1-chome, Naka-ku, Yokohama-shi, Kanagawa	Trust beneficial interest	4,887.83	4,210	3,797
IIF Kakegawa Manufacturing Center (Land with leasehold interest)	30, Tanyo, Kakegawa-shi, Shizuoka	Trust beneficial interest	66,171.92	1,760	1,572
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	4,326
IIF Shonan Technology Center	1-1, Ichinomiya 6-chome, Samukawa-machi, Koza-gun, Kanagawa	Trust beneficial interest	7,244.71	1,330	1,315
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	1,880	1,693

Name of property	Location (Note 1)	Form of ownership	Leasable area (m <sup>2</sup> ) (Note 2)	Fair value at end of period (Millions of yen) (Note 3)	Net book value (Millions of yen)
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	15,900	11,984
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	6,513
IIF Ichikawa Food Processing Center	1-1-2, Higashihama 1-chome, Ichikawa-shi, Chiba, etc.	Trust beneficial interest	27,424.22	6,460	6,383
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	6,340	6,455
IIF Okazaki Manufacturing Center (Land with leasehold interest)	34-6, Aza Okasaku, Makihira-cho, Okazaki-shi, Aichi, etc.	Trust beneficial interest	42,049.87	4,250	4,104
IIF Shonan Health Innovation Park (Note 7)	26-1, Muraoka-Higashi 2-chome, Fujisawa-shi, Kanagawa	Trust beneficial interest	73,897.65	27,060	23,565
IIF Ichihara Manufacturing Center (Land with leasehold interest)	1-1, Yawatakaigandori, Ichihara-shi, Chiba	Trust beneficial interest	637,802.64	18,350	16,605
IIF Kobe District Heating and Cooling Center	8-2, Higashikawasaki-cho 1-chome, Chuoku, Kobe-shi, Hyogo	Trust beneficial interest	11,476.05	14,500	15,666
IIF Haneda Airport Maintenance Center	5-1 and 2, Haneda Airport 3-chome, Ota-ku, Tokyo	Real property	81,995.81	41,400	37,602
IIF Zama IT Solution Center	1-78, Higashihara 5-chome, Zama-shi, Kanagawa	Trust beneficial interest	10,931.89	5,530	4,970
IIF Shinagawa Data Center	9-15, Futaba 2-chome, Shinagawa-ku, Tokyo	Real property	19,547.11	6,990	5,346
IIF Osaka Toyonaka Data Center	1-8, Shin-senri-nishi-machi 1-chome, Toyonaka-shi, Osaka	Trust beneficial interest	20,027.14	6,280	5,478
IIF Osaka Nanko IT Solution Center	1-23, Nanko-kita 1-chome, Suminoe-ku, Osaka-shi, Osaka	Trust beneficial interest	18,429.14	2,450	1,174
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	7,057.06	6,910	7,891
IIF Higashimatsuyama Gas Tank Maintenance Center (Land with leasehold interest)	75-1, Shingo, Higashimatsuyama-shi, Saitama	Real property	12,880.38	762	729
Total			2,437,704.73	439,309	367,081

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.

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 and rounded to the nearest second decimal place.

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 (58,070.00m<sup>2</sup>) and that of the building on the leased land (25,835.16m<sup>2</sup>).

Note 6 As the Investment Corporation invests in IIF Atsugi Manufacturing Center 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, "Leasable area" of the property shows total of the leasable area of the leased land (64,327.54m<sup>2</sup>) and that of the building on the leased land (31,489.37m<sup>2</sup>).

Note 7 The leasable area of IIF Shonan Health Innovation Park (60% of quasi-co-ownership) is calculated multiplying the total leasable area by the share of quasi-co-ownership and rounded to the nearest second decimal place.



The details of logistics facilities, manufacturing and R&D facilities, etc. or infrastructure facilities held by the Investment Corporation as of January 31, 2021 were as follows:

Name of property	For the six months ended July 31, 2020					For the six months ended January 31, 2021				
	Number of tenants	Occupancy ratio	Rental revenues	Rental net operating income (NOI)	Composition ratio of NOI	Number of tenants	Occupancy ratio	Rental revenues	Rental net operating income (NOI)	Composition ratio of NOI
	(Note 1)	(%) (Note 2)	(Millions of yen)	(Millions of yen) (Note 3)	(%) (Note 2)	(Note 1)	(%) (Note 2)	(Millions of yen)	(Millions of yen) (Note 3)	(%) (Note 2)
IIF Shinonome Logistics Center	1	100.0	400	366	4.1	1	100.0	400	365	3.4
IIF Noda Logistics Center	2	100.0	(Note 4)	208	2.3	2	100.0	(Note 4)	206	1.9
IIF Shinsuna Logistics Center	1	100.0	179	161	1.8	1	100.0	179	161	1.5
IIF Koshigaya Logistics Center	1	100.0	75	70	0.8	1	100.0	77	69	0.6
IIF Nishinomiya Logistics Center	2	100.0	(Note 4)	81	0.9	2	100.0	(Note 4)	81	0.8
IIF Narashino Logistics Center (Land with leasehold interest)	1	100.0	(Note 4)	37	0.4	1	100.0	(Note 4)	37	0.3
IIF Narashino Logistics Center II (Note 5)	2	100.0	(Note 4)	165	1.8	2	100.0	(Note 4)	169	1.6
IIF Atsugi Logistics Center II	1	100.0	(Note 4)	113	1.3	1	100.0	(Note 4)	113	1.1
IIF Yokohama Tsuzuki Logistics Center	1	100.0	(Note 4)	80	0.9	1	100.0	(Note 4)	80	0.7
IIF Saitama Logistics Center	1	100.0	66	62	0.7	1	100.0	66	60	0.6
IIF Nagoya Logistics Center	1	100.0	(Note 4)	46	0.5	1	100.0	(Note 4)	42	0.4
IIF Atsugi Logistics Center III	1	100.0	(Note 4)	81	0.9	1	100.0	(Note 4)	79	0.7
IIF Kawaguchi Logistics Center	1	100.0	(Note 4)	99	1.1	1	100.0	(Note 4)	101	0.9
IIF Kobe Logistics Center	1	100.0	(Note 4)	180	2.0	1	100.0	(Note 4)	180	1.7
IIF Higashi-Osaka Logistics Center	2	97.3	(Note 4)	89	1.0	2	97.3	(Note 4)	88	0.8
IIF Kashiwa Logistics Center	1	100.0	(Note 4)	74	0.8	1	100.0	(Note 4)	77	0.7
IIF Misato Logistics Center	1	100.0	(Note 4)	116	1.3	1	100.0	(Note 4)	123	1.1
IIF Iruma Logistics Center	1	100.0	(Note 4)	106	1.2	1	100.0	(Note 4)	98	0.9
IIF Tosu Logistics Center	2	100.0	(Note 4)	53	0.6	2	100.0	(Note 4)	52	0.5
IIF Inzai Logistics Center	1	100.0	(Note 4)	37	0.4	1	100.0	(Note 4)	36	0.3
IIF Morioka Logistics Center	1	100.0	(Note 4)	38	0.4	1	100.0	(Note 4)	38	0.4
IIF Hiroshima Logistics Center	1	100.0	(Note 4)	120	1.3	1	100.0	(Note 4)	120	1.1
IIF Izumiotsu e-shop Logistics Center (Land with leasehold interest)	1	100.0	(Note 4)	111	1.2	1	100.0	(Note 4)	111	1.0
IIF Izumisano Food Processing and Logistics Center	1	100.0	(Note 4)	22	0.3	1	100.0	(Note 4)	28	0.3
IIF Kyotanabe Logistics Center	1	100.0	(Note 4)	172	1.9	1	100.0	(Note 4)	174	1.6
IIF Fukuoka Koga Vehicle Logistics Center (Land with leasehold interest)	1	100.0	(Note 4)	27	0.3	1	100.0	(Note 4)	27	0.3
IIF Fukuoka Higashi Logistics Center	1	100.0	(Note 4)	51	0.6	1	100.0	(Note 4)	51	0.5
IIF Osaka Konohana Logistics Center	1	100.0	(Note 4)	215	2.4	1	100.0	(Note 4)	215	2.0
IIF Kazo Logistics Center	1	100.0	(Note 4)	67	0.7	1	100.0	(Note 4)	67	0.6

Name of property	For the six months ended July 31, 2020					For the six months ended January 31, 2021				
	Number of tenants	Occupancy ratio	Rental revenues	Rental net operating income (NOI)	Composition ratio of NOI	Number of tenants	Occupancy ratio	Rental revenues	Rental net operating income (NOI)	Composition ratio of NOI
	(Note 1)	(%) (Note 2)	(Millions of yen)	(Millions of yen) (Note 3)	(%) (Note 2)	(Note 1)	(%) (Note 2)	(Millions of yen)	(Millions of yen) (Note 3)	(%) (Note 2)
IIF Hamura Logistics Center	1	100.0	(Note 4)	22	0.3	1	100.0	(Note 4)	22	0.2
IIF Fukuoka Hakozaki Logistics Center I	3	100.0	(Note 4)	120	1.3	3	100.0	(Note 4)	120	1.1
IIF Fukuoka Hakozaki Logistics Center II	4	100.0	(Note 4)	238	2.6	4	100.0	(Note 4)	248	2.3
IIF Itabashi Logistics Center	1	100.0	(Note 4)	38	0.4	1	100.0	(Note 4)	38	0.4
IIF Sendai Taiwa Logistics Center	1	100.0	(Note 4)	47	0.5	1	100.0	(Note 4)	47	0.4
IIF Ota Logistics Center	1	100.0	(Note 4)	33	0.4	1	100.0	(Note 4)	33	0.3
IIF Osaka Suminoe Logistics Center I	1	100.0	(Note 4)	239	2.7	1	100.0	(Note 4)	256	2.4
IIF Osaka Suminoe Logistics Center II	1	100.0	(Note 4)	59	0.7	1	100.0	(Note 4)	60	0.6
IIF Morioka Logistics Center II	1	100.0	(Note 4)	41	0.5	1	100.0	(Note 4)	37	0.3
IIF Sapporo Logistics Center	1	100.0	(Note 4)	66	0.7	1	100.0	(Note 4)	64	0.6
IIF Hitachinaka Port Logistics Center (Land with leasehold interest) (Note 6)	1	100.0	(Note 4)	27	0.3	-	-	-	19	0.2
IIF Koriyama Logistics Center	2	100.0	(Note 4)	96	1.1	2	100.0	(Note 4)	96	0.9
IIF Kobe Nishi Logistics Center (Land with leasehold interest)	1	100.0	(Note 4)	40	0.5	1	100.0	(Note 4)	40	0.4
IIF Hyogo Tatsuno Logistics Center	1	100.0	(Note 4)	114	1.3	1	100.0	(Note 4)	109	1.0
IIF Akishima Logistics Center	1	100.0	(Note 4)	182	2.0	1	100.0	(Note 4)	171	1.6
IIF Gifu Kakamigahara Logistics Center	1	100.0	(Note 4)	77	0.9	1	100.0	(Note 4)	72	0.7
IIF Hiroshima Seifushinto Logistics Center	1	100.0	(Note 4)	97	1.1	1	100.0	(Note 4)	192	1.8
IIF Shonan Logistics Center (Note 7)	-	-	-	-	-	1	100.0	(Note 4)	185	1.7
IIF Totsuka Technology Center (Land with leasehold interest)	1	100.0	154	136	1.5	1	100.0	154	137	1.3
IIF Yokohama Tsuzuki Technology Center	1	100.0	59	42	0.5	1	100.0	59	40	0.4
IIF Mitaka Card Center	1	100.0	364	308	3.4	1	100.0	364	310	2.9
IIF Kamata R&D Center	1	100.0	(Note 4)	237	2.6	1	100.0	(Note 4)	238	2.2
IIF Kawasaki Science Center	1	100.0	(Note 4)	81	0.9	1	100.0	(Note 4)	81	0.8
IIF Sagami R&D Center	2	100.0	(Note 4)	166	1.8	2	100.0	(Note 4)	162	1.5
IIF Yokohama Shinyamashita R&D Center	1	100.0	(Note 4)	104	1.2	1	100.0	(Note 4)	104	1.0
IIF Kakegawa Manufacturing Center (Land with leasehold interest)	1	100.0	(Note 4)	42	0.5	1	100.0	(Note 4)	42	0.4
IIF Urayasu Machinery Maintenance Center (Land with leasehold interest)	1	100.0	(Note 4)	37	0.4	1	100.0	(Note 4)	37	0.3
IIF Yokosuka Technology Center	1	100.0	(Note 4)	141	1.6	1	100.0	(Note 4)	138	1.3
IIF Shonan Technology Center	1	100.0	(Note 4)	40	0.4	1	100.0	(Note 4)	39	0.4
IIF Hiroshima Manufacturing Center (Land with leasehold interest)	1	100.0	(Note 4)	49	0.6	1	100.0	(Note 4)	49	0.5

Name of property	For the six months ended July 31, 2020					For the six months ended January 31, 2021				
	Number of tenants	Occupancy ratio	Rental revenues	Rental net operating income (NOI)	Composition ratio of NOI	Number of tenants	Occupancy ratio	Rental revenues	Rental net operating income (NOI)	Composition ratio of NOI
	(Note 1)	(%) (Note 2)	(Millions of yen)	(Millions of yen) (Note 3)	(%) (Note 2)	(Note 1)	(%) (Note 2)	(Millions of yen)	(Millions of yen) (Note 3)	(%) (Note 2)
IIF Totsuka Manufacturing Center (Land with leasehold interest)	1	100.0	(Note 4)	57	0.6	1	100.0	(Note 4)	57	0.5
IIF Atsugi Manufacturing Center (Note 8)	2	100.0	(Note 4)	202	2.2	2	100.0	(Note 4)	357	3.3
IIF Tsukuba Manufacturing Center (Land with leasehold interest)	1	100.0	(Note 4)	35	0.4	1	100.0	(Note 4)	37	0.3
IIF Shin-Kawasaki R&D Center	1	100.0	(Note 4)	210	2.3	1	100.0	(Note 4)	232	2.1
IIF Ichikawa Food Processing Center	2	100.0	(Note 4)	145	1.6	2	100.0	(Note 4)	139	1.3
IIF Gifu Kakigahara Manufacturing Center (Land with leasehold interest)	1	100.0	(Note 4)	6	0.1	1	100.0	(Note 4)	5	0.1
IIF Yokohama Tsuzuki R&D Center	1	100.0	(Note 4)	162	1.8	1	100.0	(Note 4)	196	1.8
IIF Okazaki Manufacturing Center (Land with leasehold interest)	1	100.0	(Note 4)	9	0.1	1	100.0	(Note 4)	100	0.9
IIF Shonan Health Innovation Park (Note 9)	-	-	-	-	-	8	100.0	(Note 4)	866	8.0
IIF Ichihara Manufacturing Center (Land with leasehold interest) (Note 10)	-	-	-	-	-	2	100.0	(Note 4)	332	3.1
IIF Kobe District Heating and Cooling Center	4	100.0	332	314	3.5	4	100.0	332	307	2.9
IIF Haneda Airport Maintenance Center	1	100.0	1,456	953	10.6	1	100.0	1,468	958	8.9
IIF Zama IT Solution Center	1	100.0	(Note 4)	200	2.2	1	100.0	(Note 4)	201	1.9
IIF Shinagawa Data Center	1	100.0	(Note 4)	174	1.9	1	100.0	(Note 4)	168	1.6
IIF Osaka Toyonaka Data Center	1	100.0	(Note 4)	212	2.4	1	100.0	(Note 4)	209	1.9
IIF Osaka Nanko IT Solution Center	1	100.0	(Note 4)	73	0.8	1	100.0	(Note 4)	73	0.7
IIF Nagoya Port Tank Terminal (Land with leasehold interest)	1	100.0	(Note 4)	62	0.7	1	100.0	(Note 4)	62	0.6
IIF Shinagawa IT Solution Center	9	100.0	(Note 4)	178	2.0	9	100.0	(Note 4)	182	1.7
IIF Higashimatsuyama Gas Tank Maintenance Center (Land with leasehold interest)	1	100.0	(Note 4)	17	0.2	1	100.0	(Note 4)	17	0.2
Total (Note 11)	100	100.0	10,979	9,014	100.0	110	100.0	13,867	10,773	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 net operating income (NOI)" is calculated by following formula.  
(Rental revenues – Rental expenses) + Depreciation

Note 4 Rental revenues are not disclosed because the consent from the tenants has not been obtained.

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. Therefore, "Number of tenants" shows total of the number of tenant of leased land and that of the building.

Note 6 The property was sold on December 17, 2020.

Note 7 The property was acquired on August 12, 2020.

Note 8 As the Investment Corporation invests in IIF Atsugi Manufacturing Center 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, "Number of tenants" shows total of the number of tenant of leased land and that of the building.

Note 9 The property was acquired on September 30, 2020.

Note 10 The property was acquired on October 5, 2020.

Note 11 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.

### (3) Capital expenditures for property

#### 1. Schedule of capital expenditures

The significant plan for capital expenditures on property maintenance as of January 31, 2021 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	
					Payment for the six months ended January 31, 2021	Total of advanced payment
IIF Kobe Logistics Center	Kobe-shi, Hyogo	Large-scale renovation (construction of section wall and enlargement construction of	March, 2021 to April, 2022	575	4	4
IIF Haneda Airport Maintenance Center	Ota-ku, Tokyo	Renewal construction of fire extinguisher equipment (1st period / 2 periods)	May, 2021 to January, 2022	253	-	-
IIF Shonan Health Innovation Park	Fujisawa-shi, Kanagawa	Renewal of lighting equipment at A, B and C building	August, 2021 to July, 2022	170	-	-
IIF Shonan Health Innovation Park	Fujisawa-shi, Kanagawa	Conversion construction of A-building for B-building	April, 2021 to September, 2021	150	-	-
IIF Shinonome Logistics Center	Koto-ku, Tokyo	Repair of rooftop, outer wall and green space (1st period / 4 periods)	July, 2021	112	-	-
IIF Osaka Konohana Logistics Center	Osaka-shi, Osaka	Renewal of cargo elevator (No.7 and 8)	March, 2021 to November, 2021	60	-	-
IIF Osaka Konohana Logistics Center	Osaka-shi, Osaka	Renewal of cargo elevator (No.9 and 10)	September, 2021 to May, 2022	60	-	-
IIF Shonan Health Innovation Park	Fujisawa-shi, Kanagawa	Renewal of local HUB for central monitoring equipment	June, 2021 to July, 2022	60	-	-
IIF Shinagawa Data Center	Shinagawa-ku, Tokyo	Renewal of the central monitoring equipment and RS board	June, 2021	59	-	-
IIF Mitaka Card Center	Mitaka-shi, Tokyo	Renewal of chiller unit	June, 2021	58	-	-
IIF Shonan Health Innovation Park	Fujisawa-shi, Kanagawa	Renewal of network improvement (renewal of access point equipment)	May, 2021 to January, 2022	52	-	-
IIF Shonan Health Innovation Park	Fujisawa-shi, Kanagawa	Renewal of main loop HUB for central monitoring equipment	March, 2021	51	-	-
IIF Yokohama Tsuzuki Technology Center	Yokohama-shi, Kanagawa	Renewal of air conditioning system (1st period / 2 periods)	May, 2021 to January, 2022	51	-	-
IIF Yokohama Tsuzuki Technology Center	Yokohama-shi, Kanagawa	Renewal of air conditioning system (2nd period / 2 periods)	May, 2021 to July, 2022	51	-	-

#### 2. Capital expenditures for the six months ended January 31, 2021

Maintenance expenditures on property for the six months ended January 31, 2021 were totaling to ¥1,390 million consisting of ¥1,014 million of capital expenditures stated as below and ¥375 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 Shonan Health Innovation Park	Fujisawa-shi, Kanagawa	Conversion construction of A31E for B-building	January, 2021	116
IIF Haneda Airport Maintenance Center	Ota-ku, Tokyo	Repair of typhoon damage	September, 2020 to January, 2021	69
IIF Sagami-hara R&D Center	Sagami-hara-shi, Kanagawa	Renewal of outside air conditioner	November, 2020 to December, 2020	60
IIF Akishima Logistics Center	Akishima-shi, Tokyo	Repair of outer wall (2nd period / 2 periods)	June, 2020 to November, 2020	50
Other	-	-	-	716
Total				1,014