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Industrial & Infrastructure Fund Investment Corporation
28th Period Asset Management Report
(Semi-Annual Report)

February 1, 2021 – July 31, 2021

Industrial & Infrastructure Fund Investment Corporation

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

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

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

Mitsubishi Corp. – UBS Realty Inc.

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

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

Distribution Per Unit

- The 28th Fiscal Period (Result: February 1, 2021 – July 31, 2021) 3,266 yen
- The 29th Fiscal Period (Forecast: August 1, 2021 – January 31, 2022) 3,046 yen
- The 30th Fiscal Period (Forecast: February 1, 2022 – July 31, 2022) 3,070 yen

Highlight of the 28th Period

	The 25th Period	The 26th Period	The 27th Period	The 28th Period (Actual)	The 29th Period (Forecast)	The 30th Period (Forecast)
Operating Revenue (million yen)	11,049	10,984	13,892	15,349	16,481	16,188
Net Income (million yen)	5,571	5,317	6,617	6,663	5,761	5,997
Total Asset (million yen)	327,950	342,223	406,290	407,428	-	-
Distribution per Unit (yen)*	3,085	2,832	3,201	3,266	3,046	3,070
Net Asset Value per Unit (yen)	82,743	82,503	91,812	91,842	-	-

* The figures include distribution in excess of profit.

Greetings

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



This report provides an update on IIF's performance for the fiscal period ended July 31, 2021 (the 28th period). In the fiscal period, IIF disposed three properties, IIF Hiroshima Manufacturing Center (land with leasehold interest) in March 2021, IIF Tsukuba Manufacturing Center (land with leasehold interest) and IIF Zama IT Solution Center in April 2021. The number of properties under management at the end of the fiscal period was 74, and the AUM was 360.9 billion yen (on an acquisition price basis).

With regards to IIF Atsugi Logistics Center III, we announced the redevelopment project in July 2021 and have promoted to build a cold storage facility for improving its competitiveness. In addition, IIF Akishima Logistics Center received S-rank ratings for CASBEE Real Estate Certification and IIF has established the new CO₂ emissions reduction targets toward carbon neutrality by 2050 with initiatives for climate change countermeasures toward realization of a decarbonized society accelerating in countries around the world.

As a result of these activities, the distribution per unit (including distribution in excess of profit) for the period was 3,266 yen. Currently, the Japanese economy should be closely monitored due to the impact of novel coronavirus pandemic, However, IIF will continue to strive for stable management and work to maximize unitholder value through continuous external and internal growth. I would like to look forward to your continuous support.

Kumi Honda
Executive Director
Industrial & Infrastructure Fund Investment Corporation

IIF Focus

Continuous improvement unitholder value through the promotion of asset replacement and redevelopment project, and first issuance of social bonds for IIF

Topics

- **Additional acquisition of remaining 40% co-ownership interest in IIF Shonan Health Innovation Park in August 2021. Furthermore, strengthen portfolio quality through disposition of four properties with potential risk of declining future profitability**
- **Announcement of a cold storage facility redevelopment project for Oisix ra daichi backed by expanding demand for at-home consumption~IIF Atsugi Logistics Center III~**
- **First issuance of social bonds for IIF as part of initiatives to resolve social issues**
- **ESG initiatives~ Establishment of new CO₂ emissions reduction targets toward carbon neutrality by 2050~**

Summary of the 28th Period (Fiscal Period Ended July 31, 2021)

In the period, due to the increase in rent revenues of the new properties which had been acquired in the tenth PO(full contribution) and the gain on sale from the disposition of the property, operating revenue was 15,349 million yen (an increase of 1,457 million yen from the previous period), and net income was 6,663 million yen (an increase of 45 million yen from the previous period).

As a result, the distribution per unit increased by 65 yen from the previous period to 3,266 yen (including distribution in excess of profit of 47 yen per unit). Net asset value (NAV) per unit*¹ increased by 630 yen from the previous fiscal period to 124,345 yen.

IIF's portfolio as of July 31, 2021 comprised 74 properties worth 360.9 billion yen (based on acquisition price) with a total leasable area of 2,389,009.46 m² and an occupancy rate of 100.0%*².

The average remaining lease term is 9.9 years, and based on these long-term lease agreements, we have secured stable management.

Prospect for the 29th Period (Fiscal Period Ending January 31, 2022), the 30th Period (Fiscal Period Ending July 31, 2022) and Future Management Policies

We forecast an operating revenue of 16,481 million yen, net income of 5,761 million yen, a distribution per unit of 3,046 yen (including distribution in excess of profit of 263 yen) for the fiscal period ending January 31, 2022 (the 29th period) and an operating revenue of 16,188 million yen, net income of 5,997 million yen, a distribution per unit of 3,070 yen (including distribution in excess of profit of 471 yen) for the fiscal period ending July 31, 2022 (the 30th period)

As Japan's only REIT specializing in industrial properties*³, IIF has cultivated manufacturing and research facilities and infrastructure facilities in recent years based upon our unique Corporate Real Estate (CRE*⁴) proposals. As a result, we have acquired the properties with low competition and high growth potential.

During the 28th and 29th fiscal periods, we disposed 4 properties with potential risk of declining future profitability, while acquiring remaining 40% co-ownership interest in IIF Shonan Health Innovation Park*⁵. In addition, we announced a redevelopment project for IIF Atsugi Logistics Center III, which is to construct a BTS-type logistics facility (cold storage facility) for Oisix ra daichi, a major food delivery company, capturing business expansion needs backed by expanding demand for at-home consumption in COVID-19 crisis. In addition, with regard to ESG, which has become increasingly important in recent years, IIF has established new targets for reducing CO₂ emissions toward carbon neutrality in 2050 and we issued first social bonds in September 2021 as part of initiatives to diversify financing methods and contribute to solving social issues.

Through these measures, we will continue to work diligently to contribute to the maximization of unitholder value in order to realize continuous growth by strengthening the quality of our portfolio and our foundation.

We would like to ask for your continued support and encouragement from our investors in the future.

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

*2 Figures are rounded off to one decimal place.

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

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

*5 The disposition of IIF Shinagawa IT Solution Center out of the 4 properties disposed and the acquisition of IIF Shonan Health Innovation Park (40% co-ownership interest) were executed on August 2, 2021 (the 29th fiscal period).

ESG initiatives

～Establishment of new CO₂ emissions reduction targets toward carbon neutrality by 2050～

IIF has established new CO₂ emissions reduction targets toward carbon neutrality by 2050. We will strive to achieve a carbon-free society by implementing environmental and energy-saving measures and improving the energy efficiency by switching to electric power derived from renewable energy and introducing energy-saving equipment.

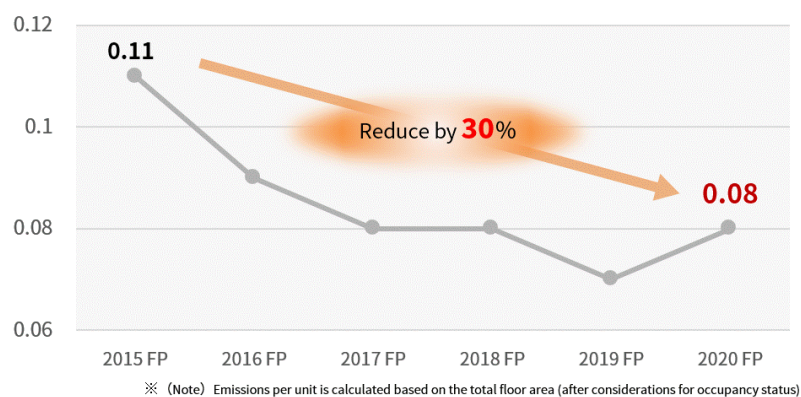
New CO₂ emissions reduction targets

- Aim to reach carbon neutrality by 2050
 - Reduce CO₂ emissions per unit by 50% by 2030 compared with 2015
- ※Previous target : Reduce CO₂ emissions per unit by 30% by 2030 compared with 2015

Main Measures for Achieving New CO₂ Emissions Reduction Targets

- Switching to electricity procured from renewable energy in IIF's directly managed properties
- Reduction of energy consumption by introducing the latest energy-saving air conditioners and LED lighting

Historical CO₂ emissions per unit



IIF's External Growth

Strengthen portfolio quality through replacing assets with potential risk of declining future profitability

From March 2021 to August 2021, IIF disposed 4 properties and acquired the remaining 40% co-ownership interest in IIF Shonan Health Innovation Park. We will strengthen the quality of our portfolio by acquiring highly profitable property while quickly disposing properties with potential risk of declining future profitability.



*1 "NOI yield" and "NOI yield after depreciation" are calculated using the net operating income in the direct capitalization method in the appraisal report as of June 30, 2021.

*2 "Appraisal value" of partial acquisition is the appraisal value equivalent to the 60% co-ownership interest based on the appraisal report as of June 1, 2020, "appraisal value" of additional acquisition is the appraisal value equivalent to the 40% co-ownership interest based on the appraisal report as of June 30, 2021 and "appraisal value" after additional acquisition is the appraisal value of entire property based on the appraisal report as of June 30, 2021.

*3 "Unrealized gain" is the difference between appraisal value and acquisition price.

*4 "Book value" is the figure as of January 31, 2021.

*5 "Appraisal value" is the appraisal value (survey value) as of January 31, 2021.

*6 Since the "difference between disposition price and book value" is shown for reference, the actual gain on sale is different from that value.

Redevelopment project of IIF Atsugi Logistics Center III

~Building a cold storage facility

for Oisix ra daichi backed by expanding demand for at-home consumption~





This property is located in prime industrial area allowing for 24-hour operation along the main highway nearby IC on Ken-O expressway. As about 40 years have passed since its building completion as of today, we have decided to implement redevelopment project. We will build a BTS-type logistics facility for the end tenant, Oisix ra daichi, which is a major food delivery company. The property will change a cold storage facility from dry logistics facility backed by expanding demand for at-home consumption.

Points of the Redevelopment Project

- | | |
|----------|---|
| 1 | Improvement of competitiveness by building a cold storage facility |
| 2 | Improvement of NOI and appraisal value (unrealized gain) by realizing upside through utilization of surplus floor-area ratio |
| 3 | Conclusion of the long fixed-term building lease reservation contract (contract term: 15 years) |

Effects of the Redevelopment Project

The redevelopment project will increase the total floor area and the floor area ratio. The appraisal value (survey value) of the property after redevelopment will be 7,030 million yen (an increase of 3,830 million yen) and the unrealized gain will be 2,597 million yen (unrealized gain ratio + 58.6%), which are expected to greatly improve compared to the figures before the redevelopment project.

	Before redevelopment	After redevelopment
		
Total floor area ^{*1}	16,470.24m ²	23,369.28m²
Floor area ratio ^{*1} (current/cap)	100.8% / 200%	132.9% / 200%
(Anticipated) Acquisition price ^{*2}	JPY 2,290 mn.	JPY 4,432 mn.
Appraisal value ^{*3}	JPY 3,200 mn.	JPY 7,030 mn. (JPY +3,830 mn.)
Unrealized gain ^{*4} (Ration)	JPY 813 mn. (+34.1%)	JPY 2,597 mn. (+58.6%)

*1 The figures for "total floor area" and "floor area ratio" after redevelopment, are shown for reference based on the current plan for the redevelopment project. The actual figures for "total floor area" and "floor area ratio" after redevelopment may change in the future due to changes of the plan for the redevelopment project.

*2 The figure for "(anticipated) acquisition price" after redevelopment is reference value by totaling anticipated acquisition price of the property after redevelopment (the total of construction costs, design fee, and CM fees) and the price of land already acquired (the acquisition price of the land described in the trust beneficiary right purchase and sale agreement for the property at the time of the acquisition in 2012). The actual acquisition price of the property after redevelopment may change in the future due to changes of the plan for the redevelopment project.

*3 The figure for "appraisal value" before redevelopment is the survey value based on the survey report as of January 31, 2021. The figure for "appraisal value" of the property after redevelopment is the survey value based on the survey report based on the plans for the Redevelopment Project as of June 1, 2021.

*4 The figure for "unrealized gain" before redevelopment is the difference between the survey value based on the survey report as of January 31, 2021 and the book value as of January 31, 2021. The figure for "Unrealized gain" of the property after redevelopment is the difference between the survey value based on the survey report on the plans for the Redevelopment Project as of June 1, 2021 and the anticipated acquisition price.

Acquisition of IIF Yokkaichi Logistics Center (Existing Building) (planned)

The property is located in industrial cluster in Yokkaichi city, Mie prefecture. IIF will acquire the existing building and implement joint development of the new building through CRE proposal in collaboration with Kajima Group capturing business expansion needs of a major logistics company.





New Building
(Development planned)



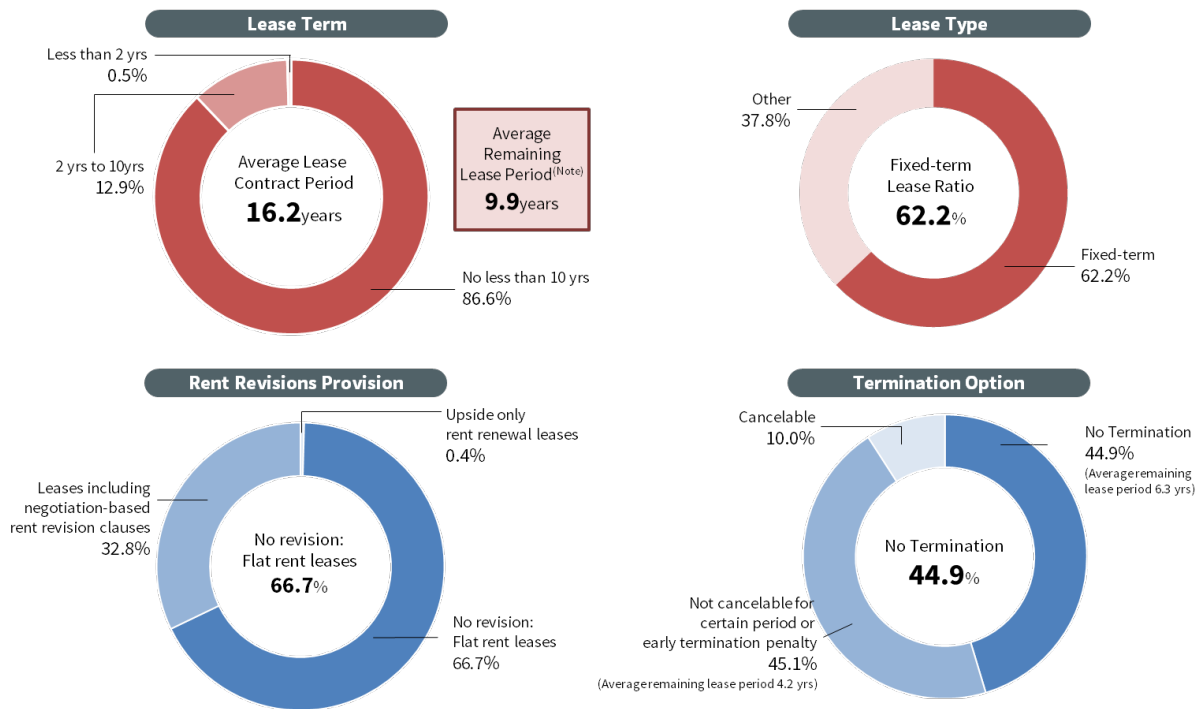
Existing Building
(Anticipated acquisition in Dec. 2021)



- 5 stories above ground (logistics area :4 stories)
- A floor weight capacity of 1.5t/m², effective ceiling height of 5.3-5.4m and pillar intervals of approx. 11m × approx. 11m
- Highly versatile logistics facility with capacity to divide into three spaces and lease them respectively

IIF's Internal Growth

Consistently maintained “Stable in Long-term Portfolio management strategy”



* This figure is based on annual rent.

Financial Initiatives of IIF

In this period, the percentages of long-term and fixed-interest rate borrowings were 100.0% and 100.0%, respectively, with an average applicable interest rate of 0.74% and an average of 5.0 years remaining until maturity. The loan to value (LTV) rate was 47.7%.

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

IIF's Sustainability Management

01 First issuance of social bonds for IIF

IIF has issued the 1st IIF social bonds and the 2nd IIF social bonds as part of initiatives to resolve social issues in September 2021.

Social Bonds refer to bonds that are issued by business companies, funds, local governments, and other entities in order to procure funds for social projects.



Social Finance Framework

■ Use of the proceeds

Proceeds from social financing will be allocated towards acquisition funds, etc. to purchase Eligible Social Projects.

IIF has received “Social 1 (F)” (the highest for JCR Social Finance Framework Evaluation) rating from Japan Credit Rating Agency, Ltd. (JCR) for the Social Finance Framework.

■ The Eligible Social Criteria and the Eligible Social Projects (excerpt)

Facilities contributing to development in medical technology including medication, pharmaceutical, drug discovery etc., and treatment	 IIF Shonan Health Innovation Park
Facilities for job creation and development of regional economies through industrial promotion, etc.	 IIF Kawasaki Science Center

The Summary of Social Bonds

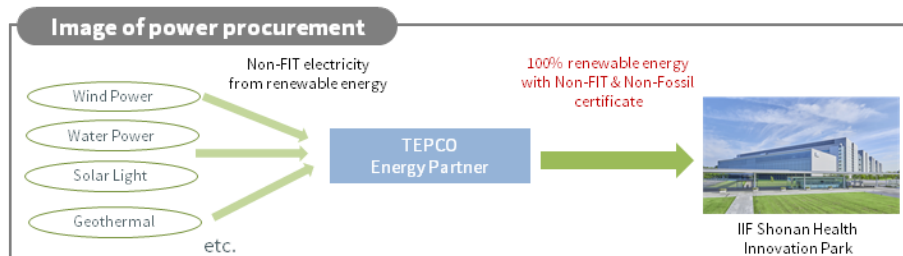
IIF issued the social bonds of totaling 5 billion yen based on the social finance framework.

	The 1st IIF social bonds	The 2nd IIF social bonds
Amount	3 billion yen	2 billion yen
Term	10 years	15 years
Interest rate	0.390 % per annum	0.680 % per annum
rating	Japan Credit Rating Agency, Ltd. (JCR) : AA	

02 ESG initiatives in IIF Shonan Health Innovation Park

■ Procure electricity from 100% renewable energy based on RE100

- Switch all electricity from TEPCO Energy Partner to electricity procured from **100% renewable energy with Non-FIT & Non-Fossil certificate** since Aug. 1, 2021



■ Temporary medical facilities

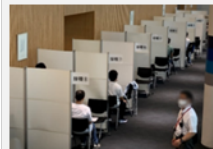
In response to the request from Kanagawa Prefecture, the ground in the Property has been provided free of charge as a site for the construction of temporary medical facilities for COVID-19.



【Temporary medical facilities】

■ Group vaccination

Workplace vaccination for employees of tenants and affiliates, and their families who wish to immunize COVID-19 vaccine (total of about 4,300 people). Furthermore, provision of part of the Property as venue for group vaccination of Fujisawa city is scheduled from Sep. 2021



【Area for Vaccination】



【Waiting area after vaccination】

03 Inclusion in the MSCI Japan ESG Select Leaders Index

IIF has been included in the MSCI Japan ESG^{*1} Select Leaders Index which had been launched by MSCI on July 3, 2017. IIF has received “A” rank as of June 2021. IIF sees inclusion in the index having a favorable effect to broaden our potential investor base and increase the liquidity of the fund.

MSCI Japan ESG Select Leaders Index:

MSCI, an American stock index provider listed on the New York Stock Exchange, launched index called the MSCI Japan ESG Select Leaders Index^{*2}. The index is the capitalization weighted index

2021 CONSTITUENT MSCI JAPAN
ESG SELECT LEADERS INDEX

which provides exposure to companies with high Environment, Social, and Governance (ESG) performance relative to their sector peers. The Government Pension Investment Fund (GPIF) also announced on July 3, 2017 that it has selected the index one of three ESG indices. As announced in June 2021 by MSCI, the index covers the top 700 equities in the MSCI Japan Investable Market Index (IMI), and selects 229 equities with outstanding ESG ratings

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

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

04 Third-Party Evaluation and Certifications (As of the end of July, 2021)

GRESB Real Estate Assessment

IIF was designated by the GRESB Real Estate rating which is based on GRESB Overall Score and its quintile position relative to global participants as the highest rank “five stars” (five-star scale) in 2020. IIF also received a “Green Star” designation for the eight consecutive years by achieving high performance both in “Management Component” that evaluates policies and organizational structure for ESG promotion, and “Performance Component” that assesses environmental performance and tenant engagement of properties owned. As well as, “A” rating, the highest rating, for the GRESB Public Disclosure in three consecutive years.



CASBEE

IIF has been promoting environmental and energy conservation measures as well as the efficient use of energy in its properties for the effort to strengthen environmental consciousness and reduce environmental load. 19 properties in IIF's portfolio were awarded CASBEE Real Estate Certification.



BELS

12 properties in IIF's portfolio were awarded BELS Certification.



DBJ Green Building Certification

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



05 Continuous Efforts Regarding ESG

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

In 2013

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

In 2015

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

In 2016

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

In 2019

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

In 2020

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



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

I. Domestic Operating Company ASSET MANAGEMENT REPORT

Outline of asset management operation

1. Operating results and financial position

Fiscal period			24th	25th	26th	27th	28th
As of /for the six months ended			July 31, 2019	January 31, 2020	July 31, 2020	January 31, 2021	July 31, 2021
Operating revenues	Note 1	(Millions of yen)	10,602	11,049	10,984	13,892	15,349
(Rental revenues)	Note 1	(Millions of yen)	(10,131)	(10,562)	(10,979)	(13,867)	(14,884)
Operating expenses	Note 1	(Millions of yen)	4,383	4,529	4,736	6,278	7,707
(Rental expenses)	Note 1	(Millions of yen)	(3,327)	(3,392)	(3,550)	(4,886)	(6,067)
Operating income		(Millions of yen)	6,218	6,519	6,247	7,614	7,642
Ordinary income		(Millions of yen)	5,192	5,572	5,318	6,618	6,665
Net income		(Millions of yen)	5,190	5,571	5,317	6,617	6,663
Net assets	(a)	(Millions of yen)	141,873	155,559	155,107	190,053	190,116
(Period-on-period change)		(%)	(9.3)	(9.6)	(-0.3)	(22.5)	(0.0)
Total assets	(b)	(Millions of yen)	314,087	327,950	342,223	406,290	407,428
(Period-on-period change)		(%)	(8.6)	(4.4)	(4.4)	(18.7)	(0.3)
Unitholders' capital	Note 3	(Millions of yen)	136,894	150,235	150,235	183,865	183,865
(Period-on-period change)		(%)	(9.2)	(9.7)	(—)	(22.4)	(—)
Number of units issued and outstanding	(c)	(Units)	1,794,016	1,880,016	1,880,016	2,070,016	2,070,016
Net asset value per unit	(a)/(c)	(Yen)	79,081	82,743	82,503	91,812	91,842
Total distributions	(d)	(Millions of yen)	5,261	5,799	5,324	6,626	6,760
Distribution per unit	(d)/(c)	(Yen)	2,933	3,085	2,832	3,201	3,266
(Profit distribution per unit)		(Yen)	(2,893)	(2,964)	(2,828)	(3,197)	(3,219)
(Distribution per unit in excess of profit)		(Yen)	(40)	(121)	(4)	(4)	(47)
Ratio of ordinary income to total assets	Note 4	(%)	1.7 (3.5)	1.7 (3.4)	1.6 (3.2)	1.8 (3.5)	1.6 (3.3)
Return on unitholders' equity	Note 4	(%)	3.8 (7.7)	3.7 (7.4)	3.4 (6.9)	3.8 (7.6)	3.5 (7.1)
Ratio of net assets to total assets	(a)/(b)	(%)	45.2	47.4	45.3	46.8	46.7
(Period-on-period change)		(%)	(0.3)	(2.2)	(-2.1)	(1.5)	(-0.1)
Payout ratio	Note 4	(%)	100.0	100.0	100.0	100.0	100.0
Additional information:							
Rental net operating income (NOI)	Note 4	(Millions of yen)	8,207	8,640	9,014	10,773	10,735
Net profit margin	Note 4	(%)	49.0	50.4	48.4	47.6	43.4
Debt service coverage ratio	Note 4	(Multiple)	11.0	11.5	11.4	13.0	13.2
Funds from operation (FFO) per unit	Note 4	(Yen)	3,413	3,487	3,671	4,051	4,013
FFO multiples	Note 4	(Multiple)	20.7	24.1	26.8	23.4	26.2
Distributable income per unit after adjustment for taxes on property, plant and equipment	Note 5	(Yen)	2,881	2,935	2,810	3,091	3,219
FFO per unit after adjustment for taxes on property, plant and equipment	Note 5	(Yen)	3,401	3,459	3,653	3,945	4,013

Note 1 Consumption taxes are not included.

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

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

Note 4 Figures are calculated using the formulas below. Percentages in parentheses are annualized using 181,184,182,184 and 181 days for the 24th, 25th, 26th, 27th and 28th fiscal period, respectively. FFO multiples are unaudited.

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

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

2. Outline of asset management operation

Major developments and management performance of IIF and management performance

i. Major developments and management performance of IIF

IIF was established on March 26, 2007 based on “Act on Investment Trusts and Investment Corporations” 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 74 properties whose total acquisition price amounted to 360,919 million yen as of July 31, 2021.

ii. Investment environment and management performance

In the fiscal period (February 2021 to July 2021), Japanese economy has showed signs of recovery in business sentiment, particularly in the manufacturing industry, amid the gradual spread of vaccines for the COVID-19. However, the spread of COVID-19 continues, 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 disposed 3 properties, IIF Hiroshima Manufacturing Center (land with leasehold interest), IIF Tsukuba Manufacturing Center (land with leasehold interest) and IIF Zama IT Solution Center in terms of long-term usability, versatility and profitability in purpose of establishment of mid to long term stable portfolio.

As a result, assets held by IIF as of July 31, 2021 totaled 360,919 million yen, including 46 logistics facilities, 20 manufacturing and R&D facilities, and 8 infrastructure facilities. As of July 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) Debt Financing

During this fiscal period, IIF raised no fund by means of debt financing. The total amount of IIF’s interest-bearing debt as of July 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.

b) Equity Financing

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

iv. Overview of financial results and distributions

As a result of the above management activities, IIF recorded operating revenue of 15,349 million yen, operating income of 7,642 million yen, ordinary income of 6,665 million yen and net income of 6,663 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 6,663,381,504 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 97,290,752 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 3,266 yen.

3. Changes in unitholders' capital

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

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

Fluctuation in market price of the investment securities:

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

Fiscal period	24th	25th	26th	27th	28th
As of /for the six months ended	July 31, 2019	January 31, 2020	July 31, 2020	January 31, 2021	July 31, 2021
Highest price	146,900	174,500	203,400	199,000	223,700
Lowest price	115,900	141,300	94,500	169,500	169,200
Closing price at end of period	142,400	166,800	197,400	188,200	211,900

4. Distributions

The Investment Corporation intends to make profit distributions amounting to ¥6,663,381,504 which are all of profit as defined in Article 136, Paragraph 1 of the Act on Investment Trusts and Investment Corporations of Japan after deduction of reversal of allowance for temporary difference adjustment, except for fractional distribution per unit less than one yen, to be treated the distributions as a tax allowable deduction as defined in Article 67-15 of the Special Taxation Measures Act of Japan. The Investment Corporation also intends to make distributions in excess of profit amounting to ¥97,290,752 as unitcapital refund from allowance for temporary difference adjustment, considering an effect of differences between net income and taxable income and items deducted from net assets, which were corresponding to differences between net income and taxable income for the period, except for fractional distribution per unit in excess of profit less than one yen.

As a result, profit distribution per unit and unitcapital refund per unit from allowance for temporary difference adjustment for the six months ended July 31, 2021 totaled to ¥3,266.

Fiscal period	24th	25th	26th	27th	28th
As of /for the fiscal period ended	July 31, 2019	January 31, 2020	July 31, 2020	January 31, 2021	July 31, 2021
Net income (Thousands of yen)	5,190,477	5,571,378	5,317,160	6,617,754	6,663,702
Retained earnings carried forward (Thousands of yen)	204,317	167,392	137,303	114,634	89,665
Total cash distributions (Thousands of yen)	5,261,848	5,799,849	5,324,205	6,626,121	6,760,672
(Cash distribution per unit) (Yen)	(2,933)	(3,085)	(2,832)	(3,201)	(3,266)
Profit distributions (Thousands of yen)	5,190,088	5,572,367	5,316,685	6,617,841	6,663,381
(Profit distribution per unit) (Yen)	(2,893)	(2,964)	(2,828)	(3,197)	(3,219)
Unitcapital refunds (Thousands of yen)	71,760	227,481	7,520	8,280	97,290
(Unitcapital refund per unit) (Yen)	(40)	(121)	(4)	(4)	(47)
Unitcapital refunds from allowance for temporary difference adjustment (Thousands of yen)	1,794	3,760	7,520	8,280	97,290
(Unitcapital refund per unit from allowance for temporary difference adjustment) (Yen)	(1)	(2)	(4)	(4)	(47)
Unitcapital refunds from deduction of unitcapital under tax rules (Thousands of yen)	69,966	223,721	-	-	-
(Unitcapital refund per unit from deduction of unitcapital under tax rules) (Yen)	(39)	(119)	(-)	(-)	(-)

5. Management policies and issues

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

i. External growth

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

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

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

ii. Internal growth

As of July 31, 2021, IIF's portfolio consisted of 74 properties for a total acquisition price of 360,919 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 9.9 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 Atsugi Logistics Center III, IIF has decided on the redevelopment project through planning to build a cold storage facility in collaboration with Tokyo Logistics Factory Co., Ltd., which is the current tenant. IIF proposed redevelopment of a cold storage facility, of which demand is expanding, capturing the needs for a new facility of the end tenant by leveraging the favorable relationship with Tokyo Logistics Factory Co., Ltd. As a result, IIF expects to improve the profitability, continue long-term and stable lease contract and realize improvement of asset value. In addition, looking the termination schedule of the fixed-term building lease contracts with the existing tenant at IIF Fukuoka Hakozaki Logistics Center I and the existing tenant at IIF Fukuoka Hakozaki Logistics Center II which occupies about 25% of the total leasable area, IIF discussed with the tenants considering the market rent. In the discussion, IIF captured the needs for improvement of the working environment within the facility at IIF Fukuoka Hakozaki Logistics Center II. After solving the needs, IIF concluded the new fixed-term building lease contracts to increase rent with the tenants and achieved improvement of profitability from the next fiscal year onward. IIF will work to maintain the quality of its portfolio and further improve profitability through efforts based on 3C Management Cycle and by implementing the required management tasks to

maintain and improve the functionality, safety and comfort of the buildings it manages and by carrying out suitable repair work as necessary. At the same time, in order to maintain and improve the rent level and prevent cancellations, IIF will continue to exert efforts in building favorable relationships with lessees by continuously making close communications.

iii. Financial strategy

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

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

6. Subsequent events

None

Outline of the Investment Corporation

1. Investment unit

Fiscal period	24th	25th	26th	27th	28th
As of	July 31, 2019	January 31, 2020	July 31, 2020	January 31, 2021	July 31, 2021
Number of units authorized (Units)	32,000,000	32,000,000	32,000,000	32,000,000	32,000,000
Number of units issued and outstanding (Units)	1,794,016	1,880,016	1,880,016	2,070,016	2,070,016
Number of unitholders (People)	9,296	8,978	7,910	9,051	8,461

2. Unitholders

Major unitholders as of July 31, 2021 were as follows:

Name	Address	Number of units owned (Units)	Ratio of number of units owned to total number of units issued (%) (Note)
Custody Bank of Japan, Ltd. (Trust Account)	8-12, Harumi 1-chome, Chuo-ku, Tokyo	351,760	16.99
The Master Trust Bank of Japan, Ltd. (Trust Account)	11-3, Hamamatsu-cho 2-chome, Minato-ku, Tokyo	340,200	16.43
The Nomura Trust and Banking Co., Ltd. (Investment Trust Account)	2-2, Otemachi 2-chome, Chiyoda-ku, Tokyo	85,752	4.14
Custody Bank of Japan, Ltd. (Securities Investment Trust Account)	8-12, Harumi 1-chome, Chuo-ku, Tokyo	71,084	3.43
Mizuho Securities Co., Ltd	5-1, Otemachi 1-chome, Chiyoda-ku, Tokyo	52,260	2.52
Custody Bank of Japan, Ltd. (Trust Account 7)	8-12, Harumi 1-chome, Chuo-ku, Tokyo	31,478	1.52
BNYM AS AGT/CLTS 10 PERCENT	240 GREENWICH STREET, NEW YORK, NEW YORK 10286 U.S.A.	26,983	1.30
STATE STREET BANK WEST CLIENT - TREATY 505234	1776 HERITAGE DRIVE, NORTH QUINCY, MA 02171, U.S.A.	26,209	1.26
SSBTC CLIENT OMNIBUS ACCOUNT	ONE LINCOLN STREET, BOSTON MA USA 02111	25,713	1.24
Mitsubishi Corporation	3-1, Marunouchi 2-chome, Chiyoda-ku, Tokyo	25,600	1.23
Total		1,037,039	50.09

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

3. Officers

(1) Directors and independent auditor

(Thousands of yen)			
Post	Name	Major additional post	Compensation or fees for the six months ended July 31, 2021
Executive Director (Note 1)	Kumi Honda	Attorney of The Tokyo-Marunouchi Law Offices	2,580
Supervisory Director (Note 1)	Katsuaki Takiguchi	Chief of Katsuaki Takiguchi CPA Office	1,620
	Yutaka Usami	CEO of Management Power Exchange Ltd.	1,620
	Koki Ohira	Attorney of Kamimura Ohira & Mizuno Law Offices	1,620
Independent auditor	Ernst & Young ShinNihon LLC	—	(Note 2) 17,154

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

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

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

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

4. Name of asset manager and other administrator

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

Condition of investment assets

1. Composition of assets

Classification of assets	Asset category	Location category (Note 1)	Region	As of January 31, 2021		As of July 31, 2021	
				Total of net book value	Composition ratio	Total of net book value	Composition ratio
				(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	12,878	3.2	12,815	3.1
			Osaka and Nagoya metropolitan areas	4,842	1.2	4,861	1.2
			Other area	2,879	0.7	1,917	0.5
		Other	Tokyo metropolitan area	-	-	-	-
			Osaka and Nagoya metropolitan areas	-	-	-	-
			Other area	-	-	-	-
	Infrastructure facilities (Infrastructure properties)	Urban and suburban or Industrial-area	Tokyo metropolitan area	43,678	10.7	43,592	10.7
			Osaka and Nagoya metropolitan areas	1,998	0.5	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	172,627	42.5	172,437	42.3
			Osaka and Nagoya metropolitan areas	52,798	13.0	52,686	12.9
			Other area	32,590	8.0	32,507	8.0
		Other	Tokyo metropolitan area	-	-	-	-
			Osaka and Nagoya metropolitan areas	-	-	-	-
			Other area	7,605	1.9	5,883	1.5
	Infrastructure facilities (Infrastructure properties)	Urban and suburban or Industrial-area	Tokyo metropolitan area	12,861	3.2	7,846	1.9
			Osaka and Nagoya metropolitan areas	22,319	5.5	22,172	5.5
			Other area	-	-	-	-
		Other	Tokyo metropolitan area	-	-	-	-
			Osaka and Nagoya metropolitan areas	-	-	-	-
			Other area	-	-	-	-
Sub-total				367,081	90.4	358,718	88.1
Investments in Tokumei Kumiai agreement (Note 3)				95	0.0	89	0.0
Bank deposits and other assets				39,114	9.6	48,620	11.9
Total assets				406,290	100.0	407,428	100.0

Note 1 "Location category" is classified as bellow.

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

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

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

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

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

2. Major property

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

Name of property	Net book value (Millions of yen)	Leasable area (m ²) (Note 1)	Leased area (m ²) (Note 2)	Occupancy ratio (%) (Note 3)	Ratio of rent revenue to total rent revenues (%) (Note 3)	Major use
IIF Haneda Airport Maintenance Center	37,445	81,995.81	81,995.81	100.0	10.0	Infrastructure facility
IIF Shonan Health Innovation Park (Note 4)	23,625	76,962.05	76,962.05	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	15,544	11,476.05	11,476.05	100.0	2.2	Infrastructure facility
IIF Shinonome Logistics Center (Note 5)	12,943	27,493.29	27,493.29	100.0	2.7	Logistics facility
IIF Osaka Suminoe Logistics Center I	11,965	52,201.30	52,201.30	100.0	Note 7	Logistics facility
IIF Atsugi Manufacturing Center (Note 6)	11,911	95,816.91	95,816.91	100.0	Note 7	Manufacturing and R&D facility, etc.
IIF Fukuoka Hakozaki Logistics Center II	10,122	51,530.51	51,530.51	100.0	Note 7	Logistics facility
IIF Mitaka Card Center	9,409	21,615.01	21,615.01	100.0	2.5	Manufacturing and R&D facility, etc.
IIF Osaka Konohana Logistics Center	8,579	46,262.20	46,262.20	100.0	Note 7	Logistics facility
Total	158,153	1,103,155.77	1,103,155.77	100.0	48.6	

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" of the property shows total of the leasable area of the leased land (64,327.54m²) and that of the building on the leased land (31,489.37m²).

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.

3. Details of property

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

Name of property	Location (Note 1)	Form of ownership	Leasable area (m ²) (Note 2)	Fair value at end of period (Millions of yen) (Note 3)	Net book value (Millions of yen)
IIF Shinonome Logistics Center (Note 4)	13-32, Shinonome 2-chome, Koto-ku, Tokyo	Trust beneficial interest	27,493.29	17,808	12,943
IIF Noda Logistics Center	340-13, Nishi-sangao, Noda-shi, Chiba	Trust beneficial interest	38,828.10	9,130	5,174
IIF Shinsuna Logistics Center	5-15, Shinsuna 3-chome, Koto-ku, Tokyo	Trust beneficial interest	5,741.75	7,720	5,132
IIF Koshigaya Logistics Center	1-1, Ryutsudanchi 4-chome, Koshigaya-shi, Saitama	Trust beneficial interest	10,113.50	3,180	1,697
IIF Nishinomiya Logistics Center	2, Nishinomiya-hama 1-chome, Nishinomiya-shi, Hyogo	Trust beneficial interest	17,200.00	3,010	1,955
IIF Narashino Logistics Center (Land with leasehold interest)	34-9, Akanehama 3-chome, Narashino-shi, Chiba	Real property	19,834.71	3,180	1,223
IIF Narashino Logistics Center II (Note 5)	34-1, Akanehama 3-chome, Narashino-shi, Chiba	Trust beneficial interest	83,905.16	6,560	4,694
IIF Atsugi Logistics Center II	602-9, Aza Kitaya, Funako, Atsugi-shi, Kanagawa	Real property	20,661.13	4,050	3,123
IIF Yokohama Tsuzuki Logistics Center	747, Aza Minamikochi, Kawamukou-cho, Tsuzuki-ku Yokohama-shi, Kanagawa	Trust beneficial interest	9,615.82	3,470	2,278
IIF Saitama Logistics Center	398-3, Yoshino-cho 1-chome, Kita-ku, Saitama-shi, Saitama	Trust beneficial interest	8,995.00	2,420	1,390
IIF Nagoya Logistics Center	27, Yanagida-cho 2-chome, Nakagawa-ku, Nagoya-shi, Aichi	Real property	8,721.01	1,500	1,181
IIF Atsugi Logistics Center III	3007-7, Kamiechi Aza Uenohara, Atsugi-shi, Kanagawa	Trust beneficial interest	16,584.64	3,280	2,285
IIF Kawaguchi Logistics Center	5-3 Midori-cho, Kawaguchi-shi, Saitama	Real property	11,705.02	4,950	2,132
IIF Kobe Logistics Center	2-10, Maya-futo, Nada-ku, Kobe-shi, Hyogo	Trust beneficial interest	39,567.74	7,650	5,193
IIF Higashi-Osaka Logistics Center	7-46, Wakae-higashi-machi 6-chome, Higashi Osaka-shi, Osaka	Real property	20,495.06	3,370	2,465
IIF Kashiwa Logistics Center	1027-1, Washinoya, Kashiwa-shi, Chiba	Real property	17,379.78	3,000	1,811
IIF Misato Logistics Center	5, Izumi 3-chome, Misato-shi, Saitama	Trust beneficial interest	19,019.71	5,710	3,366
IIF Iruma Logistics Center	660-2, Aza Higashimusashino, Oaza Minami-mine, Iruma-shi, Saitama	Trust beneficial interest	17,881.65	4,270	2,977
IIF Tosu Logistics Center	127-1, Aza Uchishirage, Kuranoue-machi, Tosu-shi, Saga	Trust beneficial interest	13,862.05	2,030	1,466
IIF Inzai Logistics Center	6-1, Matsuzakidai 2-chome, Inzai-shi, Chiba	Trust beneficial interest	5,490.00	1,460	1,007
IIF Morioka Logistics Center	Plot 4-311, Oaza Hiromiyasawa, Yahabacho, Shiwa-gun, Iwate, etc.	Trust beneficial interest	8,001.57	1,280	551
IIF Hiroshima Logistics Center	22-4, Itsukaichi-ko 3-chome, Saeki-ku, Hiroshima-shi, Hiroshima	Trust beneficial interest	22,768.24	4,610	3,239
IIF Izumiotsu e-shop Logistics Center (Land with leasehold interest)	8-1, Nagisa-cho, Izumiotsu-shi, Osaka	Trust beneficial interest	48,932.00	4,370	4,178
IIF Izumisano Food Processing and Logistics Center	2-11, Rinkuorai-kita, Izumisano-shi, Osaka	Real property	13,947.83	1,060	959
IIF Kyotanabe Logistics Center	55-13, Osumi-hama, Kyotanabe-shi, Kyoto	Trust beneficial interest	33,243.99	7,650	5,572
IIF Fukuoka Koga Vehicle Logistics Center (Land with leasehold interest)	1134-1, Aoyagi, Koga-shi, Fukuoka	Real property	30,815.97	1,030	914

Name of property	Location (Note 1)	Form of ownership	Leasable area (m ²) (Note 2)	Fair value at end of period (Millions of yen) (Note 3)	Net book value (Millions of yen)
IIF Fukuoka Higashi Logistics Center	9-1 Kamata 4-chome, Higashi-ku, Fukuoka-shi, Fukuoka	Trust beneficial interest	11,262.86	2,140	1,898
IIF Osaka Konohana Logistics Center	4-51, Shimaya 4-chome, Konohana-ku, Osaka-shi, Osaka	Trust beneficial interest	46,262.20	9,730	8,579
IIF Kazo Logistics Center	6-1, Shintone 2-chome, Kazo-shi, Saitama	Trust beneficial interest	17,744.41	2,830	2,570
IIF Hamura Logistics Center	8-16, Shinmeidai 4-chome, Hamura-shi, Tokyo	Trust beneficial interest	3,892.66	928	929
IIF Fukuoka Hakozaki Logistics Center I	14-31, Hakozakifuto 4-chome, Higashi-ku, Fukuoka-shi, Fukuoka	Trust beneficial interest	24,967.58	5,370	5,193
IIF Fukuoka Hakozaki Logistics Center II	1-18, Hakozakifuto 4-chome, Higashi-ku, Fukuoka-shi, Fukuoka	Trust beneficial interest	51,530.51	11,400	10,122
IIF Itabashi Logistics Center	7-7, Higashi-sakashita 2-chome, Itabashi-ku, Tokyo	Trust beneficial interest	5,057.68	2,080	1,721
IIF Sendai Taiwa Logistics Center	3-15, Maino 2-chome, Taiwa-cho, Kurokawa-gun, Miyagi	Trust beneficial interest	15,555.15	1,770	1,552
IIF Ota Logistics Center	236-1, Anyoji-cho, Ota-shi, Gunma	Real property	6,900.01	1,190	1,003
IIF Osaka Suminoe Logistics Center I	2-32, Shibatani 1-chome, Suminoe-ku, Osaka-shi, Osaka	Trust beneficial interest	52,201.30	15,000	11,965
IIF Osaka Suminoe Logistics Center II	2-34, Shibatani 1-chome, Suminoe-ku, Osaka-shi, Osaka	Trust beneficial interest	12,299.76	2,880	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	1,460	1,394
IIF Sapporo Logistics Center	2-1, Yonesato-sanjo 3-chome, Shiroishi-ku, Sapporo-shi, Hokkaido	Trust beneficial interest	13,064.75	2,710	2,489
IIF Koriyama Logistics Center	213, Aza Mukaiharu, Otsuki-machi, Koriyama-shi, Fukushima	Trust beneficial interest	17,533.15	3,280	2,470
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	2,340	2,047
IIF Hyogo Tatsuno Logistics Center	300-2, Tai-san, Nagao, Issaicho, Tatsuno-shi, Hyogo, etc.	Trust beneficial interest	25,186.78	4,440	4,103
IIF Akishima Logistics Center	3928-4, Kohake, Haijmacho, Akishima-shi, Tokyo	Trust beneficial interest	31,071.21	8,530	8,489
IIF Gifu Kakamigahara Logistics Center	2-8, Aza Takehaya, Kawashima Takehayamachi, Kakamigahara-shi, Gifu, etc.	Trust beneficial interest	16,708.51	3,030	2,439
IIF Hiroshima Seifushinto Logistics Center	3-1, Tomominami 2-chome, Asaminami-ku, Hiroshima-shi, Hiroshima	Trust beneficial interest	28,988.91	6,730	6,440
IIF Shonan Logistics Center	9-2, Ichinomiya 7-chome, Samukawa-machi, Koza-gun, Kanagawa	Trust beneficial interest	23,728.15	8,380	7,627
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	9,409
IIF Kamata R&D Center	16-46, Minami-Kamata 2-chome, Ota-ku, Tokyo	Trust beneficial interest	21,896.56	8,380	7,493
IIF Kawasaki Science Center	25-19, Tono-machi 3-chome, Kawasaki-ku, Kawasaki-shi, Kanagawa	Real property	4,857.73	3,000	1,920
IIF Sagamihara R&D Center	1-35, Minamihashimoto 3-chome, Chuo-ku, Sagamihara-shi, Kanagawa	Trust beneficial interest	19,328.40	4,560	3,424
IIF Yokohama Shinyamashita R&D Center	16-5, Shinyamashita 1-chome, Naka-ku, Yokohama-shi, Kanagawa	Trust beneficial interest	4,887.83	4,210	3,777
IIF Kakegawa Manufacturing Center (Land with leasehold interest)	30, Tanyo, Kakegawa-shi, Shizuoka	Trust beneficial interest	66,171.92	1,770	1,572

Name of property	Location (Note 1)	Form of ownership	Leasable area (m ²) (Note 2)	Fair value at end of period (Millions of yen) (Note 3)	Net book value (Millions of yen)
IIF Urayasu Machinery Maintenance Center (Land with leasehold interest)	195, Tekkadori 3-chome, Urayasu-shi, Chiba	Real property	7,925.94	1,660	1,345
IIF Yokosuka Technology Center	1-15, Shinmei-cho, Yokosuka-shi, Kanagawa	Trust beneficial interest	13,779.77	4,510	4,341
IIF Shonan Technology Center	1-1, Ichinomiya 6-chome, Samukawa-machi, Koza-gun, Kanagawa	Trust beneficial interest	7,244.71	1,380	1,320
IIF Totsuka Manufacturing Center (Land with leasehold interest)	2277-4, Kamiyabe-cho Aza Kunichiyato, Totsuka-ku, Yokohama-shi, Kanagawa, etc.	Trust beneficial interest	19,458.49	2,600	2,413
IIF Atsugi Manufacturing Center (Note 6)	832-1, Aza Momijiyama, Shimofurusawa, Atsugi-shi, Kanagawa, etc.	Trust beneficial interest	95,816.91	16,100	11,911
IIF Shin-Kawasaki R&D Center	1-2, Shinogura, Saiwai-ku, Kawasaki-shi, Kanagawa	Trust beneficial interest	11,865.54	8,720	6,477
IIF Ichikawa Food Processing Center	1-1-2, Higashihama 1-chome, Ichikawa-shi, Chiba, etc.	Trust beneficial interest	27,424.22	6,460	6,371
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	6,427
IIF Okazaki Manufacturing Center (Land with leasehold interest)	34-6, Aza Okasaku, Makihiro-cho, Okazaki-shi, Aichi, etc.	Trust beneficial interest	42,049.87	4,290	4,104
IIF Shonan Health Innovation Park (Note 7)	26-1, Muraoka-Higashi 2-chome, Fujisawa-shi, Kanagawa	Trust beneficial interest	76,962.05	27,120	23,625
IIF Ichihara Manufacturing Center (Land with leasehold interest)	1-1, Yawatakaigandori, Ichihara-shi, Chiba, etc.	Trust beneficial interest	637,802.64	18,490	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	14,600	15,544
IIF Haneda Airport Maintenance Center	5-1 and 2, Haneda Airport 3-chome, Ota-ku, Tokyo	Real property	81,995.81	41,400	37,445
IIF Shinagawa Data Center	9-15, Futaba 2-chome, Shinagawa-ku, Tokyo	Real property	19,547.11	7,010	5,418
IIF Osaka Toyonaka Data Center	1-8, Shin-senri-nishi-machi 1-chome, Toyonaka-shi, Osaka	Trust beneficial interest	20,027.14	6,280	5,462
IIF Osaka Nanko IT Solution Center	1-23, Nanko-kita 1-chome, Suminoe-ku, Osaka-shi, Osaka	Trust beneficial interest	18,429.14	2,420	1,165
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 (Note 8)	31-18, Nishi-Gotanda 4-chome, Shinagawa-ku, Tokyo	Trust beneficial interest	7,057.06	6,920	7,846
IIF Higashimatsuyama Gas Tank Maintenance Center (Land with leasehold interest)	75-1, Shingo, Higashimatsuyama-shi, Saitama	Real property	12,880.38	764	729
Total			2,389,009.46	432,251	358,718

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 (58,070.00㎡) and that of the building on the leased land (25,835.16㎡).

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 (64,327.54㎡) and that of the building on the leased land (31,489.37㎡).

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.

Note 8 The property was sold on August 2, 2021.

Operating results of each property for the fiscal period ended January 31, 2021 and July 31, 2021 were as follows:

Name of property	For the six months ended							
	January 31, 2021				July 31, 2021			
	Number of tenants (Note 1)	Occupancy ratio (%) (Note 2)	Rental revenues (Millions of yen)	Ratio of rental revenue to total rental revenues (%) (Note 2)	Number of tenants (Note 1)	Occupancy ratio (%) (Note 2)	Rental revenues (Millions of yen)	Ratio of rental revenue to total rental revenues (%) (Note 2)
IIF Shinonome Logistics Center	1	100.0	400	2.9	1	100.0	400	2.7
IIF Noda Logistics Center	2	100.0	(Note 3)	(Note 3)	2	100.0	(Note 3)	(Note 3)
IIF Shinsuna Logistics Center	1	100.0	179	1.3	1	100.0	179	1.2
IIF Koshigaya Logistics Center	1	100.0	77	0.6	1	100.0	83	0.6
IIF Nishinomiya Logistics Center	2	100.0	(Note 3)	(Note 3)	2	100.0	(Note 3)	(Note 3)
IIF Narashino Logistics Center (Land with leasehold interest)	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
IIF Narashino Logistics Center II (Note 4)	2	100.0	(Note 3)	(Note 3)	2	100.0	(Note 3)	(Note 3)
IIF Atsugi Logistics Center II	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
IIF Yokohama Tsuzuki Logistics Center	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
IIF Saitama Logistics Center	1	100.0	66	0.5	1	100.0	66	0.5
IIF Nagoya Logistics Center	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
IIF Atsugi Logistics Center III	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
IIF Kawaguchi Logistics Center	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
IIF Kobe Logistics Center	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
IIF Higashi-Osaka Logistics Center	2	97.3	(Note 3)	(Note 3)	2	97.3	(Note 3)	(Note 3)
IIF Kashiwa Logistics Center	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
IIF Misato Logistics Center	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
IIF Iruma Logistics Center	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
IIF Tosu Logistics Center	2	100.0	(Note 3)	(Note 3)	2	100.0	(Note 3)	(Note 3)
IIF Inzai Logistics Center	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
IIF Morioka Logistics Center	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
IIF Hiroshima Logistics Center	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
IIF Izumiotsu e-shop Logistics Center (Land with leasehold interest)	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
IIF Izumisano Food Processing and Logistics Center	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
IIF Kyotanabe Logistics Center	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
IIF Fukuoka Koga Vehicle Logistics Center (Land with leasehold interest)	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
IIF Fukuoka Higashi Logistics Center	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)

Name of property	For the six months ended							
	January 31, 2021				July 31, 2021			
	Number of tenants (Note 1)	Occupancy ratio (%) (Note 2)	Rental revenues (Millions of yen)	Ratio of rental revenue to total rental revenues (%) (Note 2)	Number of tenants (Note 1)	Occupancy ratio (%) (Note 2)	Rental revenues (Millions of yen)	Ratio of rental revenue to total rental revenues (%) (Note 2)
IIF Osaka Konohana Logistics Center	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
IIF Kazo Logistics Center	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
IIF Hamura Logistics Center	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
IIF Fukuoka Hakozaki Logistics Center I	3	100.0	(Note 3)	(Note 3)	3	100.0	(Note 3)	(Note 3)
IIF Fukuoka Hakozaki Logistics Center II	4	100.0	(Note 3)	(Note 3)	4	100.0	(Note 3)	(Note 3)
IIF Itabashi Logistics Center	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
IIF Sendai Taiwa Logistics Center	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
IIF Ota Logistics Center	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
IIF Osaka Suminoe Logistics Center I	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
IIF Osaka Suminoe Logistics Center II	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
IIF Morioka Logistics Center II	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
IIF Sapporo Logistics Center	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
IIF Hitachinaka Port Logistics Center (Land with leasehold interest)	—	—	(Note 3)	(Note 3)	—	—	—	—
IIF Koriyama Logistics Center	2	100.0	(Note 3)	(Note 3)	2	100.0	(Note 3)	(Note 3)
IIF Kobe Nishi Logistics Center (Land with leasehold interest)	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
IIF Hyogo Tatsuno Logistics Center	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
IIF Akishima Logistics Center	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
IIF Gifu Kakamigahara Logistics Center	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
IIF Hiroshima Seifushinto Logistics Center	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
IIF Shonan Logistics Center	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
IIF Totsuka Technology Center (Land with leasehold interest)	1	100.0	154	1.1	1	100.0	154	1.0
IIF Yokohama Tsuzuki Technology Center	1	100.0	59	0.4	1	100.0	59	0.4
IIF Mitaka Card Center	1	100.0	364	2.6	1	100.0	365	2.5
IIF Kamata R&D Center	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
IIF Kawasaki Science Center	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
IIF Sagamiara R&D Center	2	100.0	(Note 3)	(Note 3)	2	100.0	(Note 3)	(Note 3)
IIF Yokohama Shinyamashita R&D Center	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
IIF Kakegawa Manufacturing Center (Land with leasehold interest)	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)

Name of property	For the six months ended							
	January 31, 2021				July 31, 2021			
	Number of tenants (Note 1)	Occupancy ratio (%) (Note 2)	Rental revenues (Millions of yen)	Ratio of rental revenue to total rental revenues (%) (Note 2)	Number of tenants (Note 1)	Occupancy ratio (%) (Note 2)	Rental revenues (Millions of yen)	Ratio of rental revenue to total rental revenues (%) (Note 2)
IIF Urayasu Machinery Maintenance Center (Land with leasehold interest)	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
IIF Yokosuka Technology Center	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
IIF Shonan Technology Center	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
IIF Hiroshima Manufacturing Center (Land with leasehold interest) (Note 5)	1	100.0	(Note 3)	(Note 3)	—	—	(Note 3)	(Note 3)
IIF Totsuka Manufacturing Center (Land with leasehold interest)	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
IIF Atsugi Manufacturing Center (Note 6)	2	100.0	(Note 3)	(Note 3)	2	100.0	(Note 3)	(Note 3)
IIF Tsukuba Manufacturing Center (Land with leasehold interest) (Note 7)	1	100.0	(Note 3)	(Note 3)	—	—	(Note 3)	(Note 3)
IIF Shin-Kawasaki R&D Center	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
IIF Ichikawa Food Processing Center	2	100.0	(Note 3)	(Note 3)	2	100.0	(Note 3)	(Note 3)
IIF Gifu Kakamigahara Manufacturing Center (Land with leasehold interest)	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
IIF Yokohama Tsuzuki R&D Center	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
IIF Okazaki Manufacturing Center (Land with leasehold interest)	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
IIF Shonan Health Innovation Park	8	100.0	(Note 3)	(Note 3)	8	100.0	(Note 3)	(Note 3)
IIF Ichihara Manufacturing Center (Land with leasehold interest)	2	100.0	(Note 3)	(Note 3)	2	100.0	(Note 3)	(Note 3)
IIF Kobe District Heating and Cooling Center	4	100.0	332	2.4	4	100.0	332	2.2
IIF Haneda Airport Maintenance Center	1	100.0	1,468	10.6	1	100.0	1,492	10.0
IIF Zama IT Solution Center (Note 8)	1	100.0	(Note 3)	(Note 3)	—	—	(Note 3)	(Note 3)
IIF Shinagawa Data Center	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
IIF Osaka Toyonaka Data Center	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
IIF Osaka Nanko IT Solution Center	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
IIF Nagoya Port Tank Terminal (Land with leasehold interest)	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
IIF Shinagawa IT Solution Center (Note 9)	9	100.0	(Note 3)	(Note 3)	9	100.0	(Note 3)	(Note 3)
IIF Higashimatsuyama Gas Tank Maintenance Center (Land with leasehold interest)	1	100.0	(Note 3)	(Note 3)	1	100.0	(Note 3)	(Note 3)
Total (Note 10)	110	100.0	13,867	100.0	107	100.0	14,884	100.0

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

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

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

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

Note 5 The property was sold on March 25, 2021.

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

Note 7 The property was sold on April 16, 2021.

Note 8 The property was sold on April 30, 2021.

Note 9 The property was sold on August 2, 2021.

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

4. Details of renewable energy generation facilities

None

5. Details of operation rights of public facilities

None

6. Details of investment securities

The investment in Tokumei Kumiai ("TK") agreements as July 31, 2021 were as follows:

Name	Classification of assets	Quantity	Net book value (Millions of yen)		Fair value (Note1) (Millions of yen)		Valuation (Millions of yen)	Remarks
			Per unit	Amount	Per unit	Amount		
Tokumei Kumiai interest in Godo Kaisha Industrial Asset Holdings 6	Investments in Tokumei Kumiai agreement	—	—	89	—	111	22	—
Total		—	—	89	—	111	22	

Note 1 The value of the investments in Tokumei Kumiai agreements, or TK, represents the proportionate ownership of the net asset value of the TK. The net asset value of the TK is determined as the difference between the assets owned by the TK, which is comprised properties which are, per the Investment Corporation's policy, valued by discount cash flow model and financial assets which are valued as appropriate per generally accepted accounting standards, and liabilities held by the TK. The method used to determine the value of the TK is not consistent with a method used to determine the fair value of the investments in TK as financial assets (please refer to "Note 18 - Financial instruments, (b) Quantitative information for financial instruments, Note (2) Financial instruments for which fair value is difficult to determine" in the accompanying financial statements).

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

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

7. Details of specified transaction

The details of specified transaction as of July 31, 2021 were as follows:

Classification	Transaction	Contract amount (Note 1)		Fair value (Note 2)
			Over 1 year	
Over-the-counter	Interest rate swaps (Floating-rate to fixed-rate interest)	33,600	29,400	(657)
Total		33,600	29,400	(657)

Note 1 Contract amount represents notional amount.

Note 2 The fair value is estimated by the counterparty to the interest rate swaps contracts using market interest rates and other assumptions.

Note 3 The interest rate swaps for which the Investment Corporation had applied the special treatment provided under the Accounting Standards Board of Japan Statement No.10, "Accounting Standard for Financial Instruments" revised on March 10, 2008, are not required to be measured in the balance sheets.

8. Other assets

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

There was no other significant specified asset as of July 31, 2021.

Capital expenditures for property

1. Schedule of capital expenditures

The significant plan for capital expenditures on property maintenance as of July 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 July 31, 2021	Total of advanced payment
IIF Kobe Logistics Center	Kobe-shi, Hyogo	Large renovation (installment of partition wall, enlargement of ELV and vertical carrier, etc)	April, 2021 to April, 2022	579	1	6
IIF Shonan Health Innovation Park	Fujisawa-shi, Kanagawa	Renewal of lighting equipment at building 1	November, 2021 to June, 2022	285	-	-
IIF Shonan Health Innovation Park	Fujisawa-shi, Kanagawa	Conversion construction of A-building for B-building (A33E)	December, 2021 to June, 2022	262	-	-
IIF Haneda Airport Maintenance Center	Ota-ku, Tokyo	Renewal construction of fire extinguisher equipment (1st period / 2 periods)	May, 2022 to July, 2023	253	-	-
IIF Shonan Health Innovation Park	Fujisawa-shi, Kanagawa	Conversion construction of A-building for B-building (A32E)	June, 2021 to October, 2021	251	0	0
IIF Osaka Konohana Logistics Center	Osaka-shi, Osaka	Waterproofing construction of rooftop parking and tower	January, 2022 to November, 2022	143	-	-
IIF Noda Logistics Center	Noda-shi, Chiba	Rezoning construction of disaster prevention section (Japan Logistic Systems Corp. area)	August, 2021 to March, 2022	120	0	0
IIF Noda Logistics Center	Noda-shi, Chiba	Rezoning construction of disaster prevention section (MDL area)	August, 2021 to December, 2022	120	0	0
IIF Yokohama Tsuzuki Technology Center	Yokohama-shi, Kanagawa	Renewal of air conditioning system	October, 2021 to May, 2022	101	-	-
IIF Osaka Konohana Logistics Center	Osaka-shi, Osaka	Renewal of cargo elevator (No.4, 5 and 6)	August, 2022 to November, 2022	90	-	-
IIF Shonan Health Innovation Park	Fujisawa-shi, Kanagawa	Rezoning construction of office at M floor	November, 2021 to January, 2022	75	-	-
IIF Shonan Health Innovation Park	Fujisawa-shi, Kanagawa	Renewal of electric power monitoring equipment	January, 2023 to August, 2023	65	-	-
IIF Shonan Health Innovation Park	Fujisawa-shi, Kanagawa	Renewal of access point equipment	August, 2021 to January, 2022	51	-	-
IIF Shinagawa Data Center	Shinagawa-ku, Tokyo	Renewal of VCB (electrical generator) (1st period / 2 periods)	December, 2021	50	-	-

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

Maintenance expenditures on property for the six months ended July 31, 2021 were totaling to ¥1,793 million consisting of ¥1,109 million of capital expenditures stated as below and ¥684 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 Shinonome Logistics Center	Koto-ku, Tokyo	Repair of rooftop, outer wall and green space (1st period / 4 periods)	October, 2020 to July, 2021	112
IIF Shinagawa Data Center	Shinagawa-ku, Tokyo	Renewal of the central monitoring equipment RS device	June, 2021	58
IIF Mitaka Card Center	Mitaka-shi, Tokyo	Renewal of chiller unit	June, 2021 to July, 2021	58
IIF Shonan Health Innovation Park	Fujisawa-shi, Kanagawa	Renewal of main loop HUB for central monitoring equipment	March, 2021	51
Other	-	-	-	829
Total				1,109

3. Reserved funds for long-term maintenance plan

None

Condition of expenses and liabilities

1. Details of asset management expenses

(Thousands of yen)

Item	27th fiscal period	28th fiscal period
	For the six months ended January 31, 2021	For the six months ended July 31, 2021
(a) Asset management fees	1,202,156	1,211,173
(b) Asset custody fees	8,758	9,123
(c) Administrative service fees	37,086	38,554
(d) Directors' compensations	7,010	7,440
(e) Other operating expenses	137,143	187,463
Total	1,392,154	1,453,755

2. Loans payable

Loans payable as of July 31, 2021 were as follows:

Classification	Name of lender	Borrowing date	Balance as of		Average interest rate (%) (Note 1)	Maturity date	Repayment method	Use of proceeds	Remarks
			January 31, 2021 (Millions of yen)	July 31, 2021 (Millions of yen)					
Long-term loans payable	Development Bank of Japan Inc.	March 30, 2012	1,000	1,000	2.2	March 29, 2024	Lump sum	Note 4	Unsecured and unguaranteed
	Development Bank of Japan Inc. (Note 6)	March 30, 2012	2,000	2,000	1.9	March 29, 2022	Lump sum	Note 4	Unsecured and unguaranteed
	Sumitomo Mitsui Banking Corporation (Note 6)	March 30, 2012	500	500	1.9 (Note 2)	March 31, 2022	Lump sum (Note 3)	Note 4	Unsecured and unguaranteed
	Development Bank of Japan Inc.	February 6, 2013	1,000	1,000	1.8	February 5, 2025	Lump sum	Note 4	Unsecured and unguaranteed
	MUFG Bank, Ltd.	February 6, 2013	2,534	2,534	1.4 (Note 2)	February 6, 2023	Lump sum (Note 3)	Note 4	Unsecured and unguaranteed
	Sumitomo Mitsui Trust Bank, Limited		966	966					
	Sumitomo Mitsui Banking Corporation	February 6, 2013	500	500	1.4 (Note 2)	February 6, 2023	Lump sum (Note 3)	Note 4	Unsecured and unguaranteed
	Mizuho Bank, Ltd.	February 6, 2013	1,000	1,000	1.5 (Note 2)	February 6, 2023	Lump sum (Note 3)	Note 4	Unsecured and unguaranteed
	Nippon Life Insurance Company	February 6, 2013	500	500	1.6	February 6, 2023	Lump sum	Note 4	Unsecured and unguaranteed
	Shinsei Bank, Limited	February 6, 2013	500	500	1.4 (Note 2)	February 6, 2023	Lump sum (Note 3)	Note 4	Unsecured and unguaranteed
	MUFG Bank, Ltd. (Note 6)	February 6, 2013	362	362	1.2 (Note 2)	February 4, 2022	Lump sum (Note 3)	Note 4	Unsecured and unguaranteed
	Sumitomo Mitsui Trust Bank, Limited (Note 6)		138	138					
	Sumitomo Mitsui Banking Corporation (Note 6)	February 6, 2013	500	500	1.2 (Note 2)	February 4, 2022	Lump sum (Note 3)	Note 4	Unsecured and unguaranteed
	Nippon Life Insurance Company	June 28, 2013	2,000	2,000	1.8	June 28, 2024	Lump sum	Note 5	Unsecured and unguaranteed
	Sumitomo Mitsui Trust Bank, Limited	June 28, 2013	2,500	2,500	1.7 (Note 2)	June 30, 2023	Lump sum (Note 3)	Note 5	Unsecured and unguaranteed
	Mizuho Bank, Ltd. (Note 6)	June 28, 2013	1,500	1,500	1.6 (Note 2)	June 30, 2022	Lump sum (Note 3)	Note 5	Unsecured and unguaranteed
	MUFG Bank, Ltd.	October 18, 2013	7,500	7,500	1.4 (Note 2)	October 18, 2023	Lump sum (Note 3)	Note 5	Unsecured and unguaranteed
	Sumitomo Mitsui Banking Corporation	December 30, 2013	2,000	2,000	1.4 (Note 2)	December 29, 2023	Lump sum (Note 3)	Note 5	Unsecured and unguaranteed
	MUFG Bank, Ltd.	February 6, 2014	700	700	1.3	August 6, 2024	Lump sum (Note 3)	Note 4	Unsecured and unguaranteed
	Sumitomo Mitsui Banking Corporation	February 6, 2014	900	900	1.2 (Note 2)	February 6, 2024	Lump sum (Note 3)	Note 4	Unsecured and unguaranteed

Classification	Name of lender	Borrowing date	Balance as of		Average interest rate (%) (Note 1)	Maturity date	Repayment method	Use of proceeds	Remarks
			January 31, 2021 (Millions of yen)	July 31, 2021 (Millions of yen)					
Long-term loans payable	The Yamaguchi Bank, Ltd.	February 6, 2014	500	500	1.1	August 4, 2023	Lump sum (Note 3)	Note 4	Unsecured and unguaranteed
	The Nishi-Nippon City Bank, Ltd.	February 6, 2014	500	500	1.0 (Note 2)	August 5, 2022	Lump sum (Note 3)	Note 4	Unsecured and unguaranteed
	MUFG Bank, Ltd. (Note 6)	February 6, 2014	868	868	0.9 (Note 2)	February 4, 2022	Lump sum (Note 3)	Note 4	Unsecured and unguaranteed
	Sumitomo Mitsui Trust Bank, Limited (Note 6)		331	331					
	Development Bank of Japan Inc.	March 13, 2014	1,000	1,000	1.7	March 13, 2026	Lump sum	Note 4	Unsecured and unguaranteed
	MUFG Bank, Ltd.	March 13, 2014	724	724	1.7 (Note 2)	March 13, 2026	Lump sum (Note 3)	Note 4	Unsecured and unguaranteed
	Sumitomo Mitsui Trust Bank, Limited		276	276					
	MUFG Bank, Ltd.	March 13, 2014	1,158	1,158	1.3 (Note 2)	March 13, 2024	Lump sum (Note 3)	Note 4	Unsecured and unguaranteed
	Sumitomo Mitsui Trust Bank, Limited		441	441					
	MUFG Bank, Ltd.	March 16, 2015	1,350	1,350	1.0	March 14, 2025	Lump sum	Note 4	Unsecured and unguaranteed
	Shinsei Bank, Limited	March 16, 2015	850	850	1.0 (Note 2)	March 14, 2025	Lump sum (Note 3)	Note 4	Unsecured and unguaranteed
	Mizuho Trust & Banking Co., Ltd.	March 16, 2015	850	850	1.0 (Note 2)	March 14, 2025	Lump sum (Note 3)	Note 4	Unsecured and unguaranteed
	MUFG Bank, Ltd.	March 16, 2015	2,570	2,570	0.9 (Note 2)	September 13, 2024	Lump sum (Note 3)	Note 4	Unsecured and unguaranteed
	Sumitomo Mitsui Trust Bank, Limited		979	979					
	The Chugoku Bank, LTD.	March 16, 2015	700	700	0.7 (Note 2)	September 15, 2022	Lump sum (Note 3)	Note 4	Unsecured and unguaranteed
	Development Bank of Japan Inc.	March 31, 2015	1,000	1,000	1.3	March 31, 2027	Lump sum	Note 4	Unsecured and unguaranteed
	Meiji Yasuda Life Insurance Company	March 31, 2015	850	850	1.2	March 31, 2026	Lump sum (Note 3)	Note 4	Unsecured and unguaranteed
	Sumitomo Mitsui Trust Bank, Limited	March 31, 2015	1,500	1,500	1.0	March 31, 2025	Lump sum (Note 3)	Note 4	Unsecured and unguaranteed
	MUFG Bank, Ltd.	March 31, 2015	832	832	0.9 (Note 2)	September 30, 2024	Lump sum (Note 3)	Note 4	Unsecured and unguaranteed
	Sumitomo Mitsui Trust Bank, Limited		317	317					
	Mizuho Bank, Ltd.	April 15, 2016	800	800	0.5 (Note 2)	March 31, 2026	Lump sum (Note 3)	Note 4	Unsecured and unguaranteed
	The Bank of Fukuoka, Ltd.	April 15, 2016	800	800	0.5	March 31, 2026	Lump sum (Note 3)	Note 4	Unsecured and unguaranteed
	MUFG Bank, Ltd.	August 31, 2016	2,000	2,000	0.4	August 31, 2026	Lump sum	Note 5	Unsecured and unguaranteed
	MUFG Bank, Ltd.	February 17, 2017	1,600	1,600	0.5	August 15, 2025	Lump sum	Note 4	Unsecured and unguaranteed
	MUFG Bank, Ltd.	March 6, 2017	3,255	3,255	0.6	March 6, 2026	Lump sum (Note 3)	Note 5	Unsecured and unguaranteed
	Sumitomo Mitsui Trust Bank, Limited		1,244	1,244					
	MUFG Bank, Ltd.	March 6, 2017	2,170	2,170	0.7	September 4, 2026	Lump sum (Note 3)	Note 5	Unsecured and unguaranteed
	Sumitomo Mitsui Trust Bank, Limited		829	829					
	Sumitomo Mitsui Banking Corporation	March 6, 2017	1,500	1,500	0.5	March 6, 2025	Lump sum (Note 3)	Note 5	Unsecured and unguaranteed
	MUFG Bank, Ltd.	March 17, 2017	2,099	2,099	0.6	September 17, 2025	Lump sum (Note 3)	Note 4	Unsecured and unguaranteed
	Sumitomo Mitsui Trust Bank, Limited		800	800					
	MUFG Bank, Ltd.	March 17, 2017	1,000	1,000	0.5	March 17, 2026	Lump sum	Note 4	Unsecured and unguaranteed
	Development Bank of Japan Inc.	March 17, 2017	1,000	1,000	0.9	March 16, 2029	Lump sum	Note 4	Unsecured and unguaranteed
	Sumitomo Mitsui Banking Corporation	March 17, 2017	1,500	1,500	0.5	March 17, 2025	Lump sum (Note 3)	Note 4	Unsecured and unguaranteed
	Mizuho Bank, Ltd.	March 17, 2017	1,000	1,000	0.6	March 17, 2027	Lump sum (Note 3)	Note 4	Unsecured and unguaranteed
	The Nishi-Nippon City Bank, Ltd.	March 17, 2017	1,000	1,000	0.7	March 17, 2027	Lump sum (Note 3)	Note 4	Unsecured and unguaranteed
	Mizuho Trust & Banking Co., Ltd.	March 17, 2017	1,000	1,000	0.7	March 17, 2027	Lump sum (Note 3)	Note 4	Unsecured and unguaranteed
	The Bank of Fukuoka, Ltd.	March 17, 2017	1,000	1,000	0.7	March 17, 2027	Lump sum (Note 3)	Note 4	Unsecured and unguaranteed
	The Norinchukin Bank	March 17, 2017	1,000	1,000	0.5	March 17, 2025	Lump sum (Note 3)	Note 4	Unsecured and unguaranteed

Classification	Name of lender	Borrowing date	Balance as of		Average interest rate (%) (Note 1)	Maturity date	Repayment method	Use of proceeds	Remarks
			January 31, 2021 (Millions of yen)	July 31, 2021 (Millions of yen)					
Long-term loans payable	MUFG Bank, Ltd.	March 31, 2017	4,054	4,054	0.6	September 30, 2025	Lump sum (Note 3)	Note 5	Unsecured and unguaranteed
	Sumitomo Mitsui Trust Bank, Limited		1,545	1,545					
	MUFG Bank, Ltd.	March 31, 2017	1,000	1,000	0.7	March 31, 2027	Lump sum (Note 3)	Note 5	Unsecured and unguaranteed
	Sumitomo Mitsui Banking Corporation	March 31, 2017	600	600	0.5	March 31, 2025	Lump sum (Note 3)	Note 5	Unsecured and unguaranteed
	Shinsei Bank, Limited	March 31, 2017	1,000	1,000	0.7	March 31, 2027	Lump sum (Note 3)	Note 5	Unsecured and unguaranteed
	Development Bank of Japan Inc.	March 31, 2017	1,300	1,300	0.8	March 30, 2029	Lump sum	Note 5	Unsecured and unguaranteed
	Mizuho Bank, Ltd.	March 31, 2017	1,200	1,200	0.6	March 31, 2027	Lump sum (Note 3)	Note 5	Unsecured and unguaranteed
	MUFG Bank, Ltd.	September 29, 2017	2,791	2,791	0.3	September 30, 2022	Lump sum (Note 3)	Note 5	Unsecured and unguaranteed
	Sumitomo Mitsui Trust Bank, Limited		1,009	1,009					
	MUFG Bank, Ltd.	September 29, 2017	2,938	2,938	0.7	September 30, 2027	Lump sum (Note 3)	Note 5	Unsecured and unguaranteed
	Sumitomo Mitsui Trust Bank, Limited		1,062	1,062					
	MUFG Bank, Ltd.	September 29, 2017	2,791	2,791	0.9	September 28, 2029	Lump sum (Note 3)	Note 5	Unsecured and unguaranteed
	Sumitomo Mitsui Trust Bank, Limited		1,009	1,009					
	MUFG Bank, Ltd.	February 1, 2018	2,099	2,099	0.5	August 1, 2024	Lump sum (Note 3)	Note 4	Unsecured and unguaranteed
	Sumitomo Mitsui Trust Bank, Limited		800	800					
	JAPAN POST INSURANCE Co., Ltd.	February 1, 2018	2,300	2,300	0.9	February 1, 2030	Lump sum (Note 3)	Note 4	Unsecured and unguaranteed
	Sumitomo Mitsui Trust Bank, Limited		100	100					
	Mizuho Bank, Ltd.	February 1, 2018	700	700	0.7	February 1, 2028	Lump sum (Note 3)	Note 4	Unsecured and unguaranteed
	Development Bank of Japan Inc.	February 27, 2018	2,500	2,500	0.7	August 31, 2028	Lump sum	Note 5	Unsecured and unguaranteed
	Development Bank of Japan Inc.	February 27, 2018	2,500	2,500	0.9	February 28, 2030	Lump sum	Note 5	Unsecured and unguaranteed
	Development Bank of Japan Inc.	March 7, 2018	400	400	0.7	September 7, 2028	Lump sum	Note 4	Unsecured and unguaranteed
	Sumitomo Mitsui Banking Corporation	March 7, 2018	400	400	0.6	September 7, 2027	Lump sum (Note 3)	Note 4	Unsecured and unguaranteed
	Mizuho Bank, Ltd.	March 7, 2018	400	400	0.6	March 7, 2028	Lump sum (Note 3)	Note 4	Unsecured and unguaranteed
	Mizuho Trust & Banking Co., Ltd.	March 7, 2018	1,100	1,100	0.6	March 7, 2028	Lump sum (Note 3)	Note 4	Unsecured and unguaranteed
	MUFG Bank, Ltd. (Note 6)	March 9, 2018	1,808	1,808	0.3	September 9, 2021	Lump sum (Note 3)	Note 5	Unsecured and unguaranteed
	Sumitomo Mitsui Trust Bank, Limited (Note 6)		692	692					
	MUFG Bank, Ltd.	March 9, 2018	3,618	3,618	0.7	March 9, 2028	Lump sum (Note 3)	Note 5	Unsecured and unguaranteed
	Sumitomo Mitsui Trust Bank, Limited		1,382	1,382					
	MUFG Bank, Ltd.	March 9, 2018	724	724	0.8	March 9, 2029	Lump sum (Note 3)	Note 5	Unsecured and unguaranteed
	Sumitomo Mitsui Trust Bank, Limited		276	276					
	MUFG Bank, Ltd. (Note 6)	March 30, 2018	796	796	0.3	September 30, 2021	Lump sum (Note 3)	Note 4	Unsecured and unguaranteed
	Sumitomo Mitsui Trust Bank, Limited (Note 6)		303	303					
	MUFG Bank, Ltd.	March 30, 2018	434	434	0.6	September 30, 2027	Lump sum (Note 3)	Note 4	Unsecured and unguaranteed
	Sumitomo Mitsui Trust Bank, Limited		165	165					
	Development Bank of Japan Inc.	March 30, 2018	1,200	1,200	0.7	September 29, 2028	Lump sum	Note 4	Unsecured and unguaranteed
	Sumitomo Mitsui Banking Corporation (Note 6)	March 30, 2018	1,000	1,000	0.3	September 30, 2021	Lump sum (Note 3)	Note 4	Unsecured and unguaranteed
	Sumitomo Mitsui Banking Corporation	March 30, 2018	600	600	0.6	September 30, 2027	Lump sum (Note 3)	Note 4	Unsecured and unguaranteed
	Mizuho Bank, Ltd.	March 30, 2018	500	500	0.6	March 31, 2028	Lump sum (Note 3)	Note 4	Unsecured and unguaranteed
	Sumitomo Mitsui Trust Bank, Limited	March 29, 2019	500	500	0.5	March 31, 2027	Lump sum (Note 3)	Note 5	Unsecured and unguaranteed
	Sumitomo Mitsui Banking Corporation	March 29, 2019	1,500	1,500	0.2	March 29, 2024	Lump sum (Note 3)	Note 5	Unsecured and unguaranteed
	MUFG Bank, Ltd.	March 29, 2019	1,000	1,000	0.4	September 30, 2027	Lump sum	Note 5	Unsecured and unguaranteed

Classification	Name of lender	Borrowing date	Balance as of		Average interest rate (%) (Note 1)	Maturity date	Repayment method	Use of proceeds	Remarks
			January 31, 2021 (Millions of yen)	July 31, 2021 (Millions of yen)					
Long-term loans payable	MUFG Bank, Ltd.	March 29, 2019	1,000	1,000	0.5	September 29, 2028	Lump sum	Note 5	Unsecured and unguaranteed
	MUFG Bank, Ltd.	March 29, 2019	3,274	3,274	0.5	March 29, 2029	Lump sum	Note 5	Unsecured and unguaranteed
	MUFG Bank, Ltd. (Note 6)	May 31, 2019	1,000	1,000	0.2	November 30, 2021	Lump sum	Note 4	Unsecured and unguaranteed
	MUFG Bank, Ltd.	May 31, 2019	900	900	0.4	November 30, 2028	Lump sum	Note 4	Unsecured and unguaranteed
	Sumitomo Mitsui Trust Bank, Limited (Note 6)	May 31, 2019	800	800	0.2	May 31, 2022	Lump sum (Note 3)	Note 4	Unsecured and unguaranteed
	Sumitomo Mitsui Trust Bank, Limited	May 31, 2019	800	800	0.4	November 30, 2026	Lump sum (Note 3)	Note 4	Unsecured and unguaranteed
	The Norinchukin Bank	May 31, 2019	1,000	1,000	0.3	August 2, 2027	Lump sum (Note 3)	Note 4	Unsecured and unguaranteed
	Sumitomo Mitsui Banking Corporation	May 31, 2019	800	800	0.4	November 30, 2027	Lump sum (Note 3)	Note 4	Unsecured and unguaranteed
	Sumitomo Mitsui Banking Corporation	May 31, 2019	800	800	0.4	November 30, 2028	Lump sum (Note 3)	Note 4	Unsecured and unguaranteed
	Mizuho Bank, Ltd.	May 31, 2019	1,000	1,000	0.4	May 31, 2028	Lump sum (Note 3)	Note 4	Unsecured and unguaranteed
	Mizuho Bank, Ltd.	May 31, 2019	1,000	1,000	0.5	May 31, 2029	Lump sum (Note 3)	Note 4	Unsecured and unguaranteed
	Shinsei Bank, Limited	May 31, 2019	1,000	1,000	0.5	May 31, 2029	Lump sum (Note 3)	Note 4	Unsecured and unguaranteed
	Development Bank of Japan Inc.	May 31, 2019	1,600	1,600	0.6	May 31, 2030	Lump sum	Note 4	Unsecured and unguaranteed
	Nippon Life Insurance Company	May 31, 2019	1,500	1,500	0.6	May 31, 2030	Lump sum	Note 4	Unsecured and unguaranteed
	MUFG Bank, Ltd.	June 28, 2019	583	583	0.5	November 30, 2028	Lump sum	Note 5	Unsecured and unguaranteed
	Sumitomo Mitsui Banking Corporation	September 30, 2019	1,626	1,626	0.3	September 29, 2028	Lump sum (Note 3)	Note 5	Unsecured and unguaranteed
	Mizuho Bank, Ltd.	March 31, 2020	1,500	1,500	0.4	March 29, 2030	Lump sum (Note 3)	Note 5	Unsecured and unguaranteed
	MUFG Bank, Ltd.	April 27, 2020	200	200	0.2	April 30, 2023	Lump sum	Note 4	Unsecured and unguaranteed
	MUFG Bank, Ltd.	April 27, 2020	400	400	0.4	October 31, 2029	Lump sum	Note 4	Unsecured and unguaranteed
	Sumitomo Mitsui Trust Bank, Limited	April 27, 2020	200	200	0.3	October 31, 2024	Lump sum (Note 3)	Note 4	Unsecured and unguaranteed
	Sumitomo Mitsui Trust Bank, Limited	April 27, 2020	300	300	0.4	October 31, 2027	Lump sum (Note 3)	Note 4	Unsecured and unguaranteed
	Mizuho Bank, Ltd.	April 27, 2020	300	300	0.3	April 30, 2028	Lump sum (Note 3)	Note 4	Unsecured and unguaranteed
	Mizuho Bank, Ltd.	April 27, 2020	300	300	0.4	October 31, 2029	Lump sum (Note 3)	Note 4	Unsecured and unguaranteed
	Sumitomo Mitsui Banking Corporation	April 27, 2020	500	500	0.4	October 31, 2028	Lump sum (Note 3)	Note 4	Unsecured and unguaranteed
	Mizuho Trust & Banking Co., Ltd.	April 27, 2020	300	300	0.4	October 31, 2029	Lump sum (Note 3)	Note 4	Unsecured and unguaranteed
	Development Bank of Japan Inc.	April 27, 2020	500	500	0.5	October 31, 2030	Lump sum	Note 4	Unsecured and unguaranteed
	MUFG Bank, Ltd.	May 28, 2020	300	300	0.2	April 30, 2023	Lump sum	Note 4	Unsecured and unguaranteed
	MUFG Bank, Ltd.	May 28, 2020	1,000	1,000	0.4	October 31, 2029	Lump sum	Note 4	Unsecured and unguaranteed
	Sumitomo Mitsui Trust Bank, Limited	May 28, 2020	500	500	0.3	October 31, 2024	Lump sum (Note 3)	Note 4	Unsecured and unguaranteed
	Sumitomo Mitsui Trust Bank, Limited	May 28, 2020	700	700	0.4	October 31, 2027	Lump sum (Note 3)	Note 4	Unsecured and unguaranteed
	Mizuho Bank, Ltd.	May 28, 2020	500	500	0.3	April 30, 2028	Lump sum (Note 3)	Note 4	Unsecured and unguaranteed
	Mizuho Bank, Ltd.	May 28, 2020	800	800	0.4	October 31, 2029	Lump sum (Note 3)	Note 4	Unsecured and unguaranteed
	Sumitomo Mitsui Banking Corporation	May 28, 2020	1,100	1,100	0.4	October 31, 2028	Lump sum (Note 3)	Note 4	Unsecured and unguaranteed
	Mizuho Trust & Banking Co., Ltd.	May 28, 2020	800	800	0.4	October 31, 2029	Lump sum (Note 3)	Note 4	Unsecured and unguaranteed
	Development Bank of Japan Inc.	May 28, 2020	1,300	1,300	0.5	October 31, 2030	Lump sum	Note 4	Unsecured and unguaranteed

Classification	Name of lender	Borrowing date	Balance as of		Average interest rate (%) (Note 1)	Maturity date	Repayment method	Use of proceeds	Remarks
			January 31, 2021 (Millions of yen)	July 31, 2021 (Millions of yen)					
Long-term loans payable	Sumitomo Mitsui Trust Bank, Limited	June 30, 2020	1,000	1,000	0.4	June 30, 2027	Lump sum (Note 3)	Note 5	Unsecured and unguaranteed
	The Norinchukin Bank	June 30, 2020	1,500	1,500	0.3	June 30, 2028	Lump sum (Note 3)	Note 5	Unsecured and unguaranteed
	MUFG Bank, Ltd.	July 13, 2020	300	300	0.2	April 30, 2023	Lump sum	Note 4	Unsecured and unguaranteed
	MUFG Bank, Ltd.	July 13, 2020	500	500	0.4	October 31, 2029	Lump sum	Note 4	Unsecured and unguaranteed
	Sumitomo Mitsui Trust Bank, Limited	July 13, 2020	200	200	0.2	October 31, 2024	Lump sum (Note 3)	Note 4	Unsecured and unguaranteed
	Sumitomo Mitsui Trust Bank, Limited	July 13, 2020	400	400	0.4	October 31, 2027	Lump sum (Note 3)	Note 4	Unsecured and unguaranteed
	Mizuho Bank, Ltd.	July 13, 2020	200	200	0.3	April 30, 2028	Lump sum (Note 3)	Note 4	Unsecured and unguaranteed
	Mizuho Bank, Ltd.	July 13, 2020	500	500	0.4	October 31, 2029	Lump sum (Note 3)	Note 4	Unsecured and unguaranteed
	Sumitomo Mitsui Banking Corporation	July 13, 2020	700	700	0.4	October 31, 2028	Lump sum (Note 3)	Note 4	Unsecured and unguaranteed
	Mizuho Trust & Banking Co., Ltd.	July 13, 2020	500	500	0.4	October 31, 2029	Lump sum (Note 3)	Note 4	Unsecured and unguaranteed
	Development Bank of Japan Inc.	July 13, 2020	700	700	0.5	October 31, 2030	Lump sum	Note 4	Unsecured and unguaranteed
	MUFG Bank, Ltd.	September 28, 2020	1,000	1,000	0.2	March 28, 2024	Lump sum	Note 4	Unsecured and unguaranteed
	MUFG Bank, Ltd.	September 28, 2020	1,000	1,000	0.3	March 28, 2030	Lump sum	Note 4	Unsecured and unguaranteed
	MUFG Bank, Ltd.	September 28, 2020	3,000	3,000	0.4	September 27, 2030	Lump sum	Note 4	Unsecured and unguaranteed
	Sumitomo Mitsui Trust Bank, Limited	September 28, 2020	1,300	1,300	0.2	September 30, 2024	Lump sum (Note 3)	Note 4	Unsecured and unguaranteed
	Sumitomo Mitsui Trust Bank, Limited	September 28, 2020	1,500	1,500	0.2	March 29, 2027	Lump sum (Note 3)	Note 4	Unsecured and unguaranteed
	Sumitomo Mitsui Trust Bank, Limited	September 28, 2020	1,200	1,200	0.3	September 28, 2027	Lump sum (Note 3)	Note 4	Unsecured and unguaranteed
	Development Bank of Japan Inc.	September 28, 2020	2,800	2,800	0.5	September 29, 2031	Lump sum	Note 4	Unsecured and unguaranteed
	Sumitomo Mitsui Banking Corporation	September 28, 2020	1,000	1,000	0.2	September 28, 2023	Lump sum (Note 3)	Note 4	Unsecured and unguaranteed
	Sumitomo Mitsui Banking Corporation	September 28, 2020	1,500	1,500	0.2	September 28, 2026	Lump sum (Note 3)	Note 4	Unsecured and unguaranteed
	Sumitomo Mitsui Banking Corporation	September 28, 2020	1,500	1,500	0.3	September 28, 2029	Lump sum (Note 3)	Note 4	Unsecured and unguaranteed
	Mizuho Bank, Ltd.	September 28, 2020	1,000	1,000	0.4	March 28, 2030	Lump sum (Note 3)	Note 4	Unsecured and unguaranteed
	Mizuho Bank, Ltd.	September 28, 2020	3,000	3,000	0.4	September 27, 2030	Lump sum (Note 3)	Note 4	Unsecured and unguaranteed
	Shinsei Bank, Limited	September 28, 2020	1,500	1,500	0.4	September 27, 2030	Lump sum (Note 3)	Note 4	Unsecured and unguaranteed
	The Norinchukin Bank	September 28, 2020	2,500	2,500	0.3	March 28, 2029	Lump sum (Note 3)	Note 4	Unsecured and unguaranteed
	Sub-total		184,383	184,383					
Total			184,383	184,383					

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

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

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

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

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

Note 6 These long-term loans payable are current portion as of July 31, 2021.

3. Investment corporation bonds

Name of bonds	Issuance date	Balance as of		Interest rate (%)	Maturity date	Repayment method	Use of proceeds	Remarks
		January 31, 2021 (Millions of yen)	July 31, 2021 (Millions of yen)					
The 2 nd Unsecured Investment Corporation Bond	December 27, 2012	5,000	5,000	1.40	December 27, 2022	Lump sum (Note)	Repayment of outstanding loans payable	Unsecured and unguaranteed
The 3 rd Unsecured Investment Corporation Bond	June 26, 2014	2,000	2,000	0.89	June 26, 2024	Lump sum (Note)	Repayment of outstanding loans payable	Unsecured and unguaranteed
The 4 th Unsecured Investment Corporation Bond	December 26, 2016	3,000	3,000	0.40	December 25, 2026	Lump sum (Note)	Repayment of investment corporation bonds	Unsecured and unguaranteed
Total		10,000	10,000					

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

4. Short-term investment corporation bonds

None

5. Investment unit warrants

None

Condition of investment transactions

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

(Millions of yen)

Classification of assets	Name of real property, etc.	Acquisition		Disposition			
		Date of acquisition	Acquisition cost (Note)	Date of disposition	Disposition amount (Note)	Net book value	Gain (loss) on disposition
Trust beneficial interest	IIF Hiroshima Manufacturing Center (Land with leasehold interest)	-	-	March 25, 2021	1,910	1,693	147
Real property	IIF Tsukuba Manufacturing Center (Land with leasehold interest)	-	-	April 16, 2021	1,320	957	313
Trust beneficial interest	IIF Zama IT Solution Center	-	-	April 30, 2021	4,800	4,952	(185)
Total			-		8,030	7,603	275

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

2. Transactions of other assets

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

3. Research for specified assets value, etc.

(1) Property (Appraisal value)

(Millions of yen)

Acquisition /Disposition	Name of property	Date of acquisition /disposition	Acquisition Cost /Disposition amount (Note 1)	Appraisal value (Note 2)	Name of appraiser	Date of appraisal
Disposition	IIF Hiroshima Manufacturing Center (Land with leasehold interest)	March 25, 2021	1,910	1,880	Japan Real Estate Institute	January 31, 2021
Disposition	IIF Tsukuba Manufacturing Center (Land with leasehold interest)	April 16, 2021	1,320	1,310	CBRE K.K.	January 31, 2021
Disposition	IIF Zama IT Solution Center	April 30, 2021	4,800	5,530	Japan Real Estate Institute	January 31, 2021

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

Note 2 Appraisal value is based on appraisal value or researched value.

(2) Investment securities

None

(3) Other transaction

None

4. Transactions with interested parties

(1) Outline of transactions

None

(2) Amounts of fees paid and other expenses

(Thousand of yen)

Classification	Total amount (A)	Transactions with interested parties or major shareholders		(B) / (A)
		Name of counter party	Amount of payment (B)	
Facility management fees	1,032,091	NIKKEN CORPORATION	4,297	0.4%
		Mitsubishi Corporation	5,997	0.6%

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

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

None

Financial information

1. Financial position and operating results

Please refer to the accompanying financial statements.

2. Changes in depreciation method

None

3. Changes in valuation method of real property

None

Outline of overseas real estate investment corporation

1. Disclosure relating to overseas real estate investment corporation

None

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

None

Other information

1. Investment units held by the asset manager

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

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

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

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

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

Date	Number of investment units held at end of period (Units)	Aggregated value of investment units held at end of period (Thousands of yen) (Note)	Ratio of number of investment units held to number of investment units issued and outstanding
The 19th fiscal period (July 1, 2016 to December 31, 2016)	1,200	668,400	0.3%
The 20th fiscal period (January 1, 2017 to July 31, 2017)	1,200	598,800	0.3%
The 21st fiscal period (August 1, 2017 to January 31, 2018)	1,200	599,040	0.3%
The 22nd fiscal period (February 1, 2018 to July 31, 2018)	4,800	578,880	0.3%
The 23rd fiscal period (August 1, 2018 to January 31, 2019)	4,800	558,240	0.3%
The 24th fiscal period (February 1, 2019 to July 31, 2019)	4,800	683,520	0.3%
The 25th fiscal period (August 1, 2019 to January 31, 2020)	4,800	800,640	0.3%
The 26th fiscal period (February 1, 2020 to July 31, 2020)	4,800	947,520	0.3%
The 27th fiscal period (August 1, 2020 to January 31, 2021)	4,800	903,360	0.2%
The 28th fiscal period (February 1, 2021 to July 31, 2021)	4,800	1,017,120	0.2%

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

2. Notice

The Board of Directors

Execution or modification of significant agreement approved by the Board of Directors of IIF for the six months ended July 31, 2021 was as follows:

Approval day	Item	Summary
July 28, 2021	Comprehensive approval of issuance of investment corporation bonds and appointment of administrators	The Board of Directors of IIF approved issuance of investment corporation bonds within ¥5 billion in total from August 27, 2021 to August 31, 2021, and appointment of underwriters, financial agency and other general administrator regarding investment corporation bonds. Other relating matters were entrusted to Executive Director.

Note With above comprehensive approval on July 28, 2021, IIF issued the 5th Unsecured Investment Corporation Bond (¥3 billion of 10-year) and the 6th Unsecured Investment Corporation Bond (¥2 billion of 15-year) on September 7, 2021. Administrators relating to the investment corporation bonds were appointed as follows.

(i) Underwriter	SMBC Nikko Securities Inc. , Mizuho Securities Co., Ltd. , Mitsubishi UFJ Morgan Stanley Securities Co., Ltd.
(ii) Financial agency and other general administrator	MUFG Bank, Ltd.

3. Other

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