

Translation

**INDUSTRIAL & INFRASTRUCTURE FUND INVESTMENT CORPORATION**  
**SUMMARY OF FINANCIAL RESULTS**  
**FOR THE SIX MONTHS ENDED JANUARY 31, 2023**

March 13, 2023

Name of issuer: Industrial & Infrastructure Fund Investment Corporation  
 (“the Investment Corporation”)  
 Stock exchange listing: Tokyo Stock Exchange  
 Securities code: 3249  
 Website: <https://www.iif-reit.com/english/>  
 Representative of the Investment Corporation: Kumi Honda, Executive Director  
 Name of asset manager: KJR Management (Former name: Mitsubishi Corp.-UBS Realty Inc.)  
 Representative of the asset manager: Naoki Suzuki, President & CEO  
 Contact: Hidehiko Ueda, Executive Officer Head of Industrial Division  
 Tel: (03)5293-7091  
 Scheduled date for filing of securities report: April 27, 2023  
 Scheduled date for distributions payment: April 17, 2023  
 Supplementary materials for financial results: Otherwise prepared  
 Analyst meeting: Scheduled

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

**1. Financial results for the six months ended January 31, 2023 (August 1, 2022 to January 31, 2023)****(1) Operating results**

(Percentages show period-on-period changes)

	Operating revenues		Operating income		Ordinary income		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
For the six months ended January 31, 2023	17,944	4.4	6,939	-7.0	5,942	-8.5	5,940	-8.5
July 31, 2022	17,194	4.2	7,462	9.9	6,494	12.2	6,492	12.2

  

	Net income per unit		Return on unitholders' equity		Ratio of ordinary income to total assets		Ratio of ordinary income	
	Yen	%		%		%		%
For the six months ended January 31, 2023	2,870	3.1			1.4		33.1	
July 31, 2022	3,136	3.4			1.6		37.8	

**(2) Distributions**

	Distribution per unit (including distributions in excess of profit)	Distribution per unit (excluding distributions in excess of profit)	Distribution per unit in excess of profit	Total distributions (including distributions in excess of profit)	Total distributions (excluding distributions in excess of profit)	Total distributions in excess of profit	Payout ratio	Ratio of distributions to net assets
	Yen	Yen	Yen	Millions of yen	Millions of yen	Millions of yen	%	%
For the six months ended January 31, 2023	3,122	2,870	252	6,462	5,940	521	100.0	3.1
July 31, 2022	3,100	2,932	168	6,417	6,069	347	93.5	3.2

Note 1: All of distribution per unit in excess of profit for the six months ended January 31, 2023 amounting to ¥252 consist of allowance for temporary difference adjustment.

Note 2: All of distribution per unit in excess of profit for the six months ended July 31, 2022 amounting to ¥168 consist of other distribution in excess of profit. The ratio of decrease in net assets is 0.002.

**(3) Financial position**

	Total assets		Net assets		Ratio of net assets to total assets		Net asset value per unit	
	Millions of yen		Millions of yen			%	Yen	
As of January 31, 2023	422,345		188,905		44.7		91,257	
July 31, 2022	417,430		189,358		45.4		91,476	

(4) Cash flows

	Net cash provided by (used in)			Cash and cash equivalents at end of period
	Operating activities	Investing activities	Financing activities	
For the six months ended	Millions of yen	Millions of yen	Millions of yen	Millions of yen
January 31, 2023	9,344	(7,830)	(952)	42,024
July 31, 2022	10,142	(6,450)	(2,934)	41,462

**2. Outlook for the six months ending July 31, 2023 (February 1, 2023 to July 31, 2023) and January 31, 2024 (August 1, 2023 to January 31, 2024)**

(Percentages show period-on-period changes)

	Operating revenues		Operating income		Ordinary income		Net income	
For the six months ending	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
July 31, 2023	18,402	2.6	7,588	9.4	6,631	11.6	6,630	11.6
January 31, 2024	19,046	3.5	8,117	7.0	7,147	7.8	7,146	7.8

	Net income per unit	Distribution per unit (including distributions in excess of profit)	Distributions per unit (excluding distributions in excess of profit)	Distributions in excess of profit per unit
For the six months ending	Yen	Yen	Yen	Yen
July 31, 2023	3,316	3,084	3,084	-
January 31, 2024	3,381	3,165	3,125	40

✖ Others

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

Changes in accounting policies due to accounting standards revision: None

Changes in accounting policies due to other reasons: None

Changes in accounting estimates: None

Restatements: None

(2) Number of investment units issued

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

As of January 31, 2023 2,070,016 units

As of July 31, 2022 2,070,016 units

Number of own investment units at the end of period:

As of January 31, 2023 0 units

As of July 31, 2022 0 units

Note: For the number of unit as a basis of calculation of net income per unit, please refer to per unit information on page 29.

**Forward-looking Statements and Other Notes**

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

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

## 1. Results of Operation

### (1) Operations

#### A. Operations during the period

##### i. Major developments and management performance of IIF

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

IIF has continued to mark steady growth since it began investment operations in 2007 when it acquired nine properties for the total acquisition price of 66,000 million yen. IIF owned 74 properties whose total acquisition price amounted to 378,996 million yen as of January 31, 2023.

##### ii. Investment environment and management performance

In the fiscal period (August 2022 to January 2023), Japanese economy gradually moved toward normalization of economic activity as behavioral restrictions eased, despite the spread of COVID-19 infection. On the other hand, depreciation of the yen following a sharp interest rate hike by the Federal Reserve Board (FRB), and the impact of soaring resource prices in response to the situation in Ukraine are among the factors hindering the recovery of consumer spending and corporate earnings. Thus, the outlook for the economy remains uncertain. Closely monitoring the impact of COVID-19 pandemic and changes in the capital markets is needed continuously.

Under these circumstances, IIF is continuing its sourcing activities from the standpoint of proposing CREs (Corporate Real Estate) as its strengths. During this fiscal period, IIF acquired IIF Yokkaichi Logistics Center (New Building) on September 16, 2022 through a CRE proposal in collaboration with Kajima Group capturing expansion needs of distribution base of a major logistics company based on its business expansion. In addition, IIF disposed of IIF Osaka Nanko IT Solution Center on August 17, 2022 from the viewpoint of building a stable portfolio over the mid-to-long term by capturing the active real estate market.

As a result, assets held by IIF as of January 31, 2023 totaled 378,996 million yen, including 46 logistics facilities, 22 manufacturing and R&D facilities, and 6 infrastructure facilities. As of January 31, 2023, the average occupancy rate was 98.8% 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

As for funding of interest-bearing debt for this fiscal period, IIF newly borrowed 5,500 million yen of short-term borrowings (average maturity period: 9.5 year) on September 16, 2022 to allocate the proceeds to acquire new properties.

In addition, IIF borrowed 500 million yen of long-term borrowings (maturity period: 10 years) on August 5, 2022, 700 million yen of long-term borrowing (maturity period: 10 years) on September 15, 2022, 3,800 million yen of long-term borrowing (average maturity period: 9.5 years) on September 30, 2022 at fixed interest rate respectively. Furthermore, 2,000 million yen of short-term borrowing (average

maturity period: 1.0 years) on December 26, 2022 at float interest rate and used borrowings to partially redeem 5,000 million yen of its second series of unsecured investment corporation bonds (with a limited pari passu clause between specified investment corporation bonds) with maturities. Through refinancing, IIF has established a financial structure capable of securing stable distributions over the long term by making long-term fixed borrowing periods, reducing interest costs and ensuring flexibility in future financial measures.

Furthermore, on September 30, 2022, IIF issued its seventh series of unsecured investment corporation bonds (with a limited pari passu clause among specified investment corporation bonds) amounting to 1,700 million yen (maturity period: 15.0 years), and, on the same day, IIF repaid the short-term borrowings in an amount equal to the issue amount prior to maturity. On December 26 of the same year, IIF issued its 8th series of unsecured investment corporation bonds (with pari passu clause among specified investment corporation bonds) of 3,000 million yen (maturity period: 5.0 years) and used the proceeds to partially redeem its second series of unsecured investment corporation bonds (with pari passu clause among specified investment corporation bonds) of 5,000 million yen with maturity on December 27 of the same year.

As a result, the total amount of IIF's interest-bearing debts as of January 31, 2023 is 208,283 million yen, which is comprised of 189,883 million yen in long-term borrowings (including long-term borrowings to be repaid within one year), 3,700 million yen in short-term borrowings and 14,700 million yen in investment corporation bonds (including long-term bonds to be redeemed within one year).

#### b) Equity Financing

During this fiscal period, IIF raised no fund through equity financing

#### iv. Overview of financial results and distributions

As a result of the above management activities, IIF recorded operating revenue of 17,944 million yen, operating income of 6,939 million yen, ordinary income of 5,942 million yen and net income of 5,940 million yen for this fiscal period.

For distributions, IIF includes profit distributions in deductible expenses in accordance with Article 67-15, Paragraph 1 of the Act on Special Taxation Measures Law, and profit distributions declared for this fiscal period were 5,940,945,920 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 reversal of an allowance for temporary difference adjustments and excluding fractional distributions of less than one yen per unit, resulting in a profit distribution per unit of 2,870 yen.

In addition, considering the impact of the tax discrepancy in excess of income and net asset deduction items on the distribution amount, IIF decided to make a distribution in excess of earnings in an amount to be determined by IIF, and for this fiscal period, decided to distribute 521,644,032 yen as a distribution in excess of earnings per unit, excluding fractions of less than one yen, which was calculated as an amount equivalent to the tax discrepancy in excess of income, resulting in a distribution in excess of earnings per unit of 252 yen.

In further to this, in accordance with the distribution policy stipulated in the Articles of Incorporation, IIF intends to make distributions in excess of earnings (hereinafter referred to as "surplus cash distribution") on an ongoing basis in every fiscal period in principle <sup>(Note 1)</sup> <sup>(Note 2)</sup>. In accordance with the distribution policy stipulated in the Articles of Incorporation, when the amount of distribution per unit is expected to temporarily decrease to a certain degree in cases where, for example,; dilution or incurrence of considerable expenses due to the acquisition of assets or fund raising such as issuance of new investment units occur; losses on retirement of fixed assets or other accounting losses due to redevelopment such as reconstruction

of property under management or a decrease in revenue during the period of redevelopment occur; decrease in revenues or incurring of expenses for major repairs, etc. due to occurrence of natural disasters such as earthquakes, fires or other accident, payment of legal settlement money, etc., losses on retirement of fixed assets, losses on sales of fixed assets or other temporary incurring of considerable expenses occur, IIF may make a distribution in the amount determined by IIF as a temporary cash distribution in excess of profit only when the distribution is intending to stabilize the amount of distribution per unit (hereinafter referred to as "optimal payable distribution"). For the fiscal period ending January 31, 2023, IIF decided not to make a surplus cash distribution and optimal payable distribution in light of the level of distributions resulting from the gain on the sale of IIF Osaka Nanko IT Solution Center, which was disposed on August 17, 2022. As a result of the above, distribution per unit for the period stood at 3,122 yen, including distribution in excess of earnings.

(Note1) Policy regarding Surplus Cash Distribution

For redevelopment properties and newly constructed properties, etc., which have a high building value ratio and a high depreciation ratio, among the newly acquired assets, the policy shall be to distribute an amount determined by IIF up to 30% of the depreciation for the relevant operating period for such properties as cash in excess of profits, in principle, for each fiscal period. However, in some cases, cash distributions in excess of profit may not be made in whole or in part, taking into comprehensive consideration of the amount of capital expenditure necessary to maintain or enhance the competitiveness of its assets, the level of net income for the relevant operating period and profits including gains on sales of real estate and one-time gains such as cancellation penalties, the level of cash distributions for the relevant operating period including cash distributions in excess of profit, the financial condition of IIF as well as the economic environment, trends in the real estate market, the leasing market, etc.

(Note2) Policy regarding Surplus Cash Distribution and regarding Optimal Payable Distribution

The level of distribution in excess of profits, including surplus cash distribution and optimal payable distribution, shall be up to the amount equivalent to 60% of the amount obtained by subtracting the total amount of accumulated depreciation recorded on the last day of the business period immediately preceding the corresponding business period from the total amount of accumulated depreciation recorded on the last day of the corresponding business period, excluding distributions corresponding to the increase in the allowance for temporary differences corresponding to the occurrence of deferred hedge losses and other tax discrepancies, and shall be determined after comprehensive examination.

## B. Outlook for the next period

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

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

#### a) External growth

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

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

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

#### b) Internal growth

As of January 31, 2023, IIF's portfolio consisted of 74 properties for a total acquisition price of 378,996 million yen.

The average occupancy rate as of the end of the period stands at 98.8%. The properties are managed under long-term lease contracts with an average remaining lease period of 10.5 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, with regard to IIF Fukuoka Hakozaki Logistics Center I, IIF concluded a fixed-term lease agreement and memorandum on sharing the reduction effects of the use of LEDs (hereinafter referred to as "Green Lease") with the existing tenant, having occupied approximately 50% of the total leasable area, thereby realizing an increase in revenues in the next fiscal year and beyond. In addition, With regard to IIF Sendai Taiwa Logistics Center has also concluded a memorandum for Green Lease, achieving both performance of measures to reduce environmental burden and increase earnings.

Furthermore, IIF have completed construction and acquisition of IIF Yokkaichi Logistics Center (new building) and started off-balance sheet development of IIF Narashino Logistics Center (land with leasehold interest) in collaboration with the leasing company that is the current lessee of the land. IIF will work to maintain the quality of its portfolio and further improve profitability through efforts based on 3C Management Cycle and by implementing the required management tasks to maintain and improve the functionality, safety and comfort of the buildings it manages and by carrying out suitable repair work as necessary. At the same time, in order to maintain and improve the rent level and prevent cancellations, IIF will continue to exert efforts in building favorable relationships with lessees by continuously making close communications.

#### c) Financial strategy

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

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

#### ii. Earnings forecast for the next fiscal period

##### a) Issuance of New Investment Units

At the meetings of the Board of Directors held on March 13, 2023, the issuance of new investment units was resolved as follows. The issue price per unit, etc. will be determined at a future meeting of the Board of Directors.

[Issuance of New Investment Units through Public Offering]

Offering in Japan (may be sold to overseas investors in overseas markets, primarily in Europe and Asia , but excluding the United States and Canada)

Number of new investment units :

43,500 units(The number of investment units for overseas sales has not yet been determined.)

Payment date :

Any day during the period from March 23, 2023 (Thursday) to March 28, 2023 (Tuesday) (no later than four business days after the Date of Determination of Issue Price etc.

(Note1) The issue price, etc. will be determined at a meeting of the board of directors to be held on any day between March 16, 2023 (Thursday) and March 22, 2023 (Wednesday) (the "Issue Price Determination Date") in accordance with the method stipulated in Article 25 of the Regulations Concerning Underwriting, etc. of Securities established by the Japan Securities Dealers Association.

[Use of Funds]

The funds by this offering will be allocated to a part of the funds to acquire new specified properties (as defined in Article 2, Paragraph 1 of the Act on Investment Trusts and Investment Corporations).

b) The forecasts of operating status

The forecasts of operating status for the fiscal period ending July 31, 2023 (February 1, 2023 to August 31, 2023) are operating revenue of 18,402 million yen, ordinary income of 6,631 million yen, net income of 6,630 million yen and distributions per unit of 3,084 yen. For the assumptions regarding these forecasts, refer to the following "Earnings Forecast Assumptions for the 32nd Fiscal Period (February 1, 2023 to July 31, 2023) and the 33rd Fiscal Period (August 1, 2023 to January 31, 2024)".

The main changes from the 31st Fiscal Period (August 1, 2023 to January 31, 2024) include the following.

Operating revenue (increase of 458 million yen from the previous fiscal period)

- Increase in rent revenue from four properties to be acquired in the fiscal period ending January 31, 2023 (February 1, 2023 to July 31, 2023) (partial contribution)
- Increase in utilities receivable due to the revision of utility cost sharing at IIF Shonan Health Innovation Park
- The difference between the gain on sale of the IIF Osaka Nanko IT Solution Center disposed in the fiscal year ending January 31, 2023 (August 1, 2022 to January 31, 2023) and the gain on sale of IIF Kobe Logistics Center (quasi co-ownership interests of 3% and 32%) scheduled to be disposed in the fiscal year ending July 31, 2023 (February 1, 2023 to July 31, 2023)

Operating expense (decrease of 190 million yen from the previous fiscal period)

- Increase in rental expenses for four properties to be acquired in the fiscal year ending July 31, 2023 (February 1, 2023 to July 31, 2023) ) (partial contribution)
- Increase in utilities costs due to soaring resource prices, etc.
- Expensing property-related taxes on the three properties acquired in 2022 (partial contribution)
- Removal of asset retirement obligation expenses at IIF Hamura Logistics Center recorded in the fiscal year ending January 31, 2023 (August 1, 2022 to January 31, 2023).

(Reference)

The forecasts of operating status for the fiscal period ending January 31, 2024 (August 1, 2023 to January 31, 2024) are operating revenue of 19,046 million yen, ordinary income of 7,147 million yen, net income of 7,146 million yen and distributions per unit of 3,165 yen (including a distribution per unit in excess of profit of 40 yen). For the assumptions regarding these forecasts, refer to the following "Earnings Forecast Assumptions for the 32nd Fiscal Period (February 1, 2023 to August 31, 2023) and the 33rd Fiscal Period (August 1, 2023 to January 31, 2024)".

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

【Attachment】

Earnings Forecast Assumptions for the 32nd Fiscal Period (February 1, 2023 to August 31, 2023) and the 33rd Fiscal Period (August 1, 2023 to January 31, 2024)

Item	Assumption																		
Accounting period	32nd Fiscal Period From February 1, 2023 to July 31, 2023 (181 days) 33rd Fiscal Period From August 1, 2023 to January 31, 2024 (184 days)																		
Assets owned	<p>In addition to the real estate and real estate trust beneficial interest for the 74 properties owned by IIF as of January 31, 2023, it is assumed that IIF acquires the Anticipated Acquisition and disposes the following Anticipated Disposition. IIF has concluded the purchase and sale agreement (the construction contracts for new construction and demolition of existing buildings for IIF Atsugi Logistics Center III (redevelopment)) concerning all of the following Anticipated Acquisitions and Anticipated Disposition, and each acquisition and disposition date is as follows.</p> <p>&lt; Anticipated Acquisitions &gt;</p> <table> <tr> <td>IIF Shiga Ryuoh Logistics Center</td><td>Anticipated to be acquired on March 23, 2023</td></tr> <tr> <td>IIF Omihachiman Logistics Center</td><td>Anticipated to be acquired on March 23, 2023</td></tr> <tr> <td>IIF Hanno Manufacturing Center (land with leasehold interest)</td><td>Anticipated to be acquired on March 23, 2023</td></tr> <tr> <td>IIF Ota Manufacturing Center</td><td>Anticipated to be acquired on May 15, 2023</td></tr> <tr> <td>IIF Atsugi Logistics Center III (Redevelopment)</td><td>Anticipated to be acquired on December 31, 2023</td></tr> </table> <p>&lt; Anticipated Disposition &gt;</p> <table> <tr> <td>IIF Kobe Logistics Center (3% co-ownership interest)</td><td>Anticipated to be disposed on April 7, 2023</td></tr> <tr> <td>IIF Kobe Logistics Center (32% co-ownership interest)</td><td>Anticipated to be disposed on July 31, 2023</td></tr> <tr> <td>IIF Kobe Logistics Center (40% co-ownership interest)</td><td>Anticipated to be disposed on January 19, 2024</td></tr> <tr> <td>IIF Kobe Logistics Center (25% co-ownership interest)</td><td>Anticipated to be disposed on March 22, 2024</td></tr> </table> <p>It is assumed that there are no changes in the properties, except the Anticipated Acquisitions and Anticipated Disposition stated above, until the end of January 2024. However, changes may occur due to the acquisition or disposition of other properties in actual.</p>	IIF Shiga Ryuoh Logistics Center	Anticipated to be acquired on March 23, 2023	IIF Omihachiman Logistics Center	Anticipated to be acquired on March 23, 2023	IIF Hanno Manufacturing Center (land with leasehold interest)	Anticipated to be acquired on March 23, 2023	IIF Ota Manufacturing Center	Anticipated to be acquired on May 15, 2023	IIF Atsugi Logistics Center III (Redevelopment)	Anticipated to be acquired on December 31, 2023	IIF Kobe Logistics Center (3% co-ownership interest)	Anticipated to be disposed on April 7, 2023	IIF Kobe Logistics Center (32% co-ownership interest)	Anticipated to be disposed on July 31, 2023	IIF Kobe Logistics Center (40% co-ownership interest)	Anticipated to be disposed on January 19, 2024	IIF Kobe Logistics Center (25% co-ownership interest)	Anticipated to be disposed on March 22, 2024
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Interest-bearing debt	<p>The total amount of interest-bearing debt as of January 31, 2023 is JPY 208,283 million, consisting of long-term debt (including those loans that will become due within one year.) of JPY 189,883 million, short-term debt of 3,700 million yen and investment corporation bonds (including those bonds that will become due within one year) of JPY 14,700 million.</p> <p>With regard to the long-term debts of 10,100 million yen and the short-term debts of 1,700 million yen scheduled to arrive on maturity date the 32nd fiscal period and the long-term debts of 11,000 million yen and the short-term debts of 2,000 million yen scheduled to arrive on maturity date in the 33rd fiscal period, IIF plans to refinance them of same amount of the long-term debts , and so forth.</p> <p>It is assumed that IIF implements long-term debts and short-term debts financing in the amount of JPY 4,000 million in total for the purpose of acquiring the properties as mentioned above in “Assets owned” on May 15, 2023.</p> <p>As a result, it is assumed that the total amount of interest-bearing debt as of the end of July 2023 and January 2024 is both JPY 212,283 million.</p>																		



Operating revenues	<p>IIF has estimated the rent revenue taking into consideration the market environment, characteristics of individual properties, competitiveness of properties and status of individual tenants including plan to vacate, based on effective lease agreements during the 32nd fiscal period and the 33rd fiscal period. It is assumed that there is no arrears or non-payments of rent during the 32nd fiscal period and the 33rd fiscal period based on the assumptions described in “Assets owned” above. With regard to the following two properties that are currently undergoing redevelopment projects, the following assumptions apply.</p> <table border="1" data-bbox="507 472 1390 808"> <tr> <td data-bbox="507 472 954 685">IIF Atsugi Logistics Center III</td><td data-bbox="954 472 1390 685">Assumption that rental revenue is not generated from the beginning of the 32nd fiscal period until the 33rd fiscal period in December 2023, and is generated from January 2024, after the completion of acquisition.</td></tr> <tr> <td data-bbox="507 685 954 808">IIF Hamura Logistics Center</td><td data-bbox="954 685 1390 808">Assumption that no rental income is generated from the beginning of the 32nd fiscal period until the end of the 33rd fiscal period.</td></tr> </table> <p>In addition, it is assumed that the gain on sales of the asset to be disposed is approximately JPY 857 million in the 32nd fiscal period (disposition of 3% and 32% co-ownership interest) and approximately JPY 1,000 million in the 33rd fiscal period (disposition of 40% co-ownership interest).</p>	IIF Atsugi Logistics Center III	Assumption that rental revenue is not generated from the beginning of the 32nd fiscal period until the 33rd fiscal period in December 2023, and is generated from January 2024, after the completion of acquisition.	IIF Hamura Logistics Center	Assumption that no rental income is generated from the beginning of the 32nd fiscal period until the end of the 33rd fiscal period.
IIF Atsugi Logistics Center III	Assumption that rental revenue is not generated from the beginning of the 32nd fiscal period until the 33rd fiscal period in December 2023, and is generated from January 2024, after the completion of acquisition.				
IIF Hamura Logistics Center	Assumption that no rental income is generated from the beginning of the 32nd fiscal period until the end of the 33rd fiscal period.				
Operating expenses	<p>Fixed property tax, city planning tax and depreciable property tax, and repair costs in the 32nd fiscal period are forecast to be approximately JPY 1,407 million and approximately JPY 876 million, respectively. Fixed property tax, city planning tax and depreciable property tax, and repair costs in the 33rd fiscal period are forecast to be approximately JPY 1,410 million and approximately JPY 752 million, respectively. Fixed property tax and city planning tax etc., which are settled according to the number of days owned by the previous owner in connection with the new acquisition of the property, are not recorded as expenses because they are included in the acquisition cost, but are recorded as expenses from the following year. Accordingly, fixed property tax, city planning tax, and depreciable property tax relating to the properties to be acquired described in the above "Assets owned" will be recorded as expenses from the 34th fiscal period. In addition, as for the property to be acquired, IIF Atsugi Logistics Center III (redevelopment) is newly built, and thus it is assumed that there is no fixed property tax, city planning tax and depreciable property tax to be included in the acquisition cost.</p> <p>Depreciations including ancillary expenses for the 32nd fiscal period and the 33rd fiscal period are calculated based on the straight-line method and are estimated to be approximately JPY 2,082 million and approximately JPY 2,119 million, respectively.</p> <p>Calculation of external outsourcing expenses (property management fees, building management fees, etc.) is based on actual results thus far.</p>				
Non-operating expenses	<p>Based on the assumptions of “Interest-bearing debt” stated above, it is assumed that the non-operating expenses (the interest expenses, other debt-related expenses, etc.) for the 32nd fiscal period and for the 33rd fiscal period are approximately JPY 956 million and approximately JPY 969 million, respectively.</p> <p>It is assumed that the amortization of the cost concerning the issuance of new investment units for the 32nd fiscal period and for the 33rd fiscal period are approximately JPY 21 million and approximately JPY 9 million, respectively.</p>				
Extraordinary gain or loss	No extraordinary gain or loss is expected for the 32nd and for the 33rd fiscal periods.				
Total number of units issued	It is assumed that full issuance of 43,500 units through the public offering which was determined at the board of directors meeting held on March 13, 2023, in addition to the 2,070,016 investment units outstanding as of March 13, 2023.				

<p>Distribution per unit (excluding distribution in excess of retained earnings and optimal payable distribution)</p>	<p>It is assumed that net income excluding amounts less than 1 yen per unit is distributed in its entirety. In the 32nd fiscal period and the 33rd fiscal period, however, it is assumed that the entire amount remaining after deducting the reversal of the allowance for temporary difference adjustments from net income is distributed excluding amounts less than 1 yen per unit. The calculation of distribution per unit for the 32nd fiscal period and for the 33rd fiscal period is based on the assumption that fluctuations in the fair value of interest rate swaps have no impact on distributions per unit.</p>
<p>Distribution in excess of retained earnings per unit (allowance for temporary difference adjustments)</p>	<p>The taxable income in excess of accounting income for the 32nd fiscal period and for the 33rd fiscal period are assumed as follows.</p> <p>For the 32nd fiscal period and the 33rd fiscal period, taxable income will be less than accounting income as a whole, and thus there will not be taxable income in excess of accounting income. Therefore, it is assumed that no distribution in excess of retained earnings per unit (allowance for temporary difference adjustments) is made.</p> <p>The 32nd fiscal period</p> <ul style="list-style-type: none"> <li>(1) Tax discrepancy related to interest costs and depreciation, etc. for asset retirement obligations of asbestos removal of the IIF's asset, etc. (approximately 16 million yen).</li> <li>(2) Partial resolution of tax discrepancy related to asset retirement obligations recorded for the disposal of waste materials discovered to exist underground at the subject site during the demolition of the existing building at IIF Hamura Logistics Center (approximately 126 million yen).</li> </ul> <p>The reversal of allowance for temporary differences (approximately JPY 111 million) will be calculated by deducting the amount equivalent of the tax discrepancy in the 32nd fiscal period ((1) approximately JPY 16 million) from the reversal of allowance for temporary differences ((2) approximately JPY 126 million) that will arise from the partial resolution of the tax discrepancy at IIF Hamura Logistics Center.</p> <p>The 33rd fiscal period</p> <ul style="list-style-type: none"> <li>(3) Tax discrepancy related to interest costs and depreciation, etc. for asset retirement obligations of asbestos removal of the IIF's asset. (approximately 18 million yen).</li> <li>(4) Partial resolution of tax discrepancy related to asset retirement obligations recorded for the disposal of waste materials discovered to exist underground at the subject site during the demolition of the existing building at IIF Hamura Logistics Center (approximately 561 million yen).</li> </ul> <p>The reversal of allowance for temporary differences (approximately 544 million yen) will be calculated by deducting the amount equivalent of the tax discrepancy in the 32nd fiscal period ((3) approximately 18 million yen) from the reversal of allowance for temporary differences ((4) approximately 561 million yen) that will arise from the partial resolution of the tax discrepancy at IIF Hamura Logistics Center.</p>
<p>Distribution in excess of retained earnings per unit (distribution with decrease in investment capital under tax law)</p>	<p>In the 32nd fiscal period, the newly forecasted distribution per unit (JPY 3,084) exceeds the forecasted distribution per unit (JPY 3,070) announced in the "Summary of Financial Results for the Six Months ended July 31, 2022" dated September 14, 2022, due to the expected gain on the sales related to IIF Kobe Logistics Center (scheduled to be disposed on April 7, 2023 (3% co-ownership interest) and July 31, 2023 (32% co-ownership interest)), and therefore, it is assumed that the distribution in excess of earnings (distribution with a decrease in investment under tax laws) is not made.</p> <p>For the 33rd fiscal period, it is assumed that optimal payable distribution (distribution under tax law with decrease in investment capital) of JPY 40 per unit</p>

	<p>is made.</p> <p>Given the anticipated gain on sale of real estate etc. related to IIF Kobe Logistics Center (scheduled to be disposed on January 19, 2024 (40% co-ownership interest)), it is assumed that distribution in excess of earnings per unit of 40 yen, equivalent to an amount calculated by deducting the gain on sale of real estate etc. (JPY 473 per unit) from the estimated amount of distributions in excess of earnings (distribution with a decrease in investment under tax laws) (JPY 513 per unit) based on (1) and (2) below, is made.</p> <p>(1) In accordance with the policy of optimal payable distribution (*1), in the event that the amount of distribution per unit is expected to temporarily decrease by a certain degree, it is assumed that optimal payable distribution is made in order to mitigate the impact on distribution below for the purpose of stabilizing the distribution amount per unit. (JPY 493 per unit)</p> <ul style="list-style-type: none"> <li>• Decrease in rent revenue due to the implementation of redevelopment project at IIF Atsugi Logistics Center III, etc. (JPY 10 per unit)</li> <li>• Decrease in rent revenue due to the implementation of redevelopment project at IIF Hamura Logistics Center, etc. (JPY 33 per unit)</li> <li>• Increase in utility cost at IIF Shonan Health Innovation Park (after offsetting revenue from tenants), etc. (JPY 193 per unit)</li> <li>• Reversal of allowance for temporary difference adjustment (equivalent to an amount calculated by deducting the amount equivalent to the tax discrepancy arising in the 33rd fiscal period from reversal of allowance for temporary difference adjustment arising from the partial resolution of the tax discrepancy at IIF Hamura Logistics Center) (JPY 257 per unit)</li> </ul> <p>(2) In accordance with the policy of continuous surplus cash distribution(*2), for redevelopment properties and newly constructed properties, etc., which have a high building value ratio and a high depreciation ratio, among the newly acquired assets, the policy shall be to distribute an amount determined by IIF up to 30% of the depreciation for the relevant operating period for such properties as cash in excess of profits, in principle, for each fiscal period, and it is assumed that continuous distributions in excess of profits for the following properties (to be) acquired is made. (JPY 20 per unit)</p> <ul style="list-style-type: none"> <li>• IIF Yokkaichi Logistics Center (New building) (JPY 10 per unit)</li> <li>• IIF Shiga Ryuoh Logistics Center (JPY 4 per unit)</li> <li>• IIF Atsugi Logistics Center III (Redevelopment) (JPY 6 per unit)</li> </ul> <p>*1 The distribution policy is described in “Part 1, Fund Information, Item 1. Status of Fund, 2. Investment Policies, (3) Cash Distribution Policies, (ii) Cash Distributions in Excess of Profits, (A) Policy regarding Optimal Payable Distribution” on the latest securities report (submitted on October 27, 2022).</p> <p>*2 The distribution policy is described in “Part 1, Fund Information, Item 1. Status of Fund, 1. Overview of Investment Corporation, (1) Changes in Major Management Indicators, (ii) Management of Assets, (ii) Outlook for the Next Fiscal Year (Reference Information)” on the latest securities report (submitted on October 27, 2022). The partial amendment to IIF's Articles of Incorporation was approved at the general meeting of unitholders held on October 28, 2022, and the distribution policy has already been changed.</p>
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The summary of the property to be acquired is as follows.

Name of property to be acquired	Location	Type	Anticipated acquisition price (million yen)	Appraisal value (million yen) (Note2)
IIF Shiga Ryuoh Logistics Center	Yamazurakawahara 900-1, Ryuoh-cho, Gamo-gun, Shiga, Japan, etc.	Logistics Facilities	3,500	3,920

IIF Omihachiman Logistics Center	951-4, Chokoji-cho, Omihachiman-shi, Shiga, Japan, etc.	Logistics Facilities	1,810	2,220
IIF Hanno Manufacturing Center (Land with leasehold interest)	3-8, Akanedai, Hanno-shi, Saitama, Japan, etc.	Manufacturing, Research and Development Facilities	2,335	3,010
IIF Ota Manufacturing Center	1347-1, Higashikoijya 6 Chome, Ota-ku, Tokyo, Japan, etc.	Manufacturing, Research and Development Facilities	4,570	4,970
IIF Atsugi Logistics Center III (Redevelopment)	3007-7, Kamiechi Aza Uenohara, Atsugi-shi, Kanagawa, Japan	Logistics Facilities	4,477 <sup>(Note1)</sup>	7,510 <sup>(Note2)</sup>

For the details of the property to be acquired, please refer to below.

- "Notice Concerning Acquisition and Leasing of Four Properties in Japan" dated March 13, 2023.
- "Notice Concerning IIF Atsugi Logistics Center III Redevelopment Project (Follow-up Report 2)" dated March 13, 2023.

(Note1) The anticipated acquisition price of IIF Atsugi Logistics Center III (Redevelopment) is the sum of the land acquisition price stated in the Trust Beneficiary Interest Purchase and Sale Agreement at the time of initial acquisition, plus the construction contract price, design fees and CM fees for the redevelopment of the building.

(Note2) The appraisal value of IIF Atsugi Logistics Center III (Redevelopment) indicates the appraisal value of the uncompleted building, including the land portion that has already been acquired.

The summary of the property to be disposed is as follows.

Name of property disposed	Location	Type
IIF Kobe Logistics Center	2-10, Maya-futo, Nada-ku, Kobe-shi, Hyogo, Japan	Logistics Facilities

For the details of the property to be disposed, please refer "Notice Concerning Disposition of One Property in Japan 【IIF Kobe Logistics Center】" dated February 22, 2023.

## (2) Investment risk

There are no significant changes of "Investment risk" from the latest securities report (submitted on October 27, 2022) and securities registration statement (submitted on March 13, 2023), so the disclosure of these matters is omitted.

## 2. Financial information

### (1) Balance sheets

(Thousands of yen)

	As of	
	July 31, 2022	January 31, 2023
<b>ASSETS</b>		
<b>Current assets:</b>		
Cash and bank deposits	35,580,310	35,896,549
Cash and bank deposits in trust	5,882,308	6,127,572
Rental receivables	785,734	460,730
Prepaid expenses	993,820	854,422
Consumption taxes refundable	-	231,481
Other	1,809	1,180
<b>Total current assets</b>	<b>43,243,983</b>	<b>43,571,937</b>
<b>Noncurrent assets:</b>		
<b>Property, plant and equipment:</b>		
Buildings, at cost	35,128,687	35,340,238
Less: Accumulated depreciation	(9,618,348)	(10,049,081)
Buildings, net	25,510,338	25,291,156
Structures, at cost	118,298	119,103
Less: Accumulated depreciation	(55,655)	(59,818)
Structures, net	62,643	59,284
Machinery and equipment, at cost	11,892	11,892
Less: Accumulated depreciation	(11,892)	(11,892)
Machinery and equipment, net	0	0
Tools, furniture and fixtures, at cost	26,719	26,719
Less: Accumulated depreciation	(13,091)	(14,387)
Tools, furniture and fixtures, net	13,627	12,331
Land	20,375,013	20,391,344
Construction in progress	985,268	1,896,652
Buildings in trust, at cost	101,999,452	107,188,558
Less: Accumulated depreciation	(18,470,039)	(19,578,286)
Buildings in trust, net	83,529,412	87,610,271
Structures in trust, at cost	1,108,452	1,379,565
Less: Accumulated depreciation	(581,465)	(630,733)
Structures in trust, net	526,987	748,832
Machinery and equipment in trust, at cost	132,642	132,642
Less: Accumulated depreciation	(62,719)	(69,927)
Machinery and equipment in trust, net	69,922	62,714
Tools, furniture and fixtures in trust, at cost	260,079	281,689
Less: Accumulated depreciation	(46,394)	(63,673)
Tools, furniture and fixtures in trust, net	213,684	218,016
Land in trust	221,685,590	221,334,622
Construction in progress in trust	8,641	8,760
<b>Total net property, plant and equipment</b>	<b>352,981,131</b>	<b>357,633,987</b>
<b>Intangible assets:</b>		
Leasehold right (Note 1)	19,833,966	19,833,966
Other	4,486	3,257
<b>Total intangible assets</b>	<b>19,838,452</b>	<b>19,837,223</b>
<b>Investments and other assets:</b>		
Investment securities	83,335	83,335
Lease and guarantee deposits	10,200	10,200
Long-term prepaid expenses	1,171,386	1,098,664
Other	4,050	10,293
<b>Total investments and other assets</b>	<b>1,268,971</b>	<b>1,202,493</b>
<b>Total noncurrent assets</b>	<b>374,088,556</b>	<b>378,673,704</b>
<b>Deferred assets:</b>		
Investment unit issuance costs	43,801	13,887
Investment corporation bonds issuance costs	54,078	85,918
<b>Total deferred assets</b>	<b>97,880</b>	<b>99,806</b>
<b>TOTAL ASSETS</b>	<b>417,430,420</b>	<b>422,345,447</b>

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

(Thousands of yen)

	As of	
	July 31, 2022	January 31, 2023
<b>LIABILITIES</b>		
<b>Current liabilities:</b>		
Operating accounts payable	1,764,787	1,863,179
Short-term loans payable	3,400,000	3,700,000
Current portion of investment corporation bonds – unsecured	5,000,000	-
Current portion of long-term loans payable	15,100,000	21,100,000
Accounts payable – other	771,782	764,375
Accrued expenses	136,406	148,510
Income taxes payable	936	1,513
Consumption taxes payable	582,697	-
Advances received	2,998,660	2,941,995
Other	89,203	707,687
<b>Total current liabilities</b>	<b>29,844,474</b>	<b>31,227,262</b>
<b>Noncurrent liabilities:</b>		
Investment corporation bonds – unsecured	10,000,000	14,700,000
Long-term loans payable	169,283,000	168,783,000
Tenant leasehold and security deposits	2,629,362	2,630,414
Tenant leasehold and security deposits in trust	15,474,062	15,230,464
Asset retirement obligations	835,531	865,966
Derivatives liabilities	1,227	-
Other	4,212	3,069
<b>Total noncurrent liabilities</b>	<b>198,227,397</b>	<b>202,212,914</b>
<b>TOTAL LIABILITIES</b>	<b>228,071,871</b>	<b>233,440,176</b>
<b>NET ASSETS</b>		
<b>Unitholders' equity:</b>		
Unitholders' capital	183,865,203	183,865,203
Capital deduction:		
Allowance for temporary difference adjustment (Note 2)	(732,463)	(283,073)
Other deduction of unitholders' capital	(293,688)	(641,451)
Total capital deduction	(1,026,151)	(924,524)
Unitholders' capital, net	182,839,051	182,940,679
Surplus:		
Retained earnings	6,550,920	5,973,223
Total surplus	6,550,920	5,973,223
<b>Total unitholders' equity</b>	<b>189,389,972</b>	<b>188,913,902</b>
<b>Valuation and translation adjustments:</b>		
Deferred gains or (losses) on hedges	(31,423)	(8,631)
<b>Total valuation and translation adjustments</b>	<b>(31,423)</b>	<b>(8,631)</b>
<b>TOTAL NET ASSETS (Note 3)</b>	<b>189,358,548</b>	<b>188,905,271</b>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>417,430,420</b>	<b>422,345,447</b>

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

## (2) Statements of income and retained earnings

(Thousands of yen)

	For the six months ended	
	July 31, 2022	January 31, 2023
<b>Operating revenue</b>		
Rent revenue—real estate (Note 4)	16,334,072	16,492,989
Gain on sales of property (Note 5)	858,612	1,450,116
Dividend income from investments in Tokumei Kumiai	1,447	1,419
Total operating revenue	17,194,132	17,944,524
<b>Operating expenses</b>		
Expenses related to property rental business (Note 4)	8,293,561	9,517,666
Asset management fees	1,241,470	1,276,422
Directors' compensations	7,440	7,440
Asset custody fees	9,306	9,463
Administrative service fees	38,135	40,433
Other	141,844	153,541
Total operating expenses	9,731,759	11,004,967
<b>Operating income</b>	7,462,373	6,939,556
<b>Non-operating income</b>		
Interest income	214	192
Interest on refund	795	-
Reversal of distribution payable	323	419
Compensation income	-	16,201
Total non-operating income	1,333	16,813
<b>Non-operating expenses</b>		
Interest expenses	646,822	674,378
Interest expenses on investment corporation bonds	62,207	63,163
Amortization of investment corporation bonds issuance costs	5,554	6,456
Borrowing related expenses	207,586	217,652
Amortization of investment unit issuance costs	43,678	29,913
Other	3,682	21,993
Total non-operating expenses	969,530	1,013,557
<b>Ordinary income</b>	6,494,176	5,942,812
<b>Income before income taxes</b>	6,494,176	5,942,812
<b>Income taxes</b>		
Current	1,264	1,833
Total income taxes	1,264	1,833
<b>Net income</b>	6,492,911	5,940,979
<b>Retained earnings brought forward</b>	58,009	32,243
<b>Unappropriated retained earnings</b>	6,550,920	5,973,223

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

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

(Thousands of yen)

	Unitholders' equity							Valuation and translation adjustments			
	Unitholders' capital				Surplus						
	Capital deduction										
	Unitholders' capital (Note 3)	Allowance for temporary difference adjustment	Other deduction of unitholders' capital	Total capital deduction	Unitholders' capital, net	Retained earnings	Total surplus	Total unitholders' equity	Deferred gains or (losses) on hedges	Total valuation and translation adjustments	Total net assets
Balance as of January 31, 2022	183,865,203	(216,796)	(293,688)	(510,485)	183,354,718	5,876,591	5,876,591	189,231,310	(57,971)	(57,971)	189,173,338
Changes during the period											
Dividends from surplus	-	-	-	-	-	(5,787,764)	(5,787,764)	(5,787,764)	-	-	(5,787,764)
Reversal of allowance for temporary difference adjustment	-	30,817	-	30,817	30,817	(30,817)	(30,817)	-	-	-	-
Dividend in excess of profit from allowance for temporary difference adjustment	-	(546,484)	-	(546,484)	(546,484)	-	-	(546,484)	-	-	(546,484)
Net income	-	-	-	-	-	6,492,911	6,492,911	6,492,911	-	-	6,492,911
Net changes of items other than unitholders' equity	-	-	-	-	-	-	-	-	26,547	26,547	26,547
Total changes during the period	-	(515,666)	-	(515,666)	(515,666)	674,328	674,328	158,662	26,547	26,547	185,210
Balance as of July 31, 2022	183,865,203	(732,463)	(293,688)	(1,026,151)	182,839,051	6,550,920	6,550,920	189,389,972	(31,423)	(31,423)	189,358,548
Changes during the period											
Dividends from surplus	-	-	-	-	-	(6,069,286)	(6,069,286)	(6,069,286)	-	-	(6,069,286)
Reversal of allowance for temporary difference adjustment	-	449,390	-	449,390	449,390	(449,390)	(449,390)	-	-	-	-
Other distribution in excess of profit	-	-	(347,762)	(347,762)	(347,762)	-	-	(347,762)	-	-	(347,762)
Net income	-	-	-	-	-	5,940,979	5,940,979	5,940,979	-	-	5,940,979
Net changes of items other than unitholders' equity	-	-	-	-	-	-	-	-	22,792	22,792	22,792
Total changes during the period	-	449,390	(347,762)	101,627	101,627	(577,697)	(577,697)	(476,069)	22,792	22,792	(453,277)
Balance as of January 31, 2023	183,865,203	(283,073)	(641,451)	(924,524)	182,940,679	5,973,223	5,973,223	188,913,902	(8,631)	(8,631)	188,905,271

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



#### (4) Statements of cash distributions

	(Yen)	
	For the six months ended	
	July 31, 2022	January 31, 2023
I Unappropriated retained earnings	6,550,920,774	5,973,223,242
II Distributions in excess of profit	347,762,688	521,644,032
Allowance for temporary difference adjustment	-	521,644,032
Other unitcapital deduction	347,762,688	-
III Capitalization	449,390,385	22,792,266
Reversal of allowance for temporary difference adjustment	449,390,385	22,792,266
IV Cash distribution declared	6,417,049,600	6,462,589,952
<i>(Cash distribution declared per unit)</i>	<i>(3,100)</i>	<i>(3,122)</i>
Profit distributions	6,069,286,912	5,940,945,920
<i>(Profit distributions per unit)</i>	<i>(2,932)</i>	<i>(2,870)</i>
Allowance for temporary difference adjustment	-	521,644,032
<i>(Distribution per unit in excess of profit from allowance for temporary difference adjustment)</i>	<i>(-)</i>	<i>(252)</i>
Other distribution in excess of profit	347,762,688	-
<i>(Distribution per unit in excess of profit from other distribution in excess of profit)</i>	<i>(168)</i>	<i>(-)</i>
V Retained earnings carried forward	32,243,477	9,485,056

#### Note:

##### For the six months ended July 31, 2022:

Cash distributions declared for the six months ended July 31, 2022 were ¥6,417,049,600.

In accordance with the distribution policy in Article 25, Paragraph 1, Item 2 of the Investment Corporation's articles of incorporation which stipulates making distributions in excess of 90% of distributable profit as defined in Article 67-15, Paragraph 1 of the Special Taxation Measures Act of Japan for the fiscal period, profit distributions (do not include distributions in excess of profit) declared for the six months ended July 31, 2022 were ¥6,069,286,912 which were all of profit as defined in Article 136, Paragraph 1 of the Act on Investment Trusts and Investment Corporations of Japan after deduction of reversal of allowance for temporary difference adjustment (as defined in Article 2, Paragraph 2, Item 30 of the Ordinance on Accountings of Investment Corporations of Japan), except for fractional distribution per unit less than one yen.

In addition, the Investment Corporation declared distributions in excess of profit as unitcapital deduction to level cash distributions amounting to ¥347,762,688 in accordance with the policy for the distributions in excess of profit prescribed in the article of incorporation 25, Paragraph 2. As a result, cash distributions declared for the six months ended July 31, 2022 totaled ¥6,417,049,600.

##### For the six months ended January 31, 2023:

Cash distributions declared for the six months ended January 31, 2023 were ¥6,462,589,952.

In accordance with the distribution policy in Article 25, Paragraph 1, Item 2 of the Investment Corporation's articles of incorporation which stipulates making distributions in excess of 90% of distributable profit as defined in Article 67-15, Paragraph 1 of the Special Taxation Measures Act of Japan for the fiscal period, profit distributions (do not include distributions in excess of profit) declared for the six months ended January 31, 2023 were ¥5,940,945,920 which were all of profit as defined in Article 136, Paragraph 1 of the Act on Investment Trusts and Investment Corporations of Japan after deduction of reversal of allowance for temporary difference adjustment (as defined in Article 2, Paragraph 2, Item 30 of the Ordinance on Accountings of Investment Corporations of Japan), except for fractional distribution per unit less than one yen.

In addition, the Investment Corporation makes distributions in excess of profit considering an effect of differences between net income and taxable income (as defined in Article 2, Paragraph 2, Item 30 of the Ordinance on Accountings of Investment Corporations of Japan) and items deducted from net assets (as defined in Article 2, Paragraph 2, Item 30 of the Ordinance on Accountings of Investment Corporations of Japan) in accordance with the policy for the distributions in excess of profit prescribed in the article of incorporation 25, Paragraph 2. Distributions in excess of profit corresponding to differences between net income and taxable income for the six months ended January 31, 2023 were amounting to ¥521,644,032, except for fractional distribution per unit in excess of profit less than one yen. As a result, cash distributions declared for the six months ended January 31, 2023 totaled ¥6,462,589,952.

## (5) Statements of cash flows

(Thousands of yen)

	For the six months ended	
	July 31, 2022	January 31, 2023
<b>Net cash provided by (used in) operating activities:</b>		
Income before income taxes	6,494,176	5,942,812
Depreciation and amortization	2,161,044	2,758,107
Amortization of investment corporation bonds issuance costs	5,554	6,456
Amortization of investment unit issuance costs	43,678	29,913
Interest income	(214)	(192)
Interest expenses	709,029	737,542
Changes in assets and liabilities:		
Decrease (increase) in operating accounts receivable	(368,001)	325,004
Decrease (increase) in consumption taxes refundable	338,989	(231,481)
Decrease (increase) in prepaid expenses	(200,698)	139,397
Decrease (increase) in long-term prepaid expenses	106,567	72,722
Increase (decrease) in operating accounts payable	(140,436)	(174,477)
Increase (decrease) in accounts payable - other	25,214	(7,852)
Increase (decrease) in accrued expenses	103	969
Increase (decrease) in consumption taxes payable	582,697	(582,697)
Increase (decrease) in advances received	90,641	(56,664)
Increase (decrease) in other noncurrent liabilities	4,198	(1,142)
Decrease from sales of property and equipment in trust	995,482	1,144,984
Other, net	13,204	(31,408)
Subtotal	10,861,229	10,071,992
Interest income received	214	192
Interest expenses paid	(717,637)	(726,407)
Income taxes paid	(904)	(1,255)
Net cash provided by operating activities	10,142,901	9,344,522
<b>Net cash provided by (used in) investing activities:</b>		
Purchases of property, plant and equipment	(2,303,022)	(1,151,774)
Purchases of property, plant and equipment in trust	(4,330,386)	(6,436,561)
Proceeds from tenant leasehold and security deposits	138,202	1,051
Payments of tenant leasehold and security deposits	(90)	-
Proceeds from tenant leasehold and security deposits in trust	334,941	129,412
Payments of tenant leasehold and security deposits in trust	(296,526)	(373,010)
Proceeds from investment securities	6,060	-
Net cash used in investing activities	(6,450,820)	(7,830,883)
<b>Net cash provided by (used in) financing activities:</b>		
Proceeds from short-term loans payable	3,400,000	2,000,000
Repayments of short-term loans payable	-	(1,700,000)
Proceeds from long-term loans payable	7,000,000	10,500,000
Repayments of long-term loans payable	(7,000,000)	(5,000,000)
Proceeds from issuance of investment corporation bonds	-	4,700,000
Redemption of investment corporation bonds	-	(5,000,000)
Payments of investment corporation bonds issuance costs	-	(35,496)
Dividends paid	(6,334,334)	(6,416,640)
Net cash used in financing activities	(2,934,334)	(952,137)
<b>Net change in cash and cash equivalents</b>	<b>757,746</b>	<b>561,502</b>
<b>Cash and cash equivalents at beginning of period</b>	<b>40,704,872</b>	<b>41,462,619</b>
<b>Cash and cash equivalents at end of period (Note 6)</b>	<b>41,462,619</b>	<b>42,024,121</b>

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

(6) Note relating to going concern assumption

Nothing to be noted.

(7) Summary of significant accounting policies

**(a) Securities**

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

**(b) Property and equipment**

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

Buildings	13 - 70 years
Structures	2 - 45 years
Machinery and equipment	3 - 10 years
Tools, furniture and fixtures	5 - 15 years

**(c) Other intangible assets**

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

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

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

**(e) Investment unit issuance costs**

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

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

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

**(g) Revenue recognition**

The content of the performance obligations regarding the revenue arising from contracts with the customers of the Investment Corporation and the normal point in time when satisfying such performance obligations (normal point in time when recognizing revenues) are mainly as follows:

*(1) Sale of property*

Revenue from sale of property is recognized when the purchaser, which is a customer, acquires control of the property by fulfilling the delivery obligations stipulated in the sale contract of the property.

*(2) Common area charges*

For common area charges, revenue is recognized based on the supply of electricity, water, etc. to the lessee, which is a customer, in accordance with the terms of the lease agreement of properties and accompanying agreements. Of utilities revenue, when the Investment Corporation is deemed to be an agent in the transaction, the net amount obtained by deducting the amount paid to other related parties supplying electricity, water, etc. from the amount received as the charges for electricity, water, etc. is recognized as revenue.

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

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

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

Taxes on property and equipment capitalized amounted to ¥7,403 thousand for the six months ended July 31, 2022. No taxes on property and equipment were capitalized for the six months ended January 31, 2023.

***(i) Hedge accounting***

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

***(j) Cash and cash equivalents***

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

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

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

***(l) Consumption taxes***

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

(8) Notes to financial information

**Note 1 — Leasehold right**

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

**Note 2 — Allowance for temporary difference adjustment**

Movements of allowance for temporary difference adjustment for the six months ended July 31, 2022 and January 31, 2023 are as follows:

**For the six months ended July 31, 2022:**

(Thousands of yen)

Content of temporary difference			Allowance for temporary difference adjustment				
Item	Reason for the difference	Initial amount	Balance at beginning of the period	Allowance	Reversal	Balance at end of the period	Note
Buildings in trust	Excess of depreciation allowance	674,747	128,263	546,484	-	674,747	(i)
Deferred gains or (losses) on hedges	Valuation losses on interest rate swaps	405,448	88,533	-	(30,817)	57,715	(ii)
Total		1,080,196	216,796	546,484	(30,817)	732,463	

**For the six months ended January 31, 2023:**

(Thousands of yen)

Content of temporary difference			Allowance for temporary difference adjustment				
Item	Reason for the difference	Initial amount	Balance at beginning of the period	Allowance	Reversal	Balance at end of the period	Note
Buildings in trust	Excess of depreciation allowance	878,219	674,747	203,471	(626,314)	251,904	(i)
Deferred gains or (losses) on hedges	Valuation losses on interest rate swaps	405,448	57,715	-	(26,547)	31,168	(ii)
Total		1,283,668	732,463	203,471	(652,862)	283,073	

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

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

**Note 3 — Unitholders' equity**

(1) Number of units

	As of	
	July 31, 2022	January 31, 2023
Authorized	32,000,000 units	32,000,000 units
Issued and outstanding	2,070,016 units	2,070,016 units

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

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

Rent revenue—real estate and expenses related to property rental business for the six months ended July 31, 2022 and January 31, 2023 consist of the following:

	(Thousands of yen)	
	<b>For the six months ended</b>	
	<b>July 31, 2022</b>	<b>January 31, 2023</b>
Rent revenue—real estate:		
Rental and parking revenue	15,996,756	16,022,709
Common area charges	236,047	380,331
Other	101,267	89,947
Total rent revenue-real estate	16,334,072	16,492,989
Expenses related to property rental business:		
Property management fees	79,880	83,157
Facility management fees	1,632,470	1,713,860
Utilities	1,548,886	2,061,910
Property-related taxes	1,362,594	1,419,130
Insurance	48,198	49,464
Repair and maintenance	993,651	960,739
Depreciation	2,161,044	2,758,107
Trust fees	19,121	18,832
Leasehold rents	439,825	444,549
Other	7,886	7,913
Total expenses related to property rental business	8,293,561	9,517,666
Operating income from property leasing activities	8,040,510	6,975,322

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

Analysis of gain on sales of property is as follows:

	(Thousands of yen)	
	<b>For the six months ended</b>	
	<b>July 31, 2022</b>	<b>January 31, 2023</b>
Sale of property	1,925,000	2,700,000
Cost of property	995,482	1,144,984
Other sales expenses	70,904	104,899
Gain on sales of property, net	858,612	1,450,116

**Note 6 — Cash and cash equivalents**

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

(Thousands of yen)

	As of	
	July 31, 2022	January 31, 2023
Cash and bank deposits	35,580,310	35,896,549
Cash and bank deposits in trust	5,882,308	6,127,572
Cash and cash equivalents	41,462,619	42,024,121

**Note 7 — Lease rental revenues**

The Investment Corporation leases its properties mainly to corporate tenants. Future minimum rental revenues pursuant to existing rental contracts as of July 31, 2022 and January 31, 2023 scheduled to be received are summarized as follows:

(Thousands of yen)

	As of	
	July 31, 2022	January 31, 2023
Due within one year	28,293,021	28,692,879
Due after one year	108,731,895	98,662,473
Total	137,024,916	127,355,353

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

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

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

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

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

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

The fair value of financial instruments is estimated by using valuation techniques which contain various assumptions. If other valuation models or assumptions were used, the estimated fair value may differ. In addition, notional amounts relating to derivatives shown in "Note 9—Derivative instruments" do not, by themselves, represent the market risk exposure associated with the derivative transactions.

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

The following table shows the carrying amounts, fair value and valuation differences of financial instruments for which fair value is available as of July 31, 2022 and January 31, 2023. Information on cash and bank deposits, those in trust and short-term loans payable is omitted because the carrying amounts approximate their fair value due to their short maturities. Also, information on tenant leasehold and security deposits and those in trust is omitted as immaterial.

	As of July 31, 2022			As of January 31, 2023		
	Carrying amounts	Fair value	Difference	Carrying amounts	Fair value	Difference
(1) Current portion of investment corporation bonds—unsecured	5,000,000	5,020,200	20,200	-	-	-
(2) Current portion of long-term loans payable	15,100,000	15,142,287	42,287	21,100,000	21,187,574	87,574
(3) Investment corporation bonds—unsecured	10,000,000	9,874,670	(125,330)	14,700,000	14,201,297	(498,703)
(4) Long-term loans payable	169,283,000	170,980,101	1,697,101	168,783,000	166,875,463	(1,907,536)
Total liabilities	199,383,000	201,017,258	1,634,258	204,583,000	202,264,335	(2,318,664)
Derivatives (derivatives liabilities), net	(31,423)	(31,423)	-	(8,631)	(8,631)	-

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

Liabilities

(1) Current portion of investment corporation bonds—unsecured and (3) Investment corporation bonds—unsecured

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

(2) Current portion of long-term loans payable and (4) Long-term loans payable

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

Derivatives

Please refer to "Note 9 - Derivative instruments."

Note (ii): Equity interests in silent partnership

For equity interests in silent partnership, notes relating to the matters stipulated in Paragraph 4, item 1 of the "Implementation Guidance on Disclosures about Fair Value of Financial Instruments" (Accounting Standards Board of Japan Guidance No. 19 revised on March 31, 2020) are omitted as the Investment Corporation applies the treatment stipulated in Paragraph 24-16 of the "Implementation Guidance on Accounting Standard for Fair Value Measurement" (Accounting Standards Board of Japan Guidance No. 31 issued on June 17, 2021).

The net book values of equity interests in silent partnership are ¥83,335 thousand as of July 31, 2022 and January 31, 2023.

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

As of July 31, 2022	(Thousands of yen)					
	Up to 1 year	1-2 years	2-3 years	3-4 years	4-5 years	Over 5 years
Investment corporation bonds—unsecured	5,000,000	2,000,000	-	-	3,000,000	5,000,000
Long-term loans payable	15,100,000	19,000,000	20,650,000	20,050,000	19,400,000	90,183,000
Total	20,100,000	21,000,000	20,650,000	20,050,000	22,400,000	95,183,000
As of January 31, 2023	Up to 1 year	1-2 years	2-3 years	3-4 years	4-5 years	Over 5 years
Investment corporation bonds—unsecured	-	2,000,000	-	3,000,000	3,000,000	6,700,000
Long-term loans payable	21,100,000	18,500,000	20,250,000	18,150,000	22,200,000	89,683,000
Total	21,100,000	20,500,000	20,250,000	21,150,000	25,200,000	96,383,000



## Note 9 — Derivative instruments

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

**As of July 31, 2022**

(Thousands of yen)

Method of hedge accounting	Derivative instruments	Hedged item	Notional contract amount of derivative instruments		Fair value	Valuation method
				Over 1 year		
Deferred hedge accounting	Interest rate swaps (Floating-rate to fixed-rate interest)	Long-term loans payable	3,300,000	800,000	(31,423)	Note (ii)
Special treatment for hedge accounting of interest rate swaps (Note (i))	Interest rate swaps (Floating-rate to fixed-rate interest)	Long-term loans payable	26,100,000	19,400,000	Note (i)	-

**As of January 31, 2023**

(Thousands of yen)

Method of hedge accounting	Derivative instruments	Hedged item	Notional contract amount of derivative instruments		Fair value	Valuation method
				Over 1 year		
Deferred hedge accounting	Interest rate swaps (Floating-rate to fixed-rate interest)	Long-term loans payable	3,300,000	800,000	(8,631)	Note (ii)
Special treatment for hedge accounting of interest rate swaps (Note (i))	Interest rate swaps (Floating-rate to fixed-rate interest)	Long-term loans payable	24,900,000	9,900,000	Note (i)	-

Note:

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

## Note 10 — Income taxes

Deferred tax assets consist of the following:

(Thousands of yen)

	As of	
	July 31, 2022	January 31, 2023
Deferred tax assets:		
Enterprise tax payable	31	69
Asset retirement obligations	277,587	488,772
Depreciation	49,700	-
Deferred losses on hedges	9,885	2,715
Subtotal	337,205	491,558
Valuation allowance	(337,205)	(491,558)
Total	-	-
Net deferred tax assets	-	-

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

	For the six months ended	
	July 31, 2022	January 31, 2023
Statutory tax rates	31.46%	31.46%
Deductible cash distributions	(29.40)	(34.21)
Other	(2.04)	2.78
Effective tax rates	0.02%	0.03%

**Note 11 — Related-party transactions**

There were no related-party transactions to be disclosed for the fiscal period ended July 31, 2022 and January 31, 2023.

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

The Investment Corporation has obligations to remove asbestos contained in certain buildings, etc.

*(ii) Calculation of asset retirement obligations*

The estimated periods of use of the properties are estimated up to 53 years based on the useful life of each building and the asset retirement obligations are recognized using discount rates at maximum 0.996%.

*(iii) Movements of asset retirement obligations*

	(Thousands of yen)	
	For the six months ended	
	July 31, 2022	January 31, 2023
Balance at the beginning of the period	886,119	882,349
Increase (decrease) due to change in estimates	(6,024)	-
Adjustment for passage of time	2,255	2,259
Derecognition due to settlement of obligations	-	(46,925)
Other increase (decrease), net	-	715,948
Balance at the end of the period	882,349	1,553,632

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

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

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

The Investment Corporation has mainly logistics facilities, manufacturing and R&D facilities, etc. or infrastructure facilities as investment and rental properties which are located mainly in three major metropolitan areas in Japan. The following table shows the net book value and the fair value of the investment and rental properties in aggregate for the fiscal period ended July 31, 2022 and January 31, 2023.

	(Thousands of yen)	
	For the six months ended	
	July 31, 2022	January 31, 2023
<b>Net book value<sup>(i)</sup></b>		
Balance at the beginning of the period	369,627,797	372,815,584
Net increase (decrease) during the period <sup>(ii)</sup>	3,187,787	4,652,817
Balance at the end of the period	372,815,584	377,468,402
<b>Fair value<sup>(iii)</sup></b>	464,492,000	469,752,000

Note:

(i) The net book value includes leasehold right.

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

	Increase (decrease) in net book value (Thousands of yen)
<b>For the six months ended July 31, 2022:</b>	
Acquisitions:	
IIF Iruma Manufacturing Center (Land with leasehold interest).....	2,597,511
IIF Tochigi Moka Manufacturing Center (Land with leasehold interest).....	1,182,377
Disposition:	
IIF Inzai Logistics Center.....	(995,482)
<b>For the six months ended January 31, 2023:</b>	
Acquisitions:	
IIF Yokkaichi Logistics Center (New Building).....	5,496,474
Disposition:	
IIF Osaka Nanko IT Solution Center.....	(1,144,984)

(iii) Fair value has been determined based on the appraisal or researched value provided by independent real estate appraisers. For IIF Osaka Nanko IT Solution Center signed disposition contract on July 8, 2022 and IIF Kobe Logistics Center signed disposition contract on March 1, 2023, the selling prices are used for the six months ended July 31, 2022 and January 31, 2023, respectively.

For rent revenues and expenses for the six months ended July 31, 2022 and January 31, 2023, please refer to "Note 4 — Rent revenue — real estate and expenses related to property rental business".

**Note 14 — Revenue recognition****(a) Information on the breakdown of revenue from contracts with customers****For the six months ended July 31, 2022:**

(Thousands of yen)

	Revenue from contracts with customers (Note (i))	Sales to external customers (Note (ii))
Sales of property	1,925,000	858,612
Common area charges	236,047	236,047
Others	42,377	16,099,471
Total	2,203,425	17,194,132

**For the six months ended January 31, 2023:**

(Thousands of yen)

	Revenue from contracts with customers (Note (i))	Sales to external customers (Note (ii))
Sales of property	-	1,450,116
Common area charges	380,331	380,331
Others	27,974	16,114,076
Total	408,306	17,944,524

**Note:**

- (i) Rent revenues subject to the "Accounting Standard for Lease Transactions" (Accounting Standards Board of Japan Statement No.13) and sale of property subject to the "Practical Guidelines on Accounting by Transferors for Securitization of Real Estate Using Special Purpose Companies" (Accounting Practice Committee Report No. 15 of the Japanese Institute of Certified Public Accountants) are excluded from "Revenue from contracts with customers" as such revenues are not subject to Accounting Standard for Revenue Recognition. Revenue from contracts with customers mainly represents revenues from sales of property and common area charges.
- (ii) Sales of property are recorded as gain (loss) on sales of property in the statements of Income and retained earnings pursuant to Article 48, Paragraph 2 of the Regulations on Accounting of Investment Corporations (Cabinet Office Order No. 47 of 2006). Accordingly, the sales to external customers shows the amount obtained by deducting cost of sales of property and other sales expenses proceeds from sales of property.

**(b) Information utilized as the base for understanding revenue from contracts with customers**

The information is as disclosed in "(7) Summary of significant accounting policies (g) Revenue recognition".

**(c) Information to understand amounts of revenues for the current fiscal period and future fiscal periods****(1) Balance of contract assets and contract liabilities, etc.**

(Thousands of yen)

	For the six months ended July 31, 2022	For the six months ended January 31, 2023
Receivables generated from contracts with customers (balance at beginning of fiscal period)	52,468	61,711
Receivables generated from contracts with customers (balance at end of fiscal period)	61,711	114,503
Contract assets (balance at beginning of fiscal period)	-	-
Contract assets (balance at end of fiscal period)	-	-
Contract liabilities (balance at beginning of fiscal period)	-	270,000
Contract liabilities (balance at end of fiscal period)	270,000	-

**(2) Transaction value allocated to remaining performance obligations****For the six months ended July 31, 2022:**

As of July 31, 2022, transaction value allocated to remaining performance obligations regarding sales of property was ¥2,700,000 thousand related to a property signed disposition contract on July 8, 2022. Revenue from the remaining performance obligation will be recognized when the delivery of the property scheduled on August 17, 2022 is completed. With regard to common area charges, as the Investment Corporation has the right to receive from customers an amount directly corresponding to the value for the lessees, who are customers, of sections for which performance is complete by the end of the fiscal period, the amount it has the right to claim is recognized as revenue in accordance with Paragraph 19 of the Implementation Guidance on Accounting Standard for Revenue Recognition. Accordingly, such is not included in the note on transaction value allocated to remaining performance obligations through application of the provisions of Paragraph 80-22 (2) of the Accounting Standard for Revenue Recognition.

**For the six months ended January 31, 2023:**

With regard to common area charges, as the Investment Corporation has the right to receive from customers an amount directly corresponding to the value for the lessees, who are customers, of sections for which performance is complete by the end of the fiscal period, the amount it has the right to claim is recognized as revenue in accordance with Paragraph 19 of the Implementation Guidance on Accounting Standard for Revenue Recognition. Accordingly, such is not included in the note on transaction value allocated to remaining performance obligations through application of the provisions of Paragraph 80-22 (2) of the Accounting Standard for Revenue Recognition.

**Note 15 — Segment information**

Segment information for the fiscal period ended July 31, 2022 and January 31, 2023 is as follows:

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

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

**(b) Enterprise-wide disclosures***(i) Information about products and services*

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

*(ii) Information about geographic areas**Revenues from overseas customers:*

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

*Tangible fixed assets:*

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

**(c) Information about major customers**

The revenues from Takeda Pharmaceutical Company Limited, which are more than 10% of total operating revenues for the six months ended July 31, 2022 and January 31, 2023, are not disclosed because the consent from the customer has not been obtained. Relating segment is property rental business.

**Note 16 — Per unit information**

Following table shows the net asset value per unit per unit as of July 31, 2022 and January 31, 2023 and net income per unit for the six months then ended.

	(Yen)	
	For the six months ended	
	July 31, 2022	January 31, 2023
Net asset value per unit	91,476	91,257
Net income per unit	3,136	2,870

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

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

	(Thousands of yen)	
	For the six months ended	
	July 31, 2022	January 31, 2023
Net income	6,492,911	5,940,979
Effect of dilutive unit	-	-
Net income available to common unitholders	6,492,911	5,940,979
Adjusted weighted-average number of units outstanding for the period	2,070,016 units	2,070,016 units

**Note 17 — Subsequent events****Issuance of New Investment Units**

At the meetings of the Board of Directors held on March 13, 2023, the issuance of new investment units was resolved as follows. The issue price per unit, etc. will be determined at a future meeting of the Board of Directors.

**(a) Issuance of New Investment Units through Public Offering**

Offering in Japan (may be sold to overseas investors in overseas markets, primarily in Europe and Asia , but excluding the United States and Canada)

Number of new investment units :

43,500 units(The number of investment units for overseas sales has not yet been determined.)

Payment date :

Any day during the period from March 23, 2023 (Thursday) to March 28, 2023 (Tuesday) (no later than four business days after the Date of Determination of Issue Price etc(Note).

Note: The issue price, etc. will be determined at a meeting of the board of directors to be held on any day between March 16, 2023 (Thursday) and March 22, 2023 (Wednesday) (the "Issue Price Determination Date") in accordance with the method stipulated in Article 25 of the Regulations Concerning Underwriting, etc. of Securities established by the Japan Securities Dealers Association.

**(b) Use of Funds**

The funds by this offering will be allocated to a part of the funds to acquire new specified properties (as defined in Article 2, Paragraph 1 of the Act on Investment Trusts and Investment Corporations).

**Disposition of property**

On March 1, 2023 the Investment Corporation signed disposition contract a property as follows:

<i>Property name</i>	<i>Disposition amount</i>	<i>Completion date of contract</i>	<i>Disposition date</i>	<i>Name of purchaser</i>
<i>IIF Kobe Logistics Center (Trust beneficial interest)</i>	¥8,520 million	March 1, 2023	3% of quasi-co-ownership in trust beneficiary interest April 7, 2023	Not disclosed <sup>(i)</sup>
			32% of quasi-co-ownership in trust beneficiary interest July 31, 2023	
			40% of quasi-co-ownership in trust beneficiary interest January 19, 2024	
			25% of quasi-co-ownership in trust beneficiary interest March 22, 2024	

Note (i): Although a purchaser of the property is a special purpose entity, information on the counter party is not disclosed because the consent from the purchaser has not been obtained.

**Note 18 — Allowance for temporary difference adjustment**

Changes of temporary difference subject to allowance for temporary difference adjustment for the six months ended July 31, 2022 and January 31, 2023 are as follows:

(Thousands of yen)

For the six months ended	Item	Reason for changes of temporary difference	Amount for allowance (or reversal)	Note
July 31, 2022	Buildings in trust	Excess of depreciation allowance	203,471	(i)
	Buildings in trust	Reversal of excess of depreciation allowance	(626,314)	(i)
	Deferred gains or (losses) on hedges	Decrease of Valuation losses on interest rate swaps	(26,547)	(ii)
January 31, 2023	Buildings in trust	Excess of depreciation allowance	726,548	(i)
	Buildings in trust	Reversal of excess of depreciation allowance	(204,904)	(i)
	Deferred gains or (losses) on hedges	Decrease of Valuation losses on interest rate swaps	(22,792)	(ii)

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

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

[Omission of disclosure]

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

## (9) Changes in unit issued and outstanding

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

Date	Capital transaction	Number of units issued and outstanding		Unitholders' capital (Millions of yen) (Note 1)		Note
		Increase	Balance	Increase	Balance	
February 1, 2018	Unit Split	1,191,492	1,588,656	-	112,651	Note 2
March 7, 2018	Public offering	109,275	1,697,931	12,623	125,274	Note 3
April 4, 2018	Allocation of investment units to a third party	885	1,698,816	102	125,376	Note 4
May 29, 2019	Public offering	90,700	1,789,516	10,973	136,349	Note 5
June 25, 2019	Allocation of investment units to a third party	4,500	1,794,016	544	136,894	Note 6
October 15, 2019	Distributions in excess of profit (unitcapital refunds)	-	1,794,016	(69)	136,824	Note 7
December 18, 2019	Public offering	83,900	1,877,916	13,014	149,839	Note 8
January 15, 2020	Allocation of investment units to a third party	2,100	1,880,016	325	150,165	Note 9
April 17, 2020	Distributions in excess of profit (unitcapital refunds)	-	1,880,016	(223)	149,941	Note 10
August 11, 2020	Public offering	181,000	2,061,016	32,037	181,978	Note 11
September 8, 2020	Allocation of investment units to a third party	9,000	2,070,016	1,593	183,571	Note 12
October 20, 2022	Distributions in excess of profit (unitcapital refunds)	-	2,070,016	(347)	183,223	Note 13

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

Note 2 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 3 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 4 New investment units were issued at a price of ¥115,517 per unit through the allocation of investment units to a third-party.

Note 5 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 6 New investment units were issued at a price of ¥120,986 per unit through the allocation of investment units to a third-party.

Note 7 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 8 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 9 New investment units were issued at a price of ¥155,123 per unit through the allocation of investment units to a third-party.

Note 10 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 11 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 12 New investment units were issued at a price of ¥177,001 per unit through the allocation of investment units to a third-party.

Note 13 The Board of Directors of the Investment Corporation, at its meeting held on September 14, 2022, resolved to make distribution in excess of profit (unitcapital refund from deduction of unitcapital under tax rule) amounting to ¥168 per unit for the six months ended July 31, 2022. The payment of distribution in excess of profit was commenced on October 20, 2022.



### 3. Additional information

#### (1) Composition of assets

Classification of assets	Asset category	Location category  (Note1)	Region	As of July 31, 2022		As of January 31, 2023	
				Total of net book value	Composition ratio	Total of net book value	Composition ratio
				(Millions of yen) (Note2)	(%) (Note3)	(Millions of yen) (Note2)	(%) (Note3)
Real property	Logistics facilities or Manufacturing and R&D facilities, etc. (Industrial properties)	Urban and suburban or Industrial-area	Tokyo metropolitan area	12,835	3.1	12,862	3.0
			Osaka and Nagoya metropolitan areas	4,817	1.2	4,798	1.1
			Other area	3,091	0.7	3,104	0.7
		Other	Tokyo metropolitan area	-	-	-	-
			Osaka and Nagoya metropolitan areas	-	-	-	-
			Other area	-	-	-	-
	Infrastructure facilities (Infrastructure properties)	Urban and suburban or Industrial-area	Tokyo metropolitan area	43,056	10.3	42,832	10.1
			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	190,399	45.6	191,412	45.3
			Osaka and Nagoya metropolitan areas	56,732	13.6	62,041	14.7
			Other area	32,187	7.7	32,042	7.6
		Other	Tokyo metropolitan area	-	-	-	-
			Osaka and Nagoya metropolitan areas	-	-	-	-
			Other area	5,819	1.4	5,778	1.4
	Infrastructure facilities (Infrastructure properties)	Urban and suburban or Industrial-area	Tokyo metropolitan area	-	-	-	-
			Osaka and Nagoya metropolitan areas	21,876	5.2	20,596	4.9
			Other area	-	-	-	-
		Other	Tokyo metropolitan area	-	-	-	-
			Osaka and Nagoya metropolitan areas	-	-	-	-
			Other area	-	-	-	-
Sub-total				372,815	89.3	377,468	89.4
Investments in Tokumei Kumiai agreement (Note 4)				83	0.0	83	0.0
Bank deposits and other assets				44,531	10.7	44,793	10.6
Total assets				417,430	100.0	422,345	100.0
Total liabilities				228,071	54.6	233,440	55.3
Total net assets				189,358	45.4	188,905	44.7

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 Total of net book value is carrying amounts on the balance sheets (amounts of real property and trust beneficial interest in real property are book values net of depreciation) at the end of the fiscal period.

Note 3 Figures less than unit indicated in each column have been rounded down for amounts and rounded for ratio unless otherwise indicated. Therefore, the figures shown in the total columns do not necessarily agree with the sums of the individual figures. The same applies hereinafter.

Note 4 Investments in Tokumei Kumiai agreement is equity interest of silent partnership with Godo Kaisha Industrial Asset Holdings 6 whose investment asset is trust beneficiary interest of OTA Techno CORE.

## (2) Outline of portfolio properties

The principal properties (top ten properties in net book value) as of January 31, 2023 were as follows:

Name of property	Net book value (Millions of yen)	Leasable area (m <sup>2</sup> ) (Note 1)	Leased area (m <sup>2</sup> ) (Note 2)	Occupancy ratio (%)	Ratio of rent revenue to total rent revenues (%)	Major use
IIF Shonan Health Innovation Park (Note 3)	40,201	130,342.61	130,342.61	100.0	Note 6	Manufacturing and R&D facility, etc.
IIF Haneda Airport Maintenance Center	36,683	81,995.81	81,995.81	100.0	9.1	Infrastructure facility
IIF Ichihara Manufacturing Center (Land with leasehold interest)	16,605	637,802.64	637,802.64	100.0	Note 6	Manufacturing and R&D facility, etc.
IIF Kobe District Heating and Cooling Center	15,202	11,476.05	11,476.05	100.0	2.0	Infrastructure facility
IIF Shinonome Logistics Center (Note 4)	13,018	27,493.29	27,493.29	100.0	2.4	Logistics facility
IIF Atsugi Manufacturing Center (Note 5)	11,994	97,153.03	97,153.03	100.0	Note 6	Manufacturing and R&D facility, etc.
IIF Osaka Suminoe Logistics Center I	11,799	52,201.30	52,201.30	100.0	Note 6	Logistics facility
IIF Fukuoka Hakozaki Logistics Center II	9,976	51,530.51	51,530.51	100.0	Note 6	Logistics facility
IIF Mitaka Card Center	9,328	21,615.01	21,615.01	100.0	2.2	Manufacturing and R&D facility, etc.
IIF Yokkaichi Logistics Center	9,140	53,254.25	53,254.25	100.0	Note 6	Logistics facility
Total	173,952	1,164,864.50	1,164,864.50	100.0	56.4	

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 "Leasable area" and "Leased area" of IIF Shonan Health Innovation Park are calculated by rounded down to the second decimal place. The same applies hereinafter.

Note 4 The Investment Corporation owns 53% of the trust beneficial interest in the property. The leasable area and leased area of the property show 53% of the total leasable area or leased area as the share of quasi-co-ownership and are calculated by rounding to the nearest second decimal place.

Note 5 As the Investment Corporation invests in IIF Atsugi Manufacturing Center both land with leasehold interest (the lessee of leased land is the trustee with respect to the building of the property) and building in form of the trust beneficial interests separately, "Leasable area" of the property shows total of the leasable area of the leased land (64,327.54m<sup>2</sup>) and that of the building on the leased land (32,825.49m<sup>2</sup>).

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

The details of logistics facilities, manufacturing and R&D facilities, etc. or infrastructure facilities held by the Investment Corporation as of January 31, 2023 were as follows:

Name of property	Location (Note 1)	Form of ownership	Leasable area (m <sup>2</sup> ) (Note 2)	Fair value at end of period (Millions of yen) (Note 3)	Net book value (Millions of yen)
IIF Shinonome Logistics Center (Note 4)	13-32, Shinonome 2-chome, Koto-ku, Tokyo	Trust beneficial interest	27,493.29	18,709	13,018
IIF Noda Logistics Center	340-13, Nishi-sangao, Noda-shi, Chiba	Trust beneficial interest	38,828.10	9,830	5,309
IIF Shinsuna Logistics Center	5-15, Shinsuna 3-chome, Koto-ku, Tokyo	Trust beneficial interest	5,741.75	8,090	5,094
IIF Koshigaya Logistics Center	1-1, Ryutsudanchi 4-chome, Koshigaya-shi, Saitama	Trust beneficial interest	10,113.50	3,330	1,674
IIF Nishinomiya Logistics Center	2, Nishinomiya 1-chome, Nishinomiya-shi, Hyogo	Trust beneficial interest	17,200.00	3,210	1,916
IIF Narashino Logistics Center (Land with leasehold interest)	34-9, Akanehama 3-chome, Narashino-shi, Chiba	Real property	19,834.71	3,690	1,226
IIF Narashino Logistics Center II (Note 5)	34-1, Akanehama 3-chome, Narashino-shi, Chiba	Trust beneficial interest	83,905.16	7,040	4,668
IIF Atsugi Logistics Center II	602-9, Aza Kitaya, Funako, Atsugi-shi, Kanagawa	Real property	20,661.13	4,230	3,071
IIF Yokohama Tsuzuki Logistics Center	747, Aza Minamikochi, Kawamukou-cho, Tsuzuki-ku Yokohama-shi, Kanagawa	Trust beneficial interest	9,615.82	3,640	2,264
IIF Saitama Logistics Center	398-3, Yoshino-cho 1-chome, Kita-ku, Saitama-shi, Saitama	Trust beneficial interest	8,995.00	2,560	1,375
IIF Nagoya Logistics Center	27, Yanagida-cho 2-chome, Nakagawa-ku, Nagoya-shi, Aichi	Real property	8,721.01	1,580	1,156
IIF Atsugi Logistics Center III (Note 6)	3007-7, Kamiechi Aza Uenohara, Atsugi-shi, Kanagawa	Trust beneficial interest	-	5,810	3,582
IIF Kawaguchi Logistics Center	5-3 Midori-cho, Kawaguchi-shi, Saitama	Real property	11,705.02	5,390	2,104
IIF Kobe Logistics Center (Note 7)	2-10, Maya-futo, Nada-ku, Kobe-shi, Hyogo	Trust beneficial interest	37,052.41	8,350	5,732
IIF Higashi-Osaka Logistics Center	7-46, Wakae-higashi-machi 6-chome, Higashi Osaka-shi, Osaka	Real property	20,528.42	4,370	2,439
IIF Kashiwa Logistics Center	1027-1, Washinoya, Kashiwa-shi, Chiba	Real property	17,379.78	3,490	1,925
IIF Misato Logistics Center	5, Izumi 3-chome, Misato-shi, Saitama	Trust beneficial interest	19,019.71	6,560	3,319
IIF Iruma Logistics Center	660-2, Aza Higashimusashino, Oaza Minami-mine, Iruma-shi, Saitama	Trust beneficial interest	17,881.65	4,550	2,908
IIF Tosu Logistics Center	127-1, Aza Uchishirage, Kuranoue-machi, Tosu-shi, Saga	Trust beneficial interest	13,862.05	2,500	1,450
IIF Morioka Logistics Center	Plot 4-311, Oaza Hiromiyasawa, Yahabacho, Shiwa-gun, Iwate, etc.	Trust beneficial interest	8,001.57	1,530	540
IIF Hiroshima Logistics Center	22-4, Itsukaichi-ko 3-chome, Saeki-ku, Hiroshima-shi, Hiroshima	Trust beneficial interest	22,768.24	4,910	3,163
IIF Izumiotsu e-shop Logistics Center (Land with leasehold interest)	8-1, Nagisa-cho, Izumiotsu-shi, Osaka	Trust beneficial interest	48,932.00	4,320	4,177
IIF Izumisano Food Processing and Logistics Center	2-11, Rinkuorai-kita, Izumisano-shi, Osaka	Real property	13,947.83	1,160	947
IIF Kyotanabe Logistics Center	55-13, Osumi-hama, Kyotanabe-shi, Kyoto	Trust beneficial interest	33,243.99	8,470	5,478
IIF Fukuoka Koga Vehicle Logistics Center (Land with leasehold interest)	1134-1, Aoyagi, Koga-shi, Fukuoka	Real property	30,815.97	1,060	914
IIF Fukuoka Higashi Logistics Center	9-1 Kamata 4-chome, Higashi-ku, Fukuoka-shi, Fukuoka	Trust beneficial interest	11,262.86	2,280	1,883
IIF Osaka Konohana Logistics Center	4-51, Shimaya 4-chome, Konohana-ku, Osaka-shi, Osaka	Trust beneficial interest	46,262.20	10,800	8,670
IIF Kazo Logistics Center	6-1, Shintone 2-chome, Kazo-shi, Saitama	Trust beneficial interest	17,744.41	3,030	2,544
IIF Hamura Logistics Center (Note 8)	8-16, Shinmeidai 4-chome, Hamura-shi, Tokyo	Trust beneficial interest	-	74	748

Name of property	Location (Note 1)	Form of ownership	Leasable area (m <sup>2</sup> ) (Note 2)	Fair value at end of period (Millions of yen) (Note 3)	Net book value (Millions of yen)
IIF Fukuoka Hakozaki Logistics Center I	14-31, Hakozakifuto 4-chome, Higashi-ku, Fukuoka-shi, Fukuoka	Trust beneficial interest	24,967.58	5,730	5,147
IIF Fukuoka Hakozaki Logistics Center II	1-18, Hakozakifuto 4-chome, Higashi-ku, Fukuoka-shi, Fukuoka	Trust beneficial interest	51,530.51	11,800	9,976
IIF Itabashi Logistics Center	7-7, Higashi-sakashita 2-chome, Itabashi-ku, Tokyo	Trust beneficial interest	5,057.68	2,290	1,707
IIF Sendai Taiwa Logistics Center	3-15, Maino 2-chome, Taiwa-cho, Kurokawa-gun, Miyagi	Trust beneficial interest	15,555.15	1,910	1,540
IIF Ota Logistics Center	236-1, Anyoji-cho, Ota-shi, Gunma	Real property	6,900.01	1,210	991
IIF Osaka Suminoe Logistics Center I	2-32, Shibatani 1-chome, Suminoe-ku, Osaka-shi, Osaka	Trust beneficial interest	52,201.30	16,200	11,799
IIF Osaka Suminoe Logistics Center II	2-34, Shibatani 1-chome, Suminoe-ku, Osaka-shi, Osaka	Trust beneficial interest	12,299.76	3,070	2,523
IIF Morioka Logistics Center II	4-5, Ryutsu Center Minami 2-chome, Yahaba-cho, Shiwa-gun, Iwate	Trust beneficial interest	12,383.30	1,540	1,384
IIF Sapporo Logistics Center	2-1, Yonesato-sanjo 3-chome, Shiroishi-ku, Sapporo-shi, Hokkaido	Trust beneficial interest	13,064.75	2,770	2,472
IIF Koriyama Logistics Center	213, Aza Mukaihara, Otsuki-machi, Koriyama-shi, Fukushima	Trust beneficial interest	17,533.15	3,350	2,403
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	2,480	2,059
IIF Hyogo Tatsuno Logistics Center	300-2, Tai-san, Nagao, Issaicho, Tatsuno-shi, Hyogo, etc.	Trust beneficial interest	25,186.78	4,580	4,064
IIF Akishima Logistics Center	3928-4, Kohake, Haijimacho, Akishima-shi, Tokyo	Trust beneficial interest	31,071.21	8,800	8,464
IIF Gifu Kakamigahara Logistics Center	2-8, Aza Takehaya, Kawashima Takehayamachi, Kakamigahara-shi, Gifu, etc.	Trust beneficial interest	16,708.51	3,240	2,373
IIF Hiroshima Seifushinto Logistics Center	3-1, Tomominami 2-chome, Asaminami-ku, Hiroshima-shi, Hiroshima	Trust beneficial interest	28,988.91	6,740	6,285
IIF Shonan Logistics Center	9-2, Ichinomiya 7-chome, Samukawa-machi, Koza-gun, Kanagawa	Trust beneficial interest	23,728.15	9,030	7,545
IIF Yokkaichi Logistics Center	1340-8, Azayamagamidani, Tarusaka-cho, Yokkaichi-shi, Mie, etc.	Trust beneficial interest	53,254.25	10,300	9,140
IIF Totsuka Technology Center (Land with leasehold interest)	344-1, Nase-cho, Totsuka-ku, Yokohama-shi, Kanagawa, etc.	Trust beneficial interest	31,442.47	5,360	4,553
IIF Yokohama Tsuzuki Technology Center	25-2, Kitayamada 4-chome, Tsuzuki-ku, Yokohama-shi, Kanagawa	Real property	4,655.48	1,360	1,338
IIF Mitaka Card Center	5-14, Shimo-Renjaku 7-chome, Mitaka-shi, Tokyo	Trust beneficial interest	21,615.01	9,850	9,328
IIF Kamata R&D Center	16-46, Minami-Kamata 2-chome, Ota-ku, Tokyo	Trust beneficial interest	21,896.56	8,380	7,428
IIF Kawasaki Science Center	25-19, Tono-machi 3-chome, Kawasaki-ku, Kawasaki-shi, Kanagawa	Real property	4,857.73	3,000	1,849
IIF Sagamihara R&D Center	1-35, Minamihashimoto 3-chome, Chuo-ku, Sagamihara-shi, Kanagawa	Trust beneficial interest	19,328.40	4,740	3,603
IIF Yokohama Shinyamashita R&D Center	16-5, Shinyamashita 1-chome, Naka-ku, Yokohama-shi, Kanagawa	Trust beneficial interest	4,887.83	4,200	3,721
IIF Kakegawa Manufacturing Center (Land with leasehold interest)	30, Tanyo, Kakegawa-shi, Shizuoka	Trust beneficial interest	66,171.92	1,770	1,572
IIF Urayasu Machinery Maintenance Center (Land with leasehold interest)	195, Tekkodori 3-chome, Urayasu-shi, Chiba	Real property	7,925.94	1,690	1,345
IIF Yokosuka Technology Center	1-15, Shinmei-cho, Yokosuka-shi, Kanagawa	Trust beneficial interest	13,779.77	4,520	4,371
IIF Shonan Technology Center	1-1, Ichinomiya 6-chome, Samukawa-machi, Koza-gun, Kanagawa	Trust beneficial interest	7,244.71	1,380	1,322
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	2,610	2,413

Name of property	Location (Note 1)	Form of ownership	Leasable area (m <sup>2</sup> ) (Note 2)	Fair value at end of period (Millions of yen) (Note 3)	Net book value (Millions of yen)
IIF Atsugi Manufacturing Center (Note 9)	832-1, Aza Momijiyama, Shimofurusawa, Atsugi-shi, Kanagawa, etc.	Trust beneficial interest	97,153.03	16,300	11,994
IIF Shin-Kawasaki R&D Center	1-2, Shinogura, Saiwai-ku, Kawasaki-shi, Kanagawa	Trust beneficial interest	11,865.54	8,720	6,369
IIF Ichikawa Food Processing Center	1-1-2, Higashihama 1-chome, Ichikawa-shi, Chiba, etc.	Trust beneficial interest	27,424.22	6,770	6,331
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	6,170	6,341
IIF Okazaki Manufacturing Center (Land with leasehold interest)	34-6, Aza Okasaku, Makihiro-cho, Okazaki-shi, Aichi, etc.	Trust beneficial interest	42,049.87	4,330	4,104
IIF Shonan Health Innovation Park	26-1, Muraoka-Higashi 2-chome, Fujisawa-shi, Kanagawa	Trust beneficial interest	130,342.61	44,900	40,201
IIF Ichihara Manufacturing Center (Land with leasehold interest)	1-1, Yawatakaigandori, Ichihara-shi, Chiba, etc.	Trust beneficial interest	637,802.64	18,690	16,605
IIF Iruma Manufacturing Center (Land with leasehold interest)	178-1, Oaza Shinko, Iruma-shi, Saitama, etc.	Trust beneficial interest	34,384.62	2,920	2,597
IIF Tochigi Moka Manufacturing Center (Land with leasehold interest)	8-1, Matsuyama-cho, Moka-shi, Tochigi	Real property	92,826.16	1,340	1,198
IIF Kobe District Heating and Cooling Center	8-2, Higashikawasaki-cho 1-chome, Chuo-ku, Kobe-shi, Hyogo	Trust beneficial interest	11,476.05	12,300	15,202
IIF Haneda Airport Maintenance Center	5-1 and 2, Haneda Airport 3-chome, Ota-ku, Tokyo	Real property	81,995.81	41,400	36,683
IIF Shinagawa Data Center	9-15, Futaba 2-chome, Shinagawa-ku, Tokyo	Real property	19,547.11	7,400	5,419
IIF Osaka Toyonaka Data Center	1-8, Shin-senri-nishi-machi 1-chome, Toyonaka-shi, Osaka	Trust beneficial interest	20,027.14	6,580	5,394
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 Higashimatsuyama Gas Tank Maintenance Center (Land with leasehold interest)	75-1, Shingo, Higashimatsuyama-shi, Saitama	Real property	12,880.38	798	729
Total			2,570,255.70	469,582	377,468

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 The Investment Corporation has started a redevelopment project of IIF Atsugi Logistics Center III and plans to build a new building after demolish work of the existing building.

Note 7 The Investment Corporation is going to sell 3%, 32%, 40% and 25% quasi-co-ownership interest of the property on April 7, 2023, July 31, 2023, January 19, 2024 and March 22, 2024, respectively.

Note 8 The Investment Corporation has started a redevelopment project of IIF Hamura Logistics Center and plans to build a new building after demolish work of the existing building.

Note 9 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 (32,825.49㎡).

The details of logistics facilities, manufacturing and R&D facilities, etc. or infrastructure facilities held by the Investment Corporation as of January 31, 2023 were as follows:

Name of property	For the six months ended July 31, 2022					For the six months ended January 31, 2023				
	Number of tenants (Note 1)	Occupancy ratio (%)	Rental revenues (Millions of yen)	Rental net operating income (NOI) (Millions of yen) (Note 2)	Composition ratio of NOI (%)	Number of tenants (Note 1)	Occupancy ratio (%)	Rental revenues (Millions of yen)	Rental net operating income (NOI) (Millions of yen) (Note 2)	Composition ratio of NOI (%)
IIF Shinonome Logistics Center	1	100.0	400	365	3.6	1	100.0	400	358	3.7
IIF Noda Logistics Center	2	100.0	(Note 3)	214	2.1	2	100.0	(Note 3)	214	2.2
IIF Shinsuna Logistics Center	1	100.0	179	159	1.6	1	100.0	179	160	1.6
IIF Koshigaya Logistics Center	1	100.0	83	73	0.7	1	100.0	83	75	0.8
IIF Nishinomiya Logistics Center	2	100.0	(Note 3)	82	0.8	2	100.0	(Note 3)	82	0.8
IIF Narashino Logistics Center (Land with leasehold interest)	1	100.0	(Note 3)	37	0.4	1	100.0	(Note 3)	37	0.4
IIF Narashino Logistics Center II (Note 4)	2	100.0	(Note 3)	172	1.7	2	100.0	(Note 3)	173	1.8
IIF Atsugi Logistics Center II	1	100.0	(Note 3)	112	1.1	1	100.0	(Note 3)	109	1.1
IIF Yokohama Tsuzuki Logistics Center	1	100.0	(Note 3)	79	0.8	1	100.0	(Note 3)	81	0.8
IIF Saitama Logistics Center	1	100.0	66	61	0.6	1	100.0	67	62	0.6
IIF Nagoya Logistics Center	1	100.0	(Note 3)	45	0.4	1	100.0	(Note 3)	45	0.5
IIF Atsugi Logistics Center III (Note 5)	-	-	-	(252)	(2.5)	-	-	-	(8)	(0.1)
IIF Kawaguchi Logistics Center	1	100.0	(Note 3)	105	1.0	1	100.0	(Note 3)	102	1.1
IIF Kobe Logistics Center (Note 6)	0	0.0	(Note 3)	(47)	(0.5)	1	18.1	(Note 3)	(39)	(0.4)
IIF Higashi-Osaka Logistics Center	3	98.7	(Note 3)	88	0.9	3	98.7	(Note 3)	89	0.9
IIF Kashiwa Logistics Center	1	100.0	(Note 3)	81	0.8	1	100.0	(Note 3)	82	0.8
IIF Misato Logistics Center	1	100.0	(Note 3)	116	1.1	1	100.0	(Note 3)	116	1.2
IIF Iruma Logistics Center	1	100.0	(Note 3)	106	1.0	1	100.0	(Note 3)	106	1.1
IIF Tosu Logistics Center	2	100.0	(Note 3)	52	0.5	2	100.0	(Note 3)	61	0.6
IIF Inzai Logistics Center	-	-	(Note 3)	34	0.3	-	-	-	-	-
IIF Morioka Logistics Center	1	100.0	(Note 3)	37	0.4	1	100.0	(Note 3)	40	0.4
IIF Hiroshima Logistics Center	1	100.0	(Note 3)	121	1.2	1	100.0	(Note 3)	121	1.2
IIF Izumiotsu e-shop Logistics Center (Land with leasehold interest)	1	100.0	(Note 3)	111	1.1	1	100.0	(Note 3)	111	1.1
IIF Izumisano Food Processing and Logistics Center	1	100.0	(Note 3)	28	0.3	1	100.0	(Note 3)	27	0.3
IIF Kyotanabe Logistics Center	1	100.0	(Note 3)	174	1.7	1	100.0	(Note 3)	175	1.8
IIF Fukuoka Koga Vehicle Logistics Center (Land with leasehold interest)	1	100.0	(Note 3)	27	0.3	1	100.0	(Note 3)	27	0.3
IIF Fukuoka Higashi Logistics Center	1	100.0	(Note 3)	51	0.5	1	100.0	(Note 3)	51	0.5
IIF Osaka Konohana Logistics Center	1	100.0	(Note 3)	217	2.1	1	100.0	(Note 3)	218	2.2
IIF Kazo Logistics Center	1	100.0	(Note 3)	67	0.7	1	100.0	(Note 3)	67	0.7

Name of property	For the six months ended July 31, 2022					For the six months ended January 31, 2023				
	Number of tenants (Note1)	Occupancy ratio (%)	Rental revenues (Millions of yen)	Rental net operating income (NOI) (Millions of yen) (Note2)	Composition ratio of NOI (%)	Number of tenants (Note1)	Occupancy ratio (%)	Rental revenues (Millions of yen)	Rental net operating income (NOI) (Millions of yen) (Note2)	Composition ratio of NOI (%)
IIF Hamura Logistics Center (Note 7)	-	-	(Note 3)	14	0.1	-	-	-	(109)	(1.1)
IIF Fukuoka Hakozaki Logistics Center I	3	100.0	(Note 3)	126	1.2	3	100.0	(Note 3)	123	1.3
IIF Fukuoka Hakozaki Logistics Center II	4	100.0	(Note 3)	276	2.7	4	100.0	(Note 3)	265	2.7
IIF Itabashi Logistics Center	1	100.0	(Note 3)	38	0.4	1	100.0	(Note 3)	38	0.4
IIF Sendai Taiwa Logistics Center	1	100.0	(Note 3)	47	0.5	1	100.0	(Note 3)	47	0.5
IIF Ota Logistics Center	1	100.0	(Note 3)	33	0.3	1	100.0	(Note 3)	33	0.3
IIF Osaka Suminoe Logistics Center I	1	100.0	(Note 3)	256	2.5	1	100.0	(Note 3)	257	2.6
IIF Osaka Suminoe Logistics Center II	1	100.0	(Note 3)	60	0.6	1	100.0	(Note 3)	60	0.6
IIF Morioka Logistics Center II	1	100.0	(Note 3)	36	0.4	1	100.0	(Note 3)	35	0.4
IIF Sapporo Logistics Center	1	100.0	(Note 3)	66	0.7	1	100.0	(Note 3)	65	0.7
IIF Koriyama Logistics Center	2	100.0	(Note 3)	96	0.9	2	100.0	(Note 3)	96	1.0
IIF Kobe Nishi Logistics Center (Land with leasehold interest)	1	100.0	(Note 3)	40	0.4	1	100.0	(Note 3)	40	0.4
IIF Hyogo Tatsuno Logistics Center	1	100.0	(Note 3)	110	1.1	1	100.0	(Note 3)	108	1.1
IIF Akishima Logistics Center	1	100.0	(Note 3)	175	1.7	1	100.0	(Note 3)	175	1.8
IIF Gifu Kakanigahara Logistics Center	1	100.0	(Note 3)	72	0.7	1	100.0	(Note 3)	72	0.7
IIF Hiroshima Seifushinto Logistics Center	1	100.0	(Note 3)	159	1.6	1	100.0	(Note 3)	156	1.6
IIF Shonan Logistics Center	1	100.0	(Note 3)	182	1.8	1	100.0	(Note 3)	181	1.9
IIF Yokkaichi Logistics Center (Note 8)	3	100.0	(Note 3)	102	1.0	3	100.0	(Note 3)	224	2.3
IIF Totsuka Technology Center (Land with leasehold interest)	1	100.0	153	137	1.3	1	100.0	153	137	1.4
IIF Yokohama Tsuzuki Technology Center	1	100.0	59	23	0.2	1	100.0	60	43	0.4
IIF Mitaka Card Center	1	100.0	366	311	3.0	1	100.0	366	312	3.2
IIF Kamata R&D Center	1	100.0	(Note 3)	234	2.3	1	100.0	(Note 3)	239	2.5
IIF Kawasaki Science Center	1	100.0	(Note 3)	81	0.8	1	100.0	(Note 3)	81	0.8
IIF Sagami-hara R&D Center	2	100.0	(Note 3)	153	1.5	2	100.0	(Note 3)	158	1.6
IIF Yokohama Shinyamashita R&D Center	1	100.0	(Note 3)	104	1.0	1	100.0	(Note 3)	104	1.1
IIF Kakegawa Manufacturing Center (Land with leasehold interest)	1	100.0	(Note 3)	42	0.4	1	100.0	(Note 3)	42	0.4
IIF Urayasu Machinery Maintenance Center (Land with leasehold interest)	1	100.0	(Note 3)	36	0.4	1	100.0	(Note 3)	36	0.4
IIF Yokosuka Technology Center	1	100.0	(Note 3)	142	1.4	1	100.0	(Note 3)	139	1.4
IIF Shonan Technology Center	1	100.0	(Note 3)	39	0.4	1	100.0	(Note 3)	39	0.4
IIF Totsuka Manufacturing Center (Land with leasehold interest)	1	100.0	(Note 3)	57	0.6	1	100.0	(Note 3)	57	0.6

Name of property	For the six months ended July 31, 2022					For the six months ended January 31, 2023				
	Number of tenants (Note 1)	Occupancy ratio (%)	Rental revenues (Millions of yen)	Rental net operating income (NOI) (Millions of yen) (Note 2)	Composition ratio of NOI (%)	Number of tenants (Note 1)	Occupancy ratio (%)	Rental revenues (Millions of yen)	Rental net operating income (NOI) (Millions of yen) (Note 2)	Composition ratio of NOI (%)
IIF Atsugi Manufacturing Center (Note 9)	2	100.0	(Note 3)	345	3.4	2	100.0	(Note 3)	338	3.5
IIF Shin-Kawasaki R&D Center	1	100.0	(Note 3)	234	2.3	1	100.0	(Note 3)	234	2.4
IIF Ichikawa Food Processing Center	2	100.0	(Note 3)	139	1.4	2	100.0	(Note 3)	139	1.4
IIF Gifu Kakamigahara Manufacturing Center (Land with leasehold interest)	1	100.0	(Note 3)	5	0.1	1	100.0	(Note 3)	5	0.1
IIF Yokohama Tsuzuki R&D Center	1	100.0	(Note 3)	173	1.7	1	100.0	(Note 3)	173	1.8
IIF Okazaki Manufacturing Center (Land with leasehold interest)	1	100.0	(Note 3)	95	0.9	1	100.0	(Note 3)	95	1.0
IIF Shonan Health Innovation Park	8	100.0	(Note 3)	1,044	10.2	8	100.0	(Note 3)	419	4.3
IIF Ichihara Manufacturing Center (Land with leasehold interest)	2	100.0	(Note 3)	450	4.4	2	100.0	(Note 3)	455	4.7
IIF Iruma Manufacturing Center (Land with leasehold interest)	1	100.0	(Note 3)	48	0.5	1	100.0	(Note 3)	74	0.8
IIF Tochigi Moka Manufacturing Center (Land with leasehold interest)	1	100.0	(Note 3)	25	0.2	1	100.0	(Note 3)	39	0.4
IIF Kobe District Heating and Cooling Center	4	100.0	332	313	3.1	4	100.0	332	312	3.2
IIF Haneda Airport Maintenance Center	1	100.0	1,500	982	9.6	1	100.0	1,505	982	10.1
IIF Shinagawa Data Center	1	100.0	(Note 3)	188	1.8	1	100.0	(Note 3)	193	2.0
IIF Osaka Toyonaka Data Center	1	100.0	(Note 3)	206	2.0	1	100.0	(Note 3)	183	1.9
IIF Osaka Nanko IT Solution Center (Note 10)	1	100.0	(Note 3)	76	0.7	-	-	(Note 3)	(18)	(0.2)
IIF Nagoya Port Tank Terminal (Land with leasehold interest)	1	100.0	(Note 3)	62	0.6	1	100.0	(Note 3)	62	0.6
IIF Higashimatsuyama Gas Tank Maintenance Center (Land with leasehold interest)	1	100.0	(Note 3)	18	0.2	1	100.0	(Note 3)	17	0.2
Total	100	98.6	16,334	10,201	100.0	100	98.8	16,492	9,733	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 "Rental net operating income (NOI)" is calculated by following formula.  
(Rental revenues – Rental expenses) + Depreciation

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 Investment Corporation has started a redevelopment project of IIF Atsugi Logistics Center III and plans to build a new building after demolish work of the existing building.

Note 6 The Investment Corporation is going to sell 3%, 32%, 40% and 25% quasi-co-ownership interest of the property on April 7, 2023, July 31, 2023, January 19, 2024 and March 22, 2024, respect

Note 7 The Investment Corporation has started a redevelopment project of IIF Hamura Logistics Center and plans to build a new building after demolish work of the existing building.

Note 8 IIF Yokkaichi Logistics Center (New Building) was additionally acquired on September 16, 2022.

Note 9 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 10 The property was sold on August 17, 2022



(3) Capital expenditures for property

1. Schedule of capital expenditures

The significant plan for capital expenditures on property maintenance as of January 31, 2023 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	Payment for the six months ended January 31, 2023	Total of advanced payment
IIF Shonan Health Innovation Park	Fujisawa-shi, Kanagawa	Conversion construction of A building for B building (A42W area)	July, 2023 to February, 2024	250	-	-
IIF Shonan Health Innovation Park	Fujisawa-shi, Kanagawa	Changing of lightning equipment to LED at A2, B2 and C2 buildings	February, 2024 to June, 2024	220	-	-
IIF Shonan Health Innovation Park	Fujisawa-shi, Kanagawa	Renewal of central monitoring equipment	October, 2021 to July, 2023	176	-	0
IIF Shonan Health Innovation Park	Fujisawa-shi, Kanagawa	Renewal of industrial monitoring controller of A building	November, 2021 to August, 2023	167	-	0
IIF Shonan Health Innovation Park	Fujisawa-shi, Kanagawa	Repair of electrical substation equipment of A4 building	May, 2023 to July, 2024	160	-	-
IIF Shonan Health Innovation Park	Fujisawa-shi, Kanagawa	Repair of electrical substation equipment of A3 building	November, 2023 to January, 2025	92	-	-
IIF Shonan Health Innovation Park	Fujisawa-shi, Kanagawa	Renewal of electrical parts of RI management system	April, 2023 to February, 2024	90	-	-
IIF Yokkaichi Logistics Center	Yokkaichi-shi, Mie	Renewal of cargo elevator (1st period)	August, 2024 to October, 2024	81	-	-
IIF Kashiwa Logistics Center	Kashiwa-shi, Chiba	Repair of roof (1st period)	April, 2023 to July, 2023	70	-	-
IIF Shonan Health Innovation Park	Fujisawa-shi, Kanagawa	Changing of lightning equipment to LED at A2, B2 and C2 buildings (Lightning control area)	February, 2024 to June, 2024	70	-	-
IIF Shonan Health Innovation Park	Fujisawa-shi, Kanagawa	Renewal of cafeteria	July, 2023 to March, 2024	70	-	-
IIF Shonan Health Innovation Park	Fujisawa-shi, Kanagawa	Expansion work of office and meeting room (34th period_Tenant occupancy)	October, 2023 to April, 2024	70	-	-
IIF Shonan Health Innovation Park	Fujisawa-shi, Kanagawa	Expansion work of office and meeting room (35th period_Tenant occupancy)	April, 2024 to October, 2024	70	-	-
IIF Kashiwa Logistics Center	Kashiwa-shi, Chiba	Repair of outer wall	September, 2023 to January, 2024	69	-	0
IIF Shinagawa Data Center	Shinagawa-ku, Tokyo	Renewal of high voltage cable (1st period / 3 periods)	April, 2023 to December, 2023	65	-	-
IIF Shinagawa Data Center	Shinagawa-ku, Tokyo	Renewal of high voltage cable (2nd period / 3 periods)	April, 2024 to December, 2024	65	-	-
IIF Osaka Toyonaka Data Center	Toyonaka-shi, Osaka	Renewal of elevator (No.3 and 4)	June, 2023 to January, 2024	61	-	-
IIF Shonan Logistics Center	Koza-gun, Kanagawa	Repair of outer wall	August, 2024 to September, 2024	60	-	-
IIF Osaka Toyonaka Data Center	Toyonaka-shi, Osaka	Renewal of elevator (No.1 and 2)	September, 2023 to May, 2024	60	-	-
IIF Shonan Health Innovation Park	Fujisawa-shi, Kanagawa	Expansion work of office and meeting room (33rd period_Tenant occupancy)	May, 2023 to November, 2023	60	-	-
IIF Shinagawa Data Center	Shinagawa-ku, Tokyo	Renewal of VCB for power generation equipment (No. 1)	June, 2023 to July, 2023	51	-	-
IIF Shonan Health Innovation Park	Fujisawa-shi, Kanagawa	Renewal of central monitoring equipment	April, 2023 to June, 2024	50	-	-

## 2. Capital expenditures for the six months ended January 31, 2023

Maintenance expenditures on property for the six months ended January 31, 2023 were totaling to ¥2,389 million consisting of ¥1,428 million of capital expenditures stated as below and ¥960 million of repair and maintenance expenses charged to income.

(Millions of yen)

Name of property	Location	Purpose	Term for construction or maintenance	Capital expenditures
IIF Shonan Health Innovation Park	Fujisawa-shi, Kanagawa	Conversion construction of A building for B building (A33E area)	December, 2021 to September, 2022	207
IIF Noda Logistics Center	Noda-shi, Chiba	Rezoning construction of disaster prevention area	September, 2022 to January, 2023	114
IIF Osaka Konohana Logistics Center	Osaka-shi, Osaka	Renewal of cargo elevator (No. 4, 5 and 6)	March, 2022 to January, 2023	73
IIF Shonan Health Innovation Park	Fujisawa-shi, Kanagawa	Expansion work of office and meeting room	May, 2022 to September, 2022	57
IIF Shonan Health Innovation Park	Fujisawa-shi, Kanagawa	Expansion work of office and meeting room for tenant at A building	August, 2022 to January, 2023	54
IIF Kashiwa Logistics Center	Kashiwa-shi, Chiba	Renewal of cargo elevator (No. 3 and 4)	November, 2022 to January, 2023	50
Other	-	-	-	871
Total				1,428