



Investor Presentation for the December 2010 (7th) Period

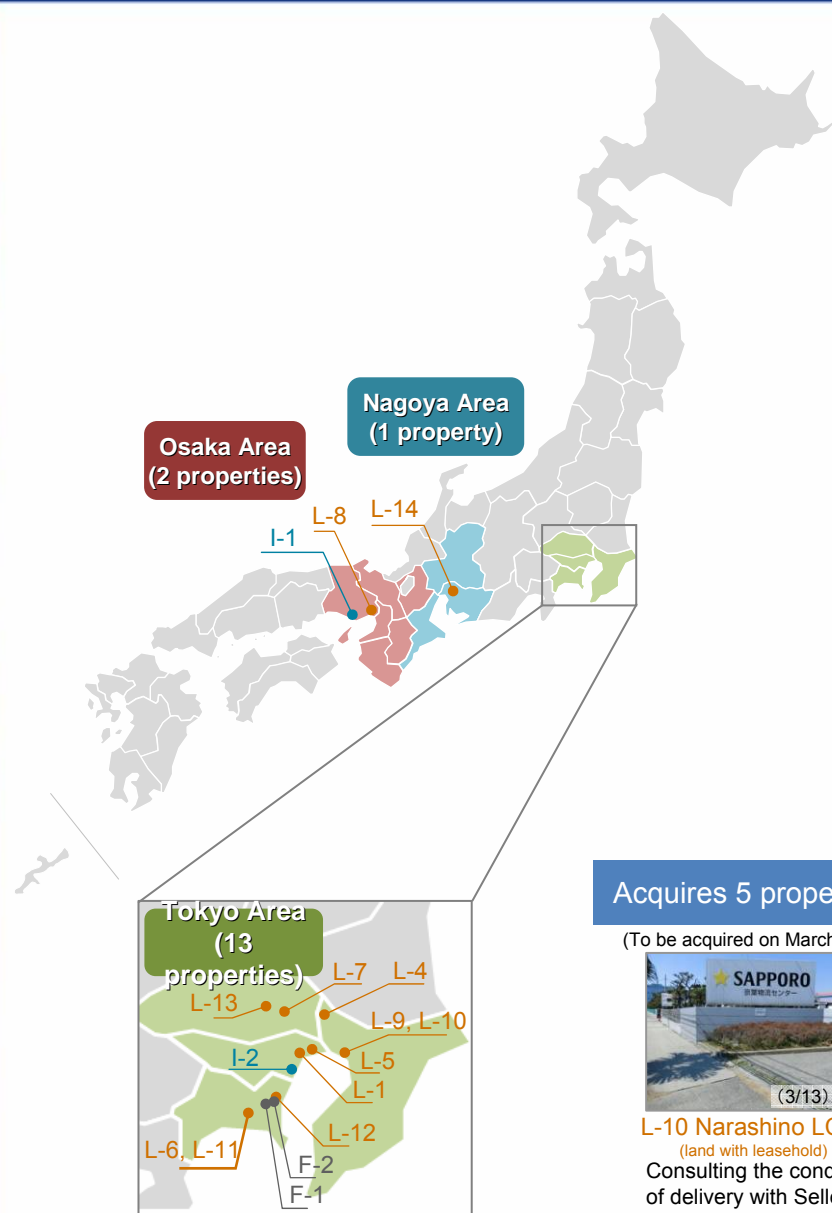


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1. The Effect of the Earthquake in Tohoku Area

Actual Status of Portfolio



11 properties owned as of March 11, 2011 operate as usual without interruption



L-1 Shinonome LC
(Operating as usual)



L-4 Noda LC
(Operating as usual)



L-5 Shinsuna LC
(Operating as usual)



L-6 Atsugi LC
(Operating as usual)



L-7 Koshigaya LC
(Operating as usual)



L-8 Nishinomiya LC
(Operating as usual)



L-9 Narashino LC
(land with leasehold)
(Operating as usual)



F-1 Totsuka TC
(land with leasehold)
(Operating as usual)



F-2 Yokohama
Tsuzuki TC
(Operating as usual)



I-1 Kobe DHC
(Operating as usual)



I-2 Haneda MC
(Operating as usual)

Acquires 5 properties acquired or to be acquired in 8th period after verifying the effect or the earthquake

(To be acquired on March 25th)



L-10 Narashino LC II
(land with leasehold)
Consulting the condition
of delivery with Seller.

(Acquired on March 22th)



L-11 Atsugi LC II
Already acquired after
confirming completion
of repair work provided
by seller

(Acquired on March 18th)



L-12 Yokohama Tsuzuki LC
Already acquired after
verifying that there are
no problems regarding
the earthquake

(To be acquired on March 24th)



L-13 Saitama LC
Agreed with the seller to
acquire it on March
24th, 2011. Will receive
690 million yen as an
expected repair
expense and will repair
damages after
acquisition.

(Acquired on March 14th)



L-14 Nagoya LC
Already acquired after
verifying that there are
no problems regarding
the earthquake

Summary of Actual Status of Portfolio

No Damages in 8 properties, Partial Damages in 3 properties

We have no report of personal damage in our properties, and all of properties open as usual

Estimated Total Cost
of Repairs

17 million yen

% of Total Acquisition Price
as of the end of 7th period

0.02 %

Property number	Name of property	Day of Investigation	Investigation Company	Physical damage
L-1	IIF Shinonome Logistics Center	14th, March	CB Rechird Ellis Asset Service	Partial damages on the ditch
L-4	IIF Noda Logistics Center	16th, March	Nippon Kanzai Co., Ltd. Mitsubishi Corporation	Operating as usual
L-5	IIF Shinsuna Logistics Center	16th, March	Mitsui Fudosan Building Management Co., Ltd. Mitsubishi Corporation	Partial damages on the ditch
L-6	IIF Atsugi Logistics Center	16th, March	Mitsui Fudosan Building Management Co., Ltd. Mitsubishi Corporation	Partial damages on the interior
L-7	IIF Koshigaya Logistics Center	16th, March	Nippon Kanzai Co., Ltd. Mitsubishi Corporation	Operating as usual
L-8	IIF Nishinomiya Logistics Center	11th, March	Nippon Kanzai Co., Ltd.	Operating as usual
L-9	IIF Narashino Logistics Center (land with leasehold)	11th, March	CB Rechird Ellis Asset Service	Operating as usual(Note)
F-1	IIF Totsuka Technology Center (land with Leasehold)	11th, March	CB Rechird Ellis Asset Service	Operating as usual
F-2	IIF Yokohama Tsuzuki Technology Center	16th, March	CB Rechird Ellis Asset Service Mitsubishi Corp	Operating as usual
I-1	IIF Kobe District Heating and Cooling Center	11th, March	Nippon Kanzai Co., Ltd.	Operating as usual
I-2	IIF Haneda Airport Maintenance Center	11th, March	Mitsui Fudosan Building Management Co., Ltd. AGP Corporation	Operating as usual

(Note) IIF does not scribe details because IIF only owns the land, but the facilities are now under operating as usual.

The damages of existing property (1)

IIF Shinonome Logistics Center

The picture of building exterior (3/14)



No damages on building frame and exterior

The picture of partial damages(3/14)

【The crack of Asphalt pavement】



【The damage of ditch of curb】



The damages and Repairs

1. The cracks of Asphalt pavement
Repair pavement after remove existing pavement
2. The sinking of planting part in outside of ditch
3. The damage of ditch of curb. Exchange curb
4. Other slight damages

The damages of existing property (2)

IIF Shinsuna Logistics Center

The picture of building exterior (3/16)



No damages on building frame and exterior

The picture of partial damages(3/16)

【The crack of Asphalt pavement】



【The damage of laying pipes for rain】



The Damages and Repairs

1. The cracks of Asphalt pavement
Repair pavement after remove existing pavement
2. The damage of a part of laying pipe for rain in outside
Exchange laying pipe
3. Space accrual between the asphalt pavement and building. Repairs pavement
4. The damage of the ceiling board In refresh room of office tower . Exchange the ceiling board

The damages of existing property (3)

IIF Atsugi Logistics Center

The picture of building exterior (3/16)



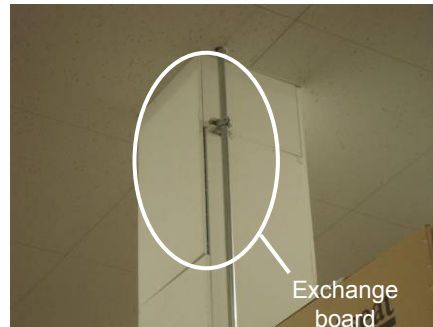
No damages on building frame and exterior

The picture of a part of damages(3/16)

【The damage of partition at emergency stairs in the building】



【The damage of fireproof board in pillar】



The Damages and Repairs

1. The damage of board for partition a room (ALC board)
Repair ALC board
2. The damage of fireproof board in pillar .
Exchange board
3. The exfoliation of fireproof coating..
Repair fireproof coating
4. The disfigure of metal fitting for hanging laying pipe in the building . Exchange metal fittings for hanging
5. The damage of interior of restroom in the office.
Repair interior

The Principal Policy and Summary for 5 Properties by follow-on Offering

The principal Policy for new acquisition of properties

1. Postpone to acquire 5 properties until confirming influence of earthquake by investigation of outside specialist

2. Request countermeasures of influenced properties to Seller. Acquire them, when consultation completed

⇒ The effects of the earthquake are limited and IIF will gradually acquire them

#	Name of Property	Acquisition date (Initial)	Investigation (investigator)	Result of investigation	Countermeasure for damages	Acquisition date (Planned)
L-14	IIF Nagoya Logistics Center	14 th , March	14 th , March (Nippon Kanzaï Co., Ltd)	Operating as usual	-----	Acquired on the same date
L-12	IIF Yokohama Tsuzuki Logistics Center	14 th . March	16 th , March (ERS Corporation)	Operating as usual	-----	Acquired on 18 th , March
L-11	IIF Atsugi Logistics Center II	14 th . March	16 th , March (ERS Corporation)	Partial damage on interior	Repaired on 19 th , March (payment of seller) Confirmed repair on the same date	Acquired on 22 nd , March
L-13	IIF Saitama Logistics Center	14 th , March	15 th , March (ERS Corporation) 16 th , March (Mitsubishi Corp)	Partial damage on interior	Repair after acquisition, settle 6.9 million yen as budget of repair with seller when delivery	Acquired on 24 th , March (agreement with Seller)
L-10	IIF Narashino Logistics Center II (land with leasehold)	25 th , March	3月19日 (ERS Corporation)	Operating as usual (Note)	Consulting the condition of delivery with seller, investigating the condition of building	

(Note) It is partial damage in ditch, however, IIF does not own ditch, because of IIF own land with leasehold.

The damages of Properties by follow-on Offering

IIF Atsugi Logistics Center II

The picture of building exterior(3/16)



No damages on building frame and exterior

The picture of partial damages (3/16)

(3/19)



partial damage off fireproof



After repair of fireproof
(Using refractory fillers)

**Confirmed completeness repair on 19th, March.
Acquired on 22nd, March**

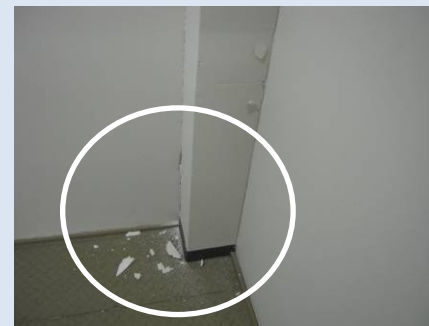
IIF Saitama Logistics Center

The picture of building exterior(3/15)



No damages on building frame and exterior

The picture of partial damage (3/15)



Crumble coating of pillars in room of stairs

The damages and Repairs

1. Partial damages inside of partition. Repaired the damages.
2. Partial damages wall of elevator shaft. Repaired the damages.
3. Partial damages wall inside stairs room. Repaired the damages
4. Crumble coating of pillars in room of stairs. Exchange the board.
5. Partial damages the wall inside stair room. Repaired the damages.

**Receive 6.9 million yen from seller,
Repairs after acquisition property.**

The Effect of the Earthquake to Dividend

The effect of the earthquake in Tohoku area to Dividend			For the Period Ending June,2011 (8 th Period)	For the Period Ending December,2011 (9 th Period)
■ The Cost for Existing Properties (3 properties) at the earthquake occurrence (Note 1)			-181 yen	0 yen
■ The investigating cost of existing properties at the earthquake occurrence			-24 yen	0 yen
■ The effect of postponed delivery of properties (Note 2)				
	Acquisition date (Initial)	Acquisition date (Actual)		
IIF Nagoya Logistics Center	14 th ,March	14 th , March	0 yen	0 yen
IIF Yokohama Tsuzuki Logistics Center	14 th , March	18 th . March	-20 yen	0 yen
IIF Atsugi Logistics Center II	14 th ,March	22 nd , March	-64 yen	0 yen
IIF Saitama Logistics Center (Note 3)	14 th , March	24 th , March (Already agreed with seller)	-40 yen	0 yen
IIF Narashino Logistics Center II (land with leasehold)	25 th , March	Under consulting with seller	The effect to dividend will be -7 yen/day, when delivery is delayed.	0 yen

【Reference】 The positive factors of DPU after released estimated DPU

Definition of Outstanding units at the Period Ending June,2011 (94,635 units ⇒ 93,632 units)	Approx. +117 yen	+129 yen
Interest payment decreasing by the amount of additional borrowing decreased for acquisition properties (3,100 million yen ⇒ 2,600 million yen)	Approx. +19 yen	+48 yen

(Note 1) All cost of the earthquake will appropriate 17 million yen for repair cost. But, in practice, some of them may not be posted as repair cost.

(Note 2) The investigating cost for acquisition of properties at follow-on offering is including acquisition book value as expense. Will be depreciated in this period, does not describe because of it is slightly amount.

(Note 3) IIF will repair this property after acquisition, settle 6.9 million yen as budget of repair with seller when delivery. As a result, estimated DPU will not be influenced by earthquake, it only describes influence of earthquake.

(Note 4) The amount of inference for estimated DPU rounded down less than first decimal place.

(Note 5) The above amount of estimated DPU by influence of earthquake, each amount is influenced by specific factor. Actual DPU will be fluctuated to influence except above factors.

(Note 6) There is no change in the forecast for the period ending June 30, 2011 and period ending December 31, 2011 because above has only a limited effect

<Reference> Overview and Result of Follow-on Offering in March 2011

	As of launch date (As of February 21, 2011)	Result
Unite price	385,500 yen	418,500 yen

	The number of Investment Unit	Total amount to be paid		The number of Investment Unit	Total amount to be paid
① Issue of new investment units (general offering)	14,200 units	5,112 million yen		14,200 units	5,556 million yen
② Over-allotment options	(maximum) 1,400 units	504 million yen		397 units	155 million yen
③ Total=①+②	15,600 units	5,616 million yen		14,597 units	5,711 million yen

(Note 1) Total amount to be paid = Issue value be paid in * The number of investment units
Issue value be paid is calculated by discounting unit price and deducting fees

(Note 2) Round down to the units

(Note 3) Total amount of general offering has already been paid. Regarding over-allotment options, 397 were exercised on March 22, 2011 and to be paid on March 24, 2011

2. Management Report for the Period Ended December 2010 (7th Period)

Management Report for the Period Ended December 2010 (7th Period)

Performance for the December Period 2010 (7th Period)

Item	Period Ended June 2010 (actual)	Period Ended December 2010 (actual)	Period-Over-Period
Operating Income	3,440 million yen	2,962 million yen	-478 million yen (-13.9%)
Operating Profit	1,863 million yen	1,364 million yen	-499 million yen (-26.8%)
Ordinary Profit	1,284 million yen	799 million yen	-484 million yen (-37.7%)
Net Income	1,283 million yen	798 million yen	-484 million yen (-37.8%)
Dividend per Unit	16,235 yen	(Note 7) 10,102 yen	-6,133 yen (-37.8%)
FFO per Unit ^(Note 1)	18,311 yen	17,276 yen	-1,035 yen (-5.7%)
FFO Payout Ratio	88.7%	58.5%	-
LTV ^(Note 2)	49.2%	49.5%	-
Long-term Debt Ratio ^(Note 3)	76.5%	79.8%	-
Capital Expenditure	(Note 4) 10 million yen	(Note 5) 94 million yen	+84 million yen
Repair Expense	7 million yen	(Note 6) 77 million yen	+70 million yen
Total	17 million yen	172 million yen	+154 million yen
Depreciation	623 million yen	567 million yen	-56 million yen

Notes:

- 1) (Net income + Loss on sale of real estate – Gain on sale of real estate + Depreciation + Other amortization related to real estate)/number of outstanding units at the end of period
 2) (Long-term borrowing + Short-term borrowing)/total assets
 3) (Long-term borrowing + Subordinated investment corporation bond) / (Long-term borrowing + Subordinated corporate bond + Short-term borrowing)
 4) Nishinomiya LC: repairing of north side exterior wall: approx. 8 million yen; Shinsuna LC: metal support drainpipe replacement, approx. 1 million yen
 5) Koshigaya LC: repair work: approx. 71 million yen, Shinsuna LC: repair of exterior wall: approx. 23 million yen
 6) Koshigaya LC: restoration work: approx. 65 million yen, Kobe DHC: inspection of halide fire-extinguishing equipment: approx. 6 million yen, Kobe DHC: repair of building equipment: approx. 3 million yen

Assets Under Management

Item	As of the End of June 2010	As of the End of December 2010	Period-Over-Period
Number of Properties	10 properties	11 properties	+1 property
Amount of Total Assets	104,632 million yen	104,060 million yen	-571 million yen (-0.5%)
Total Book Value of Properties (1)	96,001 million yen	96,704 million yen	+702 million yen (+0.7%)
Total Appraisal Value at End of Period (2)	92,940 million yen	93,970 million yen	+1,030 million yen (+1.1%)
Difference between Book and Appraisal Value at the end of Period ((2)-(1))	-3,061 million yen	-2,734 million yen	-

Reason for Major Changes in Profit for the Period Ended December 2010 (period-over-period)

➤ Operating Revenue	- 499 million yen ① (≡②+③+④)
✓ Decrease in gain on sale of Funabashi LC	- 459 million yen ②
✓ Decrease in profit/loss from lease business	- 4 million yen ③
• Results of asset replacement	+ 28 million yen
• Acquisition of Yokohama Tuzuki TC (Dec. 21th)	+ 2 million yen
• Increase from repair cost of Koshigaya LC	- 27 million yen
✓ Increase in operating expense other than above (Attorney's fee for Haneda MC .etc)	- 34 million yen ④
➤ Recurring Revenue	- 484 million yen ⑤ (≡①+⑥+⑦)
✓ Decrease in amortization cost of IPO	+ 17 million yen ⑥
✓ Other	- 3 million yen ⑦

(Note 7) Reference: Comparison of forecasted dividend per unit

	Dividend Forecast	Actual Result	Difference
Announced on August 10	10,036 yen	10,102 yen	+66 yen (+0.7%)

3. Overview of Follow-on Offering in March 2011 and Earnings Forecast for the Period Ending June 2011 (8th Period) and the Period Ending December 2011 (9th Period)

Offering Highlights Acquisition of properties that contribute to improvement/stabilization of dividend level

(Data as of February 21, 2011)

Summary of properties to be acquired

- ▶ Number of properties to be acquired : **5** properties
- ▶ Total planned acquisition price : **11,340** million yen
- ▶ Averaged NOI yield : **6.9** %
- ▶ Averaged NOI yield after depreciation : **6.2** %
- ▶ Averaged remaining lease term : **16.4** years

List of Anticipated Acquisition

IIF Narashino Logistics Center II (land with leasehold)



Tenant:
Mizuho Trust &
Banking Co., Ltd.

Planned Acquisition Price : 3,350 million yen
NOI yield : 6.3%
Averaged NOI yield after Depreciation : 6.3%
Remaining lease term : 50 years

IIF Atsugi Logistics Center II



Tenant:
Sun Toshi
Tatemono Co., Ltd.

Planned Acquisition Price : 3,100 million yen
NOI yield : 7.0%
Averaged NOI yield after Depreciation : 6.2%
Remaining lease term : 1.4 years

IIF Yokohama Tsuzuki Logistics Center



Tenant:
Tokyo Logistics
Factory Co., Ltd.

Planned Acquisition Price : 2,350 million yen
NOI yield : 6.5%
Averaged NOI yield after Depreciation : 5.5%
Remaining lease term : 13.0 years

IIF Saitama Logistics Center



Tenant:
MM Corporation

Planned Acquisition Price : 1,490 million yen
NOI yield : 8.2%
Averaged NOI yield after Depreciation : 6.7%
Remaining lease term : 3.7 years

IIF Nagoya Logistics Center



Tenant:
DHL Supply Chain
Kabushiki Kaisha

Planned Acquisition Price : 1,050 million yen
NOI yield : 7.9%
Averaged NOI yield after Depreciation : 7.3%
Remaining lease term (Note) : 1.2 years

(Note) Contracted 3 years fixed-term building lease with DHL Supply Chain K.K on March 14, 2011
※Any changes after February 21, 2011 (e.g. the affects of the earthquake) are not reflected on above

Offering Highlights

Implementation of the strategy that aims at growth with stable dividends

(Data as of February 21, 2011)

We aim at improvement/stabilization of dividend level by increasing profitability as well as financial stability of portfolios.

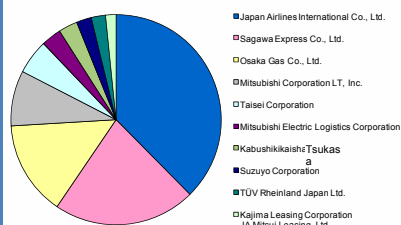
Asset

External growth strategy that realizes improvement of profitability and quality of portfolios

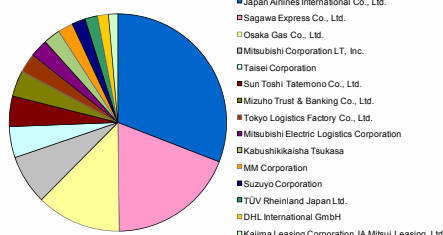
	As of the end of December 2010 (7th period)	Properties to be acquired	After acquisition of properties to be acquired
• Number of Properties	11	+	5 → 16
• Total planned acquisition price	96,900+ million yen	11,340 million yen	→ 108,240 million yen
• Averaged NOI yield	5.0%	+	6.9% → 5.2%
• Average NOI yield after depreciation	3.8%	+	6.2% → 4.0%
• Average remaining lease term	11.9 yrs	+	16.4yrs → 12.3yrs

• Change in portfolio diversification of tenants < % by tenant (annual-rent-basis) >

< As of the end of the 7th period >



< After acquisition of properties to be acquired >



Debt

Financial strategy that focuses on improvement of financial stability and control of debt cost

	As of the end of Dec. 2010 (7th period)	After the Acquisition
• LTV	49.5%	→ 48.4%
• Long-Term Debt Ratio	79.8%	→ 97.4%
• Fixed Debt Ratio	3.4%	→ 24.8%

Equity

Improvement/stabilization of dividend level and sustainable growth of unit holder value

	Period ended December 2010 (7th period) (actual)	Period ending June 2011 (8th period) (forecast)	Period ending December 2011 (9th period) (forecast)
• Dividend per unit	10,102 yen	→ 11,012 yen	→ 12,090 yen
		Properties to be acquired (approx. 3 month of contribution)	Properties to be acquired (6 month of contribution)

Earnings Forecast for the Period Ending June 2011 (8th Period) and the Period Ending December 2011 (9th Period)

Earnings Forecast for the June Period 2011 (8th Period)

(Data as of February 21, 2011)

Item	Period Ended December 2010 (actual) (184 days)	Period Ending June 2011 (forecast) (181 days)	Period-Over-Period
Operating Income	2,962 million yen	3,196 million yen	+233 million yen (7.9%)
Operating Profit	1,364 million yen	1,641 million yen	+276 million yen (20.3%)
Ordinary Profit	799 million yen	1,043 million yen	+243 million yen (30.5%)
Net Income	798 million yen	1,042 million yen	+243 million yen (30.5%)
Dividend per Unit	10,102 yen	11,012 yen	+910 yen (9.0%)
FFO per Unit ^(Note 1)	17,276 yen	17,084 yen	-192 yen (-1.1%)
FFO Payout Ratio	58.5%	64.5%	-
LTV	(Note 2) 49.5%	48.4%	-
Long-term Debt Ratio	(Note 3) 79.8%	97.4%	-
Capital Expenditure	94 million yen	(Note 4) 30 million yen	-64 million yen
Repair Expense	77 million yen	(Note 5) 12 million yen	-64 million yen
Total	172 million yen	42 million yen	-129 million yen
Depreciation	567 million yen	574 million yen	+7 million yen

Notes:

- 1) (Net income + Loss on sale of real estate – Gain on sale of real estate + Depreciation + Other amortization related to real estate)/number of outstanding units at the end of period
 2) (Long-term borrowing + Short-term borrowing)/total assets
 3) (Long-term borrowing + Subordinated investment corporation bond) / (Long-term borrowing + Subordinated corporate bond + Short-term borrowing)
 4) Shinsuna LC: north side drainage work: approx. 8 million yen, Koshigaya LC: countermeasure work for sewage odor: approx. 7 million yen, Shinonome LC: revetment repair work: approx. 5 million yen
 5) Koshigaya LC: replacement of over slider lock: approx. 1 million yen

Reason for Major Changes in Profit for the Period Ended June 2011 (period-over-period)

- Operating Revenue +276 million yen ①
 (≡②+③)
 ✓ Results of capital increase by follow-on offering +201 million yen ②
 (Increase from acquisition of properties)
 ✓ Existing portfolio +77 million yen ③
 • Increase in profit/loss from lease business +43 million yen
 • Decrease in rent of Haneda MC (5%) -48 million yen
 • Increase from acquisition of Yokohama Tsuzuki TC (six month of contribution) +38 million yen
 • Decrease in repair expense of tenant replacement at Koshigaya LC +27 million yen
 • Other changes +26 million yen
 • Other decrease in temporary expense in the previous period +34 million yen
 (Decrease in attorney's fee for Haneda MC)
 ➤ Recurring Revenue +243 million yen ④
 (≡①+⑤+⑥)
 ✓ Increase in interest expense due to additional and long-term borrowing -48 million yen ⑤
 ✓ Completion of amortizing cost of IPO +17 million yen ⑥

Major Assumptions for Forecast for the Period Ending June 2011

- Interest-bearing debt outstanding 62.6 billion yen (59.5 billion yen)
 ➤ Occupancy rate 99.9 % (99.9 %)
 ➤ Number of properties owned 16 properties (11 properties)
 Data in parentheses are results as of the end of the 7th period.

Earnings Forecast for the December Period 2011(9th Period)

Item	Period ending December 2011 (forecast) (184 days)
Operating Income	3,394 million yen
Operating Profit	1,810 million yen
Ordinary Profit	1,145 million yen
Net Income	1,144 million yen
Dividend per Unit	12,090 yen

Forecast for the December Period 2011

For the December Period 2011, forecasted dividend per unit is 12,090 yen mainly due to six-month contribution of increase in profit/loss from lease business due to property acquisition and increase in interest expense due to additional borrowing.

Major Assumptions for Forecast for the Period Ending December 2011

- Interest-bearing debt outstanding 62.6 billion yen (62.6 billion yen)
 Occupancy rate 99.9 % (99.9 %)
 Number of properties owned 16 properties (16 properties)
 Data in parentheses are forecast as of the end of the 8th period.

(Note) Any changes after February 21, 2011 (e.g. the affects of the earthquake) are not reflected on above

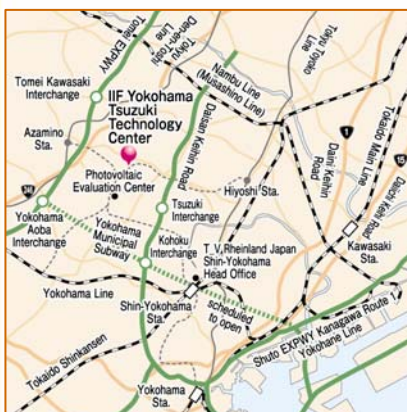
4. Acquired property in the 7th Period and Property to be acquired in the 8th period

IIF Yokohama Tsuzuki Technology Center

Acquired property in 7th Period

F-2 IIF Yokohama Tsuzuki Technology Center

Manufacturing and R&D facility



Acquisition Price	NOI Yield (Note 1)	NOI yield after depreciation (Note 1)
1,100 million yen	7.3%	6.6%
Appraisal Value	1,240 million yen	
Location	4-25-2 Kitayamada, Tsuzuki-ku, Yokohama, Kanagawa	
Land Area	3,478.69㎡	Rentable Area 4,655.48㎡
Type of Contract	New-Style Lease (until Sep 30, 2030)	
Seller	Nippon Tochi -Tatemono Co., Ltd.	
Tenant	TUV Rheinland Japan Ltd.	

Acquisition Highlight

Acquisition method	CRE proposal to seller	Exclusive negotiation	Collaboration with Sponsor
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We acquired by the negotiated deal that evaded competing, were adequately caught the asset sales needs of the Nippon Tochi-Tatemono who was the seller. This property is an examination place of the country only and full line for the renter who provided with various testing facilities to do safety and the adaptability test on the product.

Sustainability

We concluded long-term new type lease contract (20 years lease period) with TUV Rheinland Japan Ltd. that is Japan corporation of "Authentication business" industry biggest TUV Rheinland group to open headquarter in Germany. We can expected the stable for long-term and continuity use.

"Authentication business of the product and service" is the main business of this company is continuity business with high prerequisite continuity to the development of the trade of our country, supports international circulation of the product that globalizes that client such as manufacturers and the certainty of the manufacturing process by "Authentication" every day.

Versatility

The TUV Rheinland Japan Ltd. greatly assesses specs and the location environment in the building at first of construction after withdrawing this manufacturer from the one used as a laboratory of the foreign affiliate manufacturer, it is using in shape to succeed the testing facility. almost as it is now, and high generality is possessed as a laboratory. This property has high commonality in the area where the usage diversity that the surrounding lines with the condominium, the detached house, and the store of the car dealers and the R&D facility. The land has also high commonality property.



Electric wave Darkroom



Anechoic Room



Solar Battery Module testing laboratory



Outdoor Solar Battery Module testing facilities

(Note 1) Expected yields as of the acquisition

(Note 2) The testing facilities on above pictures are not owned by IIF

IIF Narashino Logistics Center II (land with leasehold interest)

Property to be acquired in the 8th period

L-10 IIF Narashino Logistics Center II (land with leasehold interest) Logistics Center



Acquisition Highlights

Acquisition method

CRE proposal to seller

Exclusive negotiation

Collaboration between IIF and Mitsubishi Corporation

To be acquired in accordance with the proposed solution made in collaboration with Mitsubishi Corporation Ltd. and LaSalle Investment Management Ltd. in response to the needs of Sapporo Breweries Ltd. to streamline their distribution functions and liquidate their assets. Sapporo Breweries Ltd. will continue to use the facilities for the next 2 years, and discussions are ongoing with Mitsubishi Corporation Ltd. and LaSalle Investment Management Ltd. at February 21, 2011 present in regards to the redevelopment upon maturity of the period of use by Sapporo Breweries Ltd. Our investment corporation plans to receive the same amount of ground rent during the redevelopment period as the owner of the occupied land and has agreed to discuss revisions of the ground rent following the redevelopment, and the ground rent is therefore expected to increase in accordance with the increase in profitability. Upon acquisition of the property concerned, we will use the warehousing functions of Mitsubishi Corporation Ltd. and the development functions of the same for redevelopment.

Sustainability

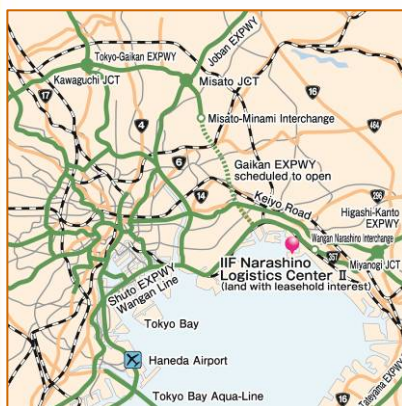
We are planning to enter into a 50-year fixed-term lease agreement for business use with Mizuho Trust and Banking Co., Ltd. under condition of conducting redevelopment following the maturity of the contract period in regards to the agreement with Sapporo Breweries Ltd. which is the end tenant at present, to seek stable rent income and increase in ground rent following the redevelopment. While the floor area ratio of the current building is limited to approximately 53% which is approximately one-fourth of the statutory floor area ratio of 200%, rebuilding of a larger distribution center is considered to be possible through redevelopment.

Versatility

Akanehama in Narashino City offers good access to the Higashi-Kanto Expressway, National Highway 357 which runs parallel to the Expressway and Keiyo Road, and functions as a major base which covers central Tokyo and the greater metropolitan area. There are major logistics bases such as Nippon Express, Start Today Co, Ltd. and Jupiter Shop Channel Co, Ltd. located in the peripheral areas of the property and demand for major distribution facilities can thus be expected.

(Note 1) Will conclude corporate land lease contract with Mizuho Trust & Banking Co., Ltd. on acquisition date

(Note 2) The building on the land is entrusted to Mizuho Trust & Banking Co., Ltd. The trust bank will be a tenant as a trustee, but not user.

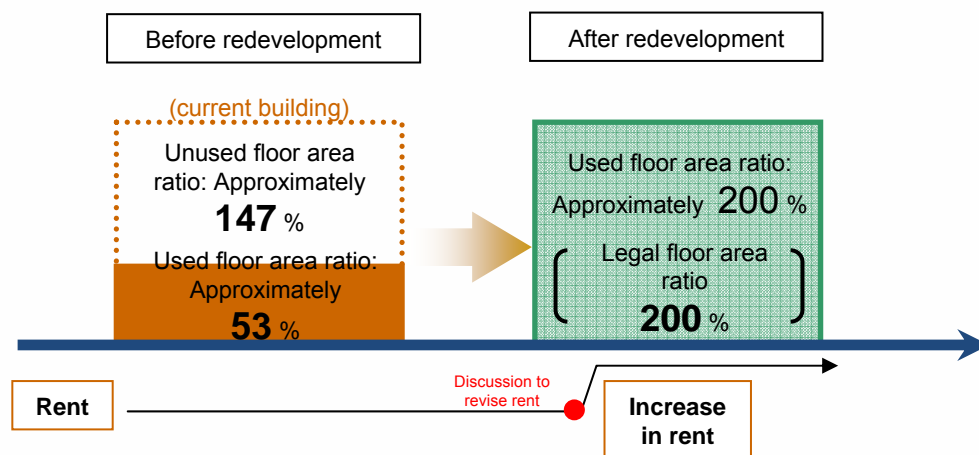


Acquisition price (scheduled)	NOI yield	NOI yield after depreciation	
3,350 million yen	6.3%	6.3%	
Appraisal value	3,760 million yen		
Location	6-4, Akanehama 3-chome, Narashino-shi, Chiba		
Land area	58,070㎡	Total floor area	—
Type of contract	Fixed-term land lease for commercial property (until March 23, 2061) ^(Note 1)		
Seller	Industrial Akanehama, LLC		
Name of tenant	Mizuho Trust & Banking Co., Ltd. ^(Note 2)		

IIF Narashino Logistics Center II (land with leasehold)

Property to be acquired in the 8th period

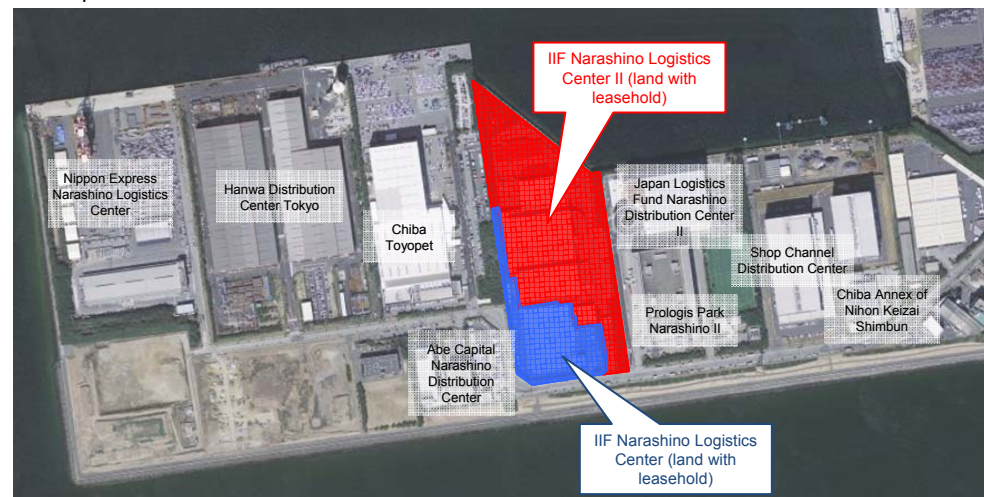
Image of redevelopment^(Note)



(Note) Although Sapporo Breweries Ltd. continues to use the facility for the next two years, IIF is in discussion with Mitsubishi Corporation and LaSalle Investment Management as of February 21, 2011 about redevelopment after the expiration of the lease term.

The above chart is an image, and please note that redevelopment and the accompanying increase in rent are not finalized.

<Aerial photo>



(Source: Pasco Corporation)

IIF Atsugi Logistics Center II

Property to be acquired in the 8th period

L-11 IIF Atsugi Logistics Center II

Logistics Center



Acquisition price	NOI yield	NOI yield after depreciation
3,100 million yen	7.0%	6.2%

Appraisal value	3,180 million yen		
Location	602-9, Funako, Atsugi-shi, Kanagawa		
Land area	11,599.65m ²	Total floor area	22,068.60m ²
Type of contract	Building lease for normal property (until August 31, 2012 and update every five years after that)		
Seller	Odakyu Electric Railway Co., Ltd.		
Name of tenant	Sun Toshi Tatemono Kabushiki Kaisha		

Acquisition Highlights

Acquisition method	CRE proposal to seller	Exclusive negotiation	Collaboration with Sponsor
--------------------	------------------------	-----------------------	----------------------------

Property with an excellent location to be acquired under a mutual transaction through a proposed solution made after promptly obtaining information regarding the CRE strategies (non-core asset divestiture needs and financial needs) of Odakyu Electric Railway Co. Ltd.

Sustainability

The property is used by PFU Quality Service Ltd. (one of the end tenants), a subsidiary of Fujitsu Limited, as its head office and business office. The property plays an important role for the company as the base for various support and services extending from introducing IT-related equipment to after-sales services.

Versatility

The areas peripheral to the Atsugi Interchange of the Tokyo-Nagoya Expressway can be said to be a regional management base which enables logistics for the Tama region in addition to those for Western Tokyo, Kawasaki, and central Yokohama regions, and functions as the relay point between the Chubu and Kinki regions with the central metropolitan area and the gateway for the West. The rent levels are inexpensive as compared with the harbor areas, there are more large-scale properties than other areas and major bases of companies such as Nissan Motor Co., Ltd., Sony Corporation, and Fuji Xerox Co., Ltd. are located in the peripheral areas of the Atsugi interchange. The property is located approximately 5 minutes by car from the Atsugi interchange of the Tokyo-Nagoya Expressway, offering good access to the main roads and located in an area with high potential as a distribution base.

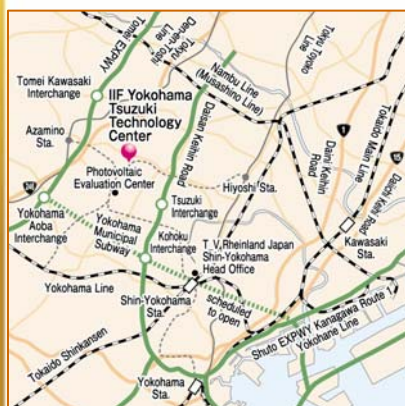
The property is a six-story building with a total floor space of 22,000 m², it has truck berths installed on the 1st and 3rd floor, and it is relatively convenient even for multi-tenants.

IIF Yokohama Tsuzuki Logistics Center

Property to be acquired in the 8th period

L-12 IIF Yokohama Tsuzuki Logistics Center

Logistics Center



Acquisition price	NOI yield		NOI yield after depreciation
2,350 million yen	6.5%		5.5%
Appraisal value	2,580 million yen		
Location	747, Minamikochi, Kawamukou-cho, Tsuzuki-ku, Yokohama-shi, Kanagawa		
Land area	5,088.48m ²	Total floor area	9,562.26m ²
Type of contract	Fixed-term building lease (until March 31, 2024)		
Seller	J-REP Co., Ltd.		
Name of tenant	Tokyo Logi Factory Co., Ltd.		

Acquisition Highlights

Acquisition method

CRE proposal to seller

Exclusive negotiation

Collaboration with Sponsor

We will acquire a scarce property located in an area with limited offerings of new properties and stable demand in use of our independent acquisition network and avoidance of competition. A long-term stable rent income evidenced by a long-term agreement with the tenant can be expected.

Sustainability

Tokyo Logistics Factory Co., Ltd., the tenant, has been the leaseholder for the property since 1998 including its use under its former name of Tokyo System Transportation Ltd., and has entered into a 15-year fixed-term lease agreement in regards to the property concerned (approximately 8 years of midterm cancellation prohibition period remaining, approximately 13 years of lease agreement remaining) in 2009 under condition of long-term use.

Tokyo Logistics Factory Co., Ltd. is a company established on October 1, 2010 as result of an inter-group reorganization by Tokyo System Transportation Holdings Inc., which takes charge of the warehousing business of the group.

Versatility

The property is located very close to the Daisan Keihin Road Kohoku interchange and is one of the few distribution areas in the Yokohama inland region. The location is able to meet distribution needs for the beverage, cosmetics and healthcare industries neighboring the consumer areas and manufacture and distribution needs of neighboring precision equipment manufacturers that support the major manufacture plants of companies such as Panasonic Mobile Communications Ltd. and various companies of the NEC Group, and is highly scarce and has stable tenant demand amid the decrease in locations suitable for distribution due to the promotion of development of commercial facilities and homes.

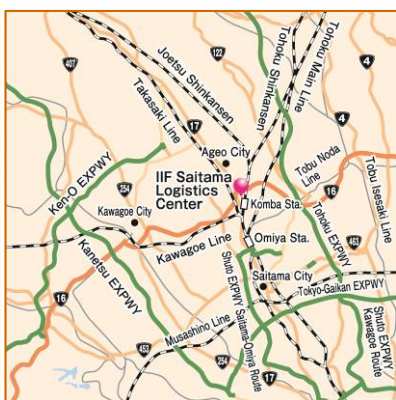
The property is a major distribution center with a total floor space of 9,500 m² and 1 vertical conveyor and 3 elevators installed. The distribution center is a 5-story building (4 warehousing layers) making full use of the land, and it can be conveniently used to serve a broad range of requirements and enjoys an excellent location and high commonality.

IIF Saitama Logistics Center

Property to be acquired in the 8th period

L-13 IIF Saitama Logistics Center

Logistics Center



Acquisition price (scheduled)	NOI yield	NOI yield after depreciation
1,490 million yen	8.2%	6.7%
Appraisal value	1,700 million yen	
Location	398-3 etc., Yoshino-cho 1-chome, Kita-ku, Saitama-shi, Saitama	
Land area	4,545.49㎡	Total floor area 8,610.44㎡
Type of contract	Building lease for normal property (until November 30, 2014)	
Seller	Bayside, LLC	
Name of tenant	MM Corporation	

Acquisition Highlights

Acquisition method	CRE proposal to seller	Exclusive negotiation	Collaboration with Sponsor
--------------------	------------------------	-----------------------	----------------------------

We will acquire a property in an excellent location through capturing the portfolio strategy of a foreign investment fund intending to focus on management of assets of its home country thereby seeking to divest the property in question, which is the only foreign property owned by the fund. The acquisition will be made under a mutual transaction, based on the high evaluation by the seller of the credibility of our investment corporation, managed by an asset management company for which Mitsubishi Corporation is one of the sponsors.

Sustainability

MM Corporation, which is a Medipal Holdings Corporation group company, conducts its operations as the delivery base for medical materials for multiple university hospitals in the metropolitan area and regional medical support hospitals. Additionally, the company's Saitama branch, which is the base of its sales operations, is located in a separate building, and high continuity as a facility to support the company's delivery business with high mobility can thus be expected.

Versatility

The property offers good access to National Highway 16, which is a belt line for the metropolitan area, and good access to National Highway 17 which longitudinally runs across Saitama Prefecture. As the property is located in between the Tohoku Expressway and Kanetsu Expressways, it also offers easy regional access from both expressways. Additionally, Omiya Station can be reached by car in less than 15 minutes and offers one of the best locations within Saitama City. As there are many residents in the peripheral areas and the location is walking distance from the nearest railway station, the property can also be considered to be advantageous from the standpoint of recruiting employees.

The property offers standard specifications with 8,600 m2 in total floor space, a floor load of 1.5 t/m2 and 3 elevators and can thus be contemplated to respond to distribution needs of not only medical products but also a broad range of consumer products including beverages (dry), confectionery, apparel, and toiletry in consideration of its closeness to major consumer areas and its ability to cover the whole of the metropolitan area. Additionally, distribution bases and sales bases can be set up next to one another as the property also offers a separate building tower.

IIF Nagoya Logistics Center

Property to be acquired in the 8th period

L-14 IIF Nagoya Logistics Center

Logistics Center



Acquisition price	NOI yield	NOI yield after depreciation
1,050 million yen	7.9%	7.3%

Appraisal value	1,100 million yen		
Location	27 etc., Yanagida-cho 2-chome, Nakagawa-ku, Nagoya-shi, Aichi		
Land area	8,321.51㎡	Total floor area	8,721.01㎡
Type of contract	Fixed-term building lease (until March 13, 2014) (Note)		
Seller	Taiheiyo Cement Corporation		
Name of tenant	DHL Supply Chain Kabushiki Kaisha		

Acquisition Highlights

Acquisition method

CRE proposal to seller and tenant

Exclusive negotiation

Collaboration with Sponsor

We will provide a solution which enables stable management through long-term ownership by our investment corporation in response to the needs for continued use by DHL Supply Chain Ltd. which highly evaluates the superiority of the location and convenience of the building, while responding to the CRE strategy (divestiture of non-core assets) of Taiheiyo Cement Ltd. Additionally, the property will become the first property to be acquired by our investment corporation in the Nagoya region.

Sustainability

DHL Supply Chain Ltd., while using the property as the distribution base for personal computers and peripheral equipment for office use in the central locations of Nagoya City, also uses the property as a distribution center for precision equipment of major electrical appliance companies which position the Tokai and Hokuriku regions as their logistic areas. Additionally, as the property serves as one of the important bases for the company through use as an after-sales service base for customers within Nagoya City, we consider high continuity to be expected.

Versatility

The property is very close to the center of Nagoya City being located approximately 6 km from JR Nagoya Station, in a very convenient location contributing to the reduction in lead time from a distribution standpoint with proximity to various pieces of distribution infrastructure such as the harbor and highway interchanges. Nagoya Highway Kogane interchange, Sennonji interchange and Tomeihan Expressway Ohharuminami interchange are all located approximately 15 minutes away by car, and the location can be considered to enable regional logistics for peripheral cities. While there are mid-size to small warehouses and plants located in peripheral areas, mid-large warehouses with a space of over 3,306 m² (1,000 tsubo) are limited to offices owned by the companies themselves and the scarcity of large scale facilities can thus be considered to be high. The property has a total floor space of 8,700 m², with 1 freight elevator. The specifications, unlike major superior facilities which generally enjoy high commonality, are limited to those for tenants mainly concerning transfer centers related to inspection and sorting logistics, and not for inventory storage. It has a floor load capacity of 1 t/m² for the 1st floor and 400 kg/m² for the 2nd floor. It also has a sufficient number of truck berths and thus can be considered to present no specific concerns in regards to the operations within the site.

(Note) Contracted 3 years fixed-term building lease with DHL Supply Chain K.K on March 14, 2011

5. Growth Strategy for IIF

External Growth Strategy The various acquisition method and the advantage as Pioneer

- When we acquire new asset class, we established the proposal-type acquisition activity of original acquisition method that based on CRE strategy, piled up the results.
- IIF advantages (track record, know-how, network) as pioneer in property investment for industry is a source for keeping competitive edge of IIF in the long-term when IIF acquire new properties on competition.
- IIF other advantage is making the use of knowledge and network of Mitsubishi Corporation that is one company of sponsor.

■ Track Record of Acquisition

Proposal for solution corresponding to CRE Strategy	Use of original network	Collaboration with Sponsor
IIF Haneda Airport MC  Seller: Japan Airline International co., Ltd. (Sale & Leaseback in long-term)	IIF Narashino LC (land with leasehold)  Seller: Orix Corporation (Exclusive Deal)	IIF Shinonome LC  (Warehousing/Development of Mitsubishi Corporation)
IIF Totsuka TC (land with leasehold)  Seller: Taisei Corporation (Sale & Leaseback in long-term)	IIF Totsuka TC (land with leasehold)  Seller: Taisei Corporation (Exclusive Deal)	IIF Kobe District Heating and Cooling Center  (Warehousing/Development of Mitsubishi Corporation)

Notes:

- 1) LC is a short title of Logistics Center
- 2) MC is a short title of Maintenance Center
- 3) TC is a short title of Technology Center

■ The situations of various acquisition method on property acquisition

Name of Property	Acquisition Price (Planned) (Million Yen)	Appraisal Value (Million Yen)	Acquisition Method		
			Proposal for solution corresponding to CRE Strategy	Use of original network	Collaboration with Sponsor
IIF Narashino LC II (land with leasehold)	3,350	3,760	Proposal to Seller	Exclusive Deal	Warehousing and Development
IIF Atsugi LC II	3,100	3,180	Proposal to Seller	Exclusive Deal	—
IIF Yokohama Tsuzuki LC	2,350	2,580	—	Exclusive Deal	—
IIF Saitama LC	1,490	1,700	—	Exclusive Deal	—
IIF Nagoya LC	1,050	1,110	Proposal to seller and tenant	—	—
Total	11,340	12,330			

External Growth Strategy Situation of Acquisition Activities (Pipeline/Selected acquisition)

Target Assets Based on Three Points: “Profitability”, “Sustainability” and “Versatility” from abundant pipeline
Selected the prime asset contributes improvement and stabilization of Dividend level in the future

【Reference】 Number and Value of Properties Considered for Acquisition in the Period Ended June 2010 (6th Period)

90 properties, approx. 270 billion yen

For the Period Ended December 2010 (7th Period)

Acquired IIF Yokohama Tsuzuki Technology Center

Number and Value of Properties Considered for Acquisition in the Period Ended December 2010 (7th Period)

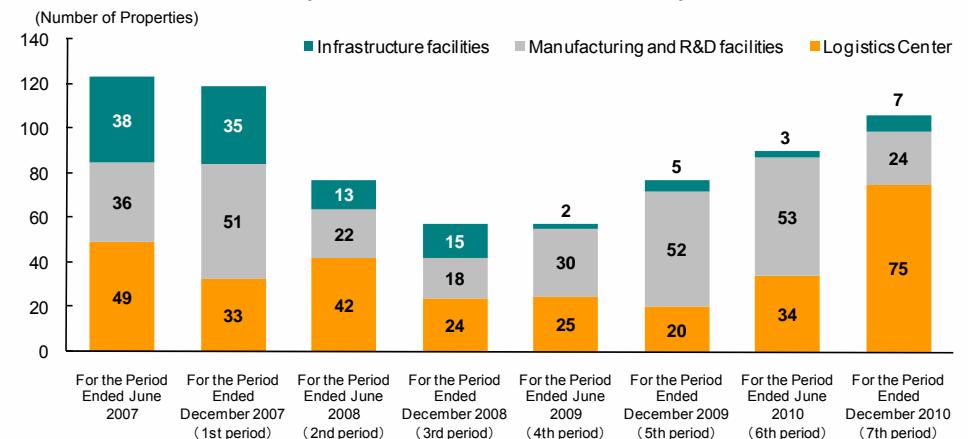
106 properties, approx. 255 billion yen

For the Period Ended June 2010 (8th Period)

Planned Acquisition of 5 Properties (11.3 billion yen) by follow-on offering

Target Assets Based on Three Points: “Profitability”, “Sustainability” and “Versatility”

Number of Properties Considered for Acquisition



Break-down Route of Properties Considered for Acquisition in the 7th Period

- Proposal-type activity based on CRE strategy 58
- Make the good use of original network for acquisition 42
- Collaboration with Sponsor 15
- Others 10

(Note) If there are many routes each property, we count as a plural.

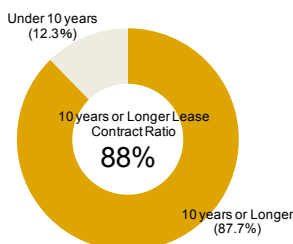
- 58 of 106 properties considered for acquisition are proposal for solution corresponding to CRE Strategy.
- Selected acquisition is promoted by focusing on the CRE strategy proposal in the future.

Internal Growth Strategy (Construction of Portfolio that invents Stable Cash Flow)

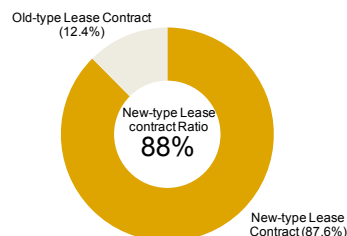
IIF maintains stable rent and occupancy ratio, promotes constructing portfolio is source of stable cash flow in the long-term is proved by long-term lease and new-type lease contract.

- Portfolio is source of stable cash flow in the long-term is proved by long-term lease and new-type lease contract

<By Lease-term (Annual rent base)>
(after planned acquisition property)



<By New-type lease contract/ Old-type lease contract (Annual rent base)>
(after planned acquisition property)



(Note1) New-type lease contract is agreement with special contract. Old-type lease contract is other agreement.
(Note2) At IIF Nagoya LC, contracted 3 years fixed-term building lease with DHL Supply Chain K.K on March 14, 2011

- Track record of stable rent income and comparing with other asset classes

The stable cash flow based on the stable and long-term lease contract since IPO in the global unstable economic environment .

	Name of Property	Rent/period(million yen) (note 1)						
		For the Period Ended December, 2007 (1st)	For the Period Ended June, 2008 (2nd Period)	For the Period Ended December, 2008	For the Period Ended June, 2009 (4th Period)	For the Period Ended December, 2009	For the Period Ended June, 2010 (6th Period)	For the Period Ended December, 2010
7th Period	Yokohama Tsuzuki TC							57
6th Period	Totsuka TC (land with Narashino LC (land with						138	138
2nd Period	Haneda Airport MC		973	973	973	973	973	973
1st Period	Shinonome LC	398	398	398	398	398	398	398
	Noda LC	225	225	225	225	225	225	225
	Shinsuna LC	164	164	164	164	164	164	169
	Atsugi LC	75	75	75	75	75	75	75
	Koshigaya LC (Note 2)	75	75	75	75	75	75	75
	Nishinomiya LC	60	60	60	60	60	60	60
	Kobe DHC	378	377	377	377	377	377	377

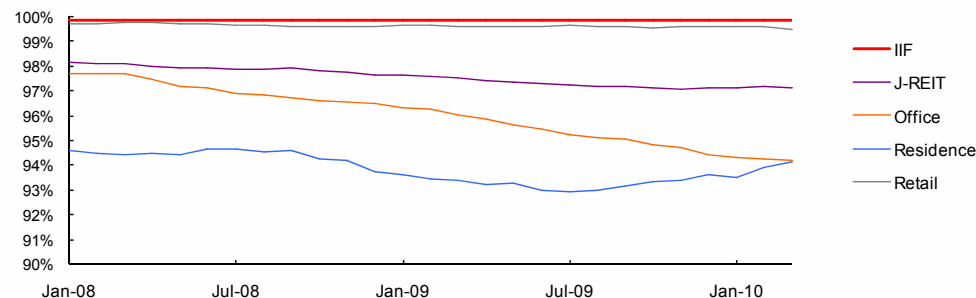
(Note1) "Rent/Period" is the amount that is a round off less than 1 million yen which one term is converted by 6 times as for the monthly rent at each end of the period.(as for the article from which tow or more lease contracts have been concluded, it is the total amount)

(Note2) IIF has concluded lease contract with new tenant for IIF Koshigaya LC on Nov 1, 2010(Lease period from Jan 1, 2011). The ancient rent based on lease contract with previous tenant.

(Note3) The rent of IIF Narashino LC(land with leasehold) is not disclosed because without agreement of tenant

- Track Record of Stable Occupancy Ratio of IIF and comparing with J-REIT which investing other asset classes

The occupancy ratio of IIF maintains 99.9%, when other J-REIT's invested asset classes are influenced degradation in real estate market.



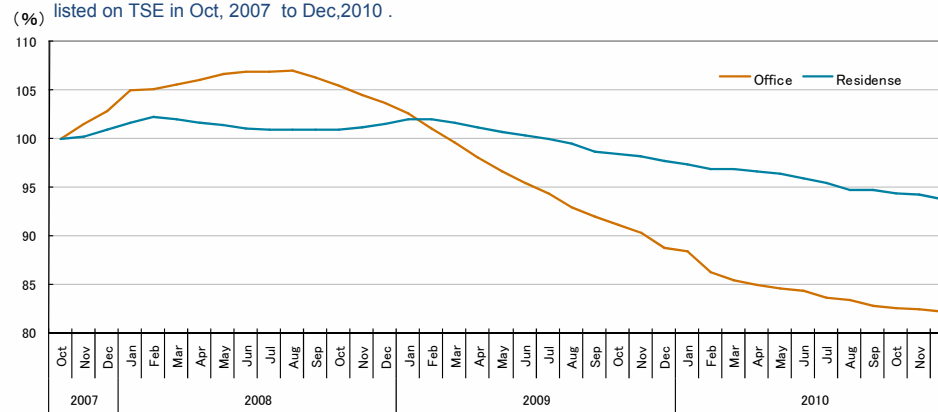
(Source) ARES (except IIF)

(Note1) ARES announced as fixed data in March, 2011

(Note2) Average occupancy ratio = Total Rental Area ÷ Available Rent Area

- Rent trends of other asset classes(Oct, 2007 to Dec, 2010)

The rent of other J-REIT's invest asset classes is influenced by degradation of real estate from IIF was listed on TSE in Oct, 2007 to Dec, 2010 .



(Source) Recruit, Miki shoji Co., Ltd.

(Note) On October, 2007 to be assumed as 100%.

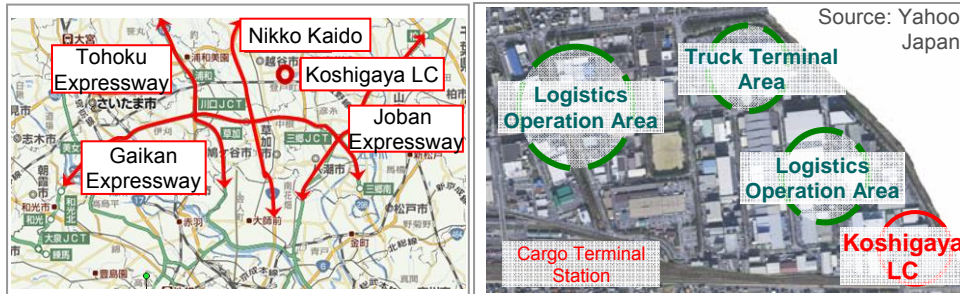
Internal Growth Strategy (Successful first time replacing a tenant) IIF Koshigaya Logistics Center

Signed a lease with a strong new tenant to ensure no vacant period and achieved a rent increase

Excellent location and user-friendliness facility

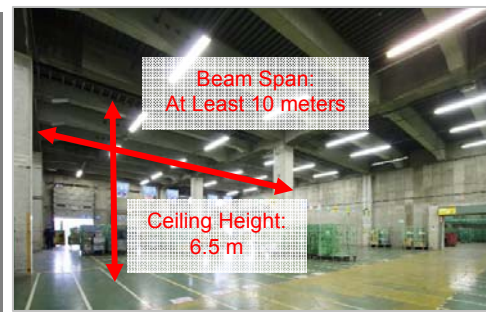
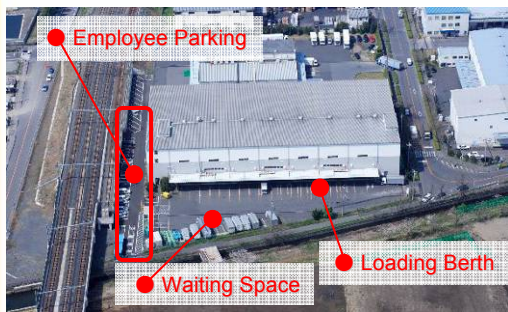
Location Koshigaya area widely covers the northern metropolitan region

- ✓ Located within a 25 km-radius from central Tokyo, covers wide daily transport area including the 23 wards of Tokyo, Chiba and Saitama.
- ✓ 24-hour operation of distribution facility



Facility Facility with high versatility and user-friendliness

- ✓ Loading berth capacity: 19 vehicles
- ✓ Capacity for truck waiting space: 13 vehicles
- ✓ Secure parking space for employees
- ✓ Highly versatile specs: beam span of at least 10 meters; ceiling height of 6.5 meters; floor weight capacity of 1.5 t/m2



Signed a 10 years New-style lease contract and achieved a rent increase

	Old Contract	New Contract
Tenant name	LOGIONE., Ltd.	Kabushikigaisya Tsukasa (A company consigned to manage the facility as a distribution center for FamilyMart Co., Ltd. stores.) Joint and several surety : Family Corporation Inc.,
Term of contract	Leaving date : September 30, 2010 Closing date of lease contract : December 31, 2010	January 1, 2011 – December 31, 2020 (10 years) Completion date of lease contract : November 1, 2010
Annual rent	149 million yen (per tsubo: 4,064 yen / month)	151 million yen (per tsubo: 4,100 yen / month)
Type of contract	Old-style lease contract	New-style lease contract
Revision of rent	None	None

Note Annual Rent is calculated by multiplying the monthly rent of the property indicated in each lease agreement being effective after IIF acquired the property by 12 and rounding the resulting amount to the nearest million.

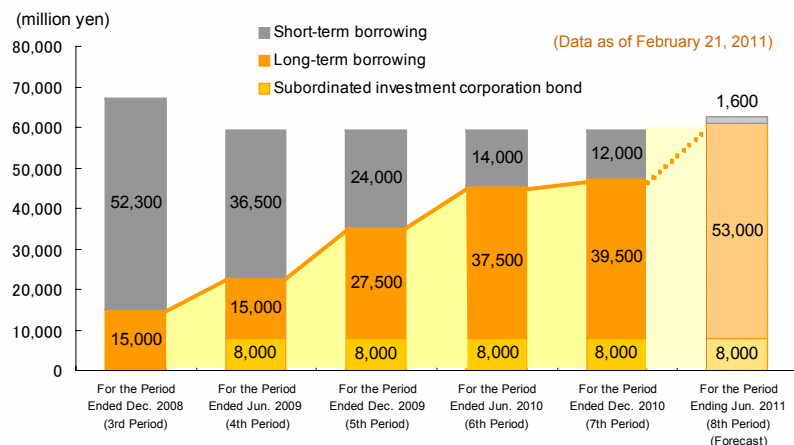
Future usage by the tenant

The new tenant is planning a "FamilyMart Room Temperature Product Center" that handles products such as processed foods, confectionaries, beverages and alcohol, while supplying products to approximately 400 stores in the northern Tokyo and southern Saitama areas.

Financial Strategy (Construction of stable financial structure that invests stable dividend) (1)

■ The approach of continuous financial stabilization

It was improved LTV and Long-term debt ratio by the approach of continuous financial stabilization.



① LTV	60.0%	49.4%	49.6%	49.2%	49.5%	48.4%
② Long-Term Debt Ratio	22.3%	38.7%	59.7%	76.5%	79.8%	97.4%

① (Long-term borrowing + Short-term borrowing) / Total Asset

② (Long-term borrowing + Subordinated investment corporation bond) / (Long-term borrowing + Subordinated investment corporation bond + short-term borrowing)

(Note) Any changes after February 21, 2011 (e.g. the affects of the earthquake) are not reflected on above

■ Introduction of Long-term Loan for 7 years

Borrowed 7 years fixed-rate loan from core banks (The Bank of Tokyo Mitsubishi UFJ, Mitsubishi UFJ Trust & Banking, Sumitomo Trust & Banking) and new lender (Development Bank of Japan) for improving financial strength

Lender	Core Lenders The Bank of Tokyo Mitsubishi UFJ, Mitsubishi UFJ Trust & Banking, Sumitomo Trust & Banking	New Lenders Development Bank of Japan
Amount	8,500 million yen	5,000 million yen
Interest rate	Fixed (Note)	Fixed
Available period of debt	March 11, 2011 – March 9, 2018 (7years)	February 28, 2011 – February 27, 2018 (7years)
Collateral/ Security	Unsecured, unguaranteed	Unsecured, unguaranteed
Payment	A lump-some payment	A lump-some payment
Reason for expenditure	Cash for acquisition of assets, repayment of loans	Cash for acquisition of assets, repayment of loans

(Note) Concluded swap contract to set a period from June 30, 2011 to March 9, 2018 with lenders on March 9, 2011

■ Decreasing Interest Rate for debt based on financial structure improvement

Decreasing interest rate for debt on every refinancing

Lender	Term	Amount	Borrowing Date	Interest Rate
Bank of Tokyo-Mitsubishi UFJ, Ltd. Mitsubishi UFJ Trust and Banking Corporation The Sumitomo Trust and Banking Co., Ltd.	3 years	10,500 million yen	Oct. 20, 2009 (5th Period)	1.640000%
Bank of Tokyo-Mitsubishi UFJ, Ltd. Mitsubishi UFJ Trust and Banking Corporation The Sumitomo Trust and Banking Co., Ltd.	3 years	10,000 million yen	Feb. 26, 2010 (6th Period)	1.140000%
The Sumitomo Trust and Banking Co., Ltd. The Nomura Trust and Banking Co., Ltd. Resona Bank, Ltd. THE YAMAGUCHI BANK, Ltd.	3 years	7,500 million yen	Sep. 30, 2010 (7th Period)	0.940000%
Bank of Tokyo-Mitsubishi UFJ, Ltd. Mitsubishi UFJ Trust and Banking Corporation	3 years	7,500 million yen	Oct. 19, 2010 (7th Period)	0.940000%

(Note) Dec 28, 2010 Announcement of Notice of Concerning Debt Financing – Extract 3 years borrowing debt only

■ Overview of Commitment-Type Term Loan

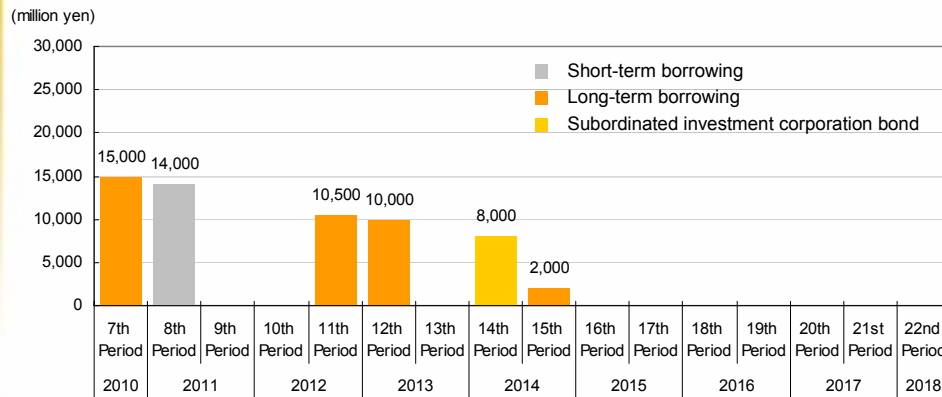
For the purpose of securely capturing attractive investment opportunities in preparation for future growth. This arrangement will enable our investment corporation to finance a long-term fixed-rate debt in flexible manner.

Contractor	Development Bank of Japan
Debt limit	10,000 million yen
Available period of debt	March 14, 2011 – March 14, 2014
Collateral/security	Unsecured, unguaranteed
Payment	A lump-some payment after 7 years from borrowing day
Reason for expenditure	Cash for acquisition of special asset, repayment of debt, renovation, repayment of deposit, security, operation.

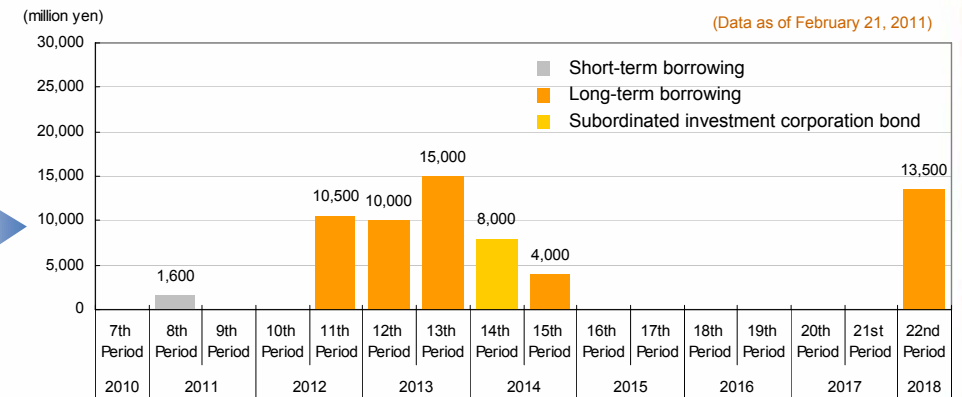
Financial Strategy (Construction of stable financial structure that invests stable dividend) (2)

Distribution of Repayment Dates

As of the end of June, 2010
(end of 6th period)



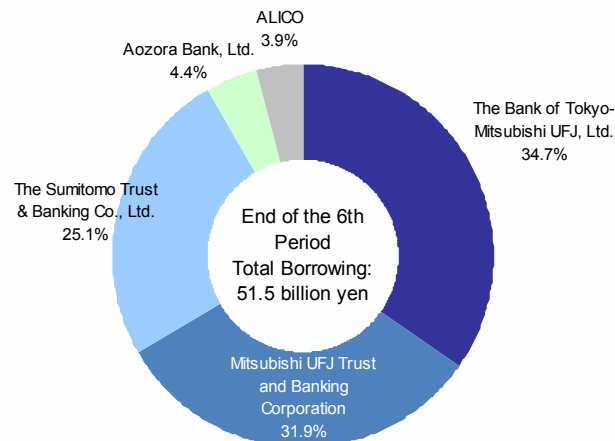
As of the end of June, 2011
(end of 8th period) (forecast)



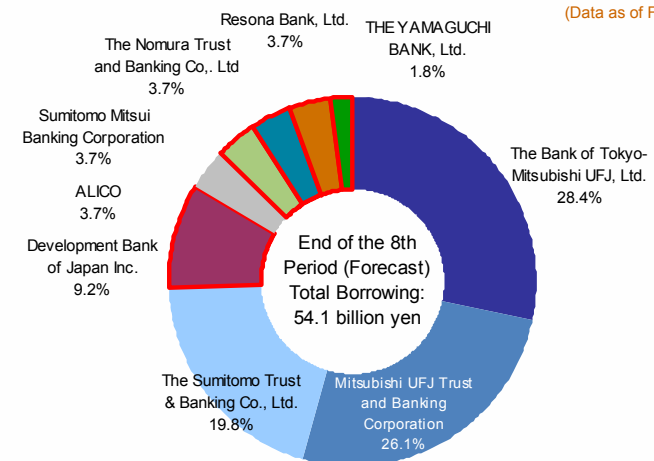
(Note) Any changes after February 21, 2011 (e.g. the affects of the earthquake) are not reflected on above

Status of Lenders

As of the end of June, 2010
(end of 6th period)



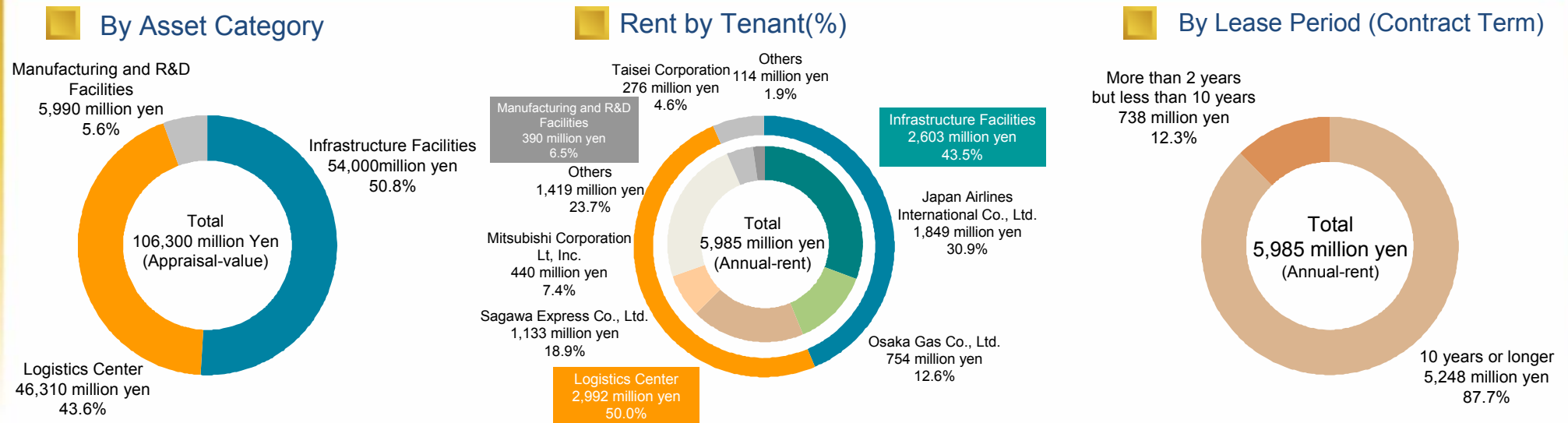
As of the end of June, 2011
(end of 8th period) (forecast)



(Note) Any changes after February 21, 2011 (e.g. the affects of the earthquake) are not reflected on above

6. Overview of Portfolio

Diversification of Portfolio (as of the planned acquisition properties in the 8th period)



Distribution of Contract Expiration Period for Rent Income^(Note4)

◀ Average Remaining Lease Term: 12.3 years



Notes: 1) Annual Rent is calculated by multiplying the monthly rent of the property indicated in each lease agreement being effective after IIF acquired the property by 12 and rounding the Resulting amount to the nearest million (for a property for which multiple lease agreements are signed, the total monthly rent).
 2) Figures for Contract Lease Term and Annual Rent used are those as of March 25, 2011.
 3) Percentages represent the ratio of annual rent for each tenant against the aggregate for all tenants. Each figure is rounded to the first decimal point.
 4) The base data is March 25, 2011. The average residual period of the leasehold contract is calculated on a rent-weighted average basis.

Portfolio List

Portfolio List (as of the After the planned acquisition properties in the 8th period)

Asset Category	Property Number (Note 1)	Name of Property	Location	Date Completed (Note 2)	Acquisition Price (million yen)		Cap Rate When Acquired (Note 3)	Appraisal Value as of the End of Period (million yen) (Note 4)		Total Leasable Area (Note 5)	Operating Rate (Note 6)	PML (Note 7)
						Percentage			Percentage			
Logistics Centers	L-1	IIF Shinonome Logistics Center (Note 8)	Koto-ku, Tokyo	February 2006	13,700	12.7%	5.3%	14,000	13.2%	27,493.29㎡	100.0%	4.6%
	L-4	IIF Noda Logistics Center	Noda-shi, Chiba	March 2006	6,500	6.0%	6.0%	6,570	6.2%	38,828.10㎡	100.0%	0.3%
	L-5	IIF Shinsuna Logistics Center	Koto-ku, Tokyo	June 1998	5,300	4.9%	5.5%	5,720	5.4%	5,741.75㎡	100.0%	6.4%
	L-6	IIF Atsugi Logistics Center	Atsugi-shi, Kanagawa	January 2005	2,100	1.9%	6.2%	2,140	2.0%	10,959.68㎡	100.0%	8.7%
	L-7	IIF Koshigaya Logistics Center	Koshigaya-shi, Saitama	September 1985	2,000	1.8%	6.7%	2,160	2.0%	10,113.50㎡	100.0%	2.6%
	L-8	IIF Nishinomiya Logistics Center	Nishinomiya-shi, Hyogo	May 1997	1,300	1.2%	7.4%	1,430	1.3%	10,608.00㎡	100.0%	9.1%
	L-9	IIF Narashino Logistics Center (land with leasehold)	Narashino-shi, Chiba	—	1,190	1.1%	—	1,960	1.8%	19,834.71㎡	100.0%	—
	L-10	IIF Narashino Logistics Center II (land with leasehold)	Narashino-shi, Chiba	—	3,350	3.1%	—	3,760	3.5%	58,070.00㎡	100.0%	—
	L-11	IIF Atsugi Logistics Center II	Atsugi-shi, Kanagawa	October 1992	3,100	2.9%	7.0%	3,180	3.0%	20,661.13㎡	100.0%	7.6%
	L-12	IIF Yokohama Tsuzuki Logistics Center	Yokohama-shi, Kanagawa	September 1998	2,350	2.2%	6.5%	2,580	2.4%	9,464.03㎡	100.0%	8.7%
	L-13	IIF Saitama Logistics Center	Saitam-shi, Saitama	December 1989	1,490	1.4%	8.2%	1,700	1.6%	8,995.00㎡	100.0%	4.2%
	L-14	IIF Nagoya Logistics Center	Narashino-shi, Chiba	April 1990	1,050	1.0%	7.9%	1,110	1.0%	8,728.52㎡	100.0%	8.7%
	Subtotal					43,430	40.1%	—	46,310	43.6%	229,497.71㎡	100.0%
Manufacturing and R&D Facilities	F-1	IIF Totsuka Technology Center(land with leasehold)	Yokohama-shi, Kanagawa	—	4,500	4.2%	—	4,750	4.5%	31,442.47㎡	100.0%	—
	F-2	IIF Yokohama Tsuzuki Technology Center	Yokohama-shi, Kanagawa	February 1996	1,100	1.0%	7.3%	1,240	1.2%	4,655.48㎡	100.0%	3.3%
	Subtotal					5,600	5.2%	—	5,990	5.6%	36,097.95㎡	100.0%
Infrastructure Facilities	I-1	IIF Kobe District Heating and Cooling Center	Kobe-shi, Hyogo	April 1990	18,100	16.7%	3.8%	16,000	15.1%	11,189.36㎡	97.5%	4.2%
	I-2	IIF Haneda Airport Maintenance Center	Ohta-ku, Tokyo	June 1993	41,110	38.0%	4.7%	38,000	35.7%	81,995.81㎡	100.0%	M1:4.5% M2:3.2%
	Subtotal					59,210	54.7%	—	54,000	50.8%	93,185.17㎡	99.7%
Portfolio Total					108,240	100.0%	—	106,300	100.0%	358,780.83㎡	99.9%	3.0%

(Note 1) The Property Number represents the number assigned to each asset owned by IIF by category: L for logistics facilities, F for manufacturing and R&D facilities and I for infrastructure facilities.

(Note 2) The Date Completed is the year and month when each new property was recorded in the registry book.

(Note 3) The Cap Rate When Acquired is derived by dividing the net operating income used in calculating the price at acquisition under the direct reduction approach indicated in the appraisal report by the acquisition price and rounding off to the nearest tenth.

(Note 4) The Appraisal Value as of the End of Period represents the value as of June 30, 2010.

(Note 5) The Total Leasable Area represents the leasable area relating to the building provided in each leasehold contract.

(Note 6) The Operating Rate (percentage of the total leased area to the total leasable area as of June 30, 2010) is rounded to the nearest tenth.

(Note 7) The PML is the figure as June 30, 2010. The PML for IIF Haneda Airport Maintenance Center represents the data for M1 and M2 respectively.

Portfolio Total is not added the effect of properties acquired in 7th period, 8th period and to be acquired in 8th period

(Note 8) For IIF Shinonome Logistics Center, the total leasable area provided in the lease contract was multiplied by 53% (the proportion of quasi-ownership of the trust beneficiary certificates). The calculated value is the appraisal value for the 53% quasi-ownership ratio of the beneficiary right. The total leasable area was rounded to the nearest tenth.

Appraisal Status (1)

Appraisal Yields (For Owned Properties as of the End of the 7th Period)

Asset Category	Property Number (Note 2)	Name of Property	For the Period Ended December 2010 (7th Period)							(Reference) For the Period Ended June 2010 (6th Period)				
			Book Value (million yen)	Appraisal Value as of the End of Period (million yen)			Cap Rate by Direct Approach	Discount Rate by DCF Method	Final Cap Rate by DCF method	Book Value (million yen)	Appraisal Value as of the End of Period (million yen)	Cap Rate by Direct Approach	Discount Rate by DCF Method	Final Cap Rate by DCF method
				Appraisal Value	Period-Over -Period	Period-Over -Period (%)								
Logistics Center	L-1	IIF Shinonome Logistics Center (Note 3)	13,539	14,000	0	0.0%	5.3%	4.9%	5.5%	13,586	14,000	5.3%	4.9%	5.5%
	L-4	IIF Noda Logistics Center	6,189	6,570	10	0.2%	5.9%	5.7%	6.1%	6,248	6,560	5.9%	5.7%	6.1%
	L-5	IIF Shinsuna Logistics Center	5,344	5,720	0	0.0%	5.2%	5.0%	5.1%	5,333	5,720	5.2%	5.0%	5.1%
	L-6	IIF Atsugi Logistics Center	1,922	2,140	0	0.0%	6.1%	5.6%	6.4%	1,954	2,140	6.1%	5.6%	6.4%
	L-7	IIF Koshigaya Logistics Center	1,989	2,160	60	2.9%	6.0%	5.7%	6.1%	1,936	2,100	6.1%	5.8%	6.2%
	L-8	IIF Nishinomiya Logistics Center	1,260	1,430	0	0.0%	6.3%	6.0%	6.5%	1,271	1,430	6.3%	6.0%	6.5%
	L-9	IIF Narashino Logistics Center (land with leasehold)	1,223	1,960	20	1.0%	—	5.5%	—	1,215	1,940	—	5.5%	—
	Subtotal		31,469	33,980	90	0.3%	—	—	—	31,546	33,890	—	—	—
Manufacturing and R&D Facilities	F-1	IIF Totsuka Techology Center (land with leasehold)	4,553	4,750	0	0.0%	—	6.0%	—	4,553	4,750	—	6.0%	—
	F-2	IIF Yokohama Tsuzuki Techology Center	1,165	1,240	—	0.0%	5.8%	5.9%	6.3%	—	—	—	—	—
	Subtotal		5,718	5,990	0	0.0%	—	—	—	4,553	4,750	—	—	—
Infrastructure Facilities	I-1	IIF Kobe District Heating and Cooling Center	17,952	16,000	0	0.0%	4.7%	3.7%	4.7%	18,076	16,000	4.7%	3.7%	4.7%
	I-2	IIF Haneda Airport Maintenance Center	41,564	38,000	△ 300	△0.8%	4.7%	3.8%	5.2%	41,826	38,300	4.7%	3.9%	5.2%
	Subtotal		59,516	54,000	△ 300	△0.6%	—	—	—	59,902	54,300	—	—	—
Portfolio Total			96,704	93,970	1,030	1.1%	—	—	—	96,001	92,940	—	—	—
Portfolio Total (except IIF Yokohama Tsuzuki TC)			95,539	92,730	△ 210	△0.2%	—	—	—	96,001	92,940	—	—	—

(Note 1) The Appraisal Value as of the End of Period, Cap Rate by Direct Approach, Discount Rate by DCF Method and Final Cap Rate by DCF Method are based on the following:
For the period ended December 2010 (7th Period): Based on the appraisal report of real-estate consultants (Japan Real Estate Institute and CB Richard Ellis).

For the period ended June 2010 (6th Period): Based on the research reports and opinion letters on price issued by real-estate appraisers.

(Note 2) The Property Number represents the number assigned to each asset owned by IIF by category: L for logistics facilities, F for manufacturing and R&D facilities and I for infrastructure facilities.

(Note 3) Figures for IIF Narashino Logistics Center and IIF Totsuka Technology Center are based on the appraisal reports at the time of acquisition respectively.

Appraisal Status (2)

Appraisal Yields for New Acquisition Properties

Asset Category	Property Number (Note 2)	Name of Property	Acquisition Price (Scheduled) (million yen)	As of February 1, 2011			
				Appraisal Value (million yen)	Cap Rate by Direct Approach	Discount Rate by DCF Method	Final Cap Rate by DCF method
Logistics Center	L-10	IIF Narashino Logistics Center II (land with leasehold)	3,350	3,760	5.7%	4.6%	6.4%
	L-11	IIF Atsugi Logistics Center II	3,100	3,180	5.8%	5.5%	6.1%
	L-12	IIF Yokohama Tsuzuki Logistics Center	2,350	2,580	5.7%	5.5%	5.9%
	L-13	IIF Saitama Logistics Center	1,490	1,700	6.3%	6.0%	6.6%
	L-14	IIF Nagoya Logistics Center	1,050	1,110	6.5%	6.2%	6.8%
Total of New Acquisition Properties			11,340	12,330	—	—	—

(Note 1) The Appraisal Value, Discount Rate by DCF method and Final Cap Rate by DCF method of New acquisition properties are based on appraisal report by real-estate appraiser (JREI) as of Feb 1, 2011

(Note 2) The Property Number represents the number assigned to each asset owned by IIF by category: L for logistics facilities, F for manufacturing and R&D facilities and I for infrastructure facilities.

【Reference】 Properties Planned to be acquired by the Period Ending December 2013

Asset Category	Property Number	Name of Property	For the Period Ended December 2010 (7th Period)							(Reference) For the Period Ended June 2010 (6th Period)			
			Estimated Acquisition Price (million yen)	Appraisal Value as of the End of Period (million yen)			Cap Rate by Direct Approach	Discount Rate by DCF Method	Final Cap Rate by DCF method	Appraisal Value as of the End of Period (million yen)	Cap Rate by Direct Approach	Discount Rate by DCF Method	Final Cap Rate by DCF method
				Appraisal Value	Period-Over -Period	Period-Over -Period (%)							
Infrastructure Facilities	—	IIF Shinsuna Data Center	15,100	16,100	300	1.9%	5.7%	5.1%	6.1%	15,800	5.7%	5.1%	6.1%

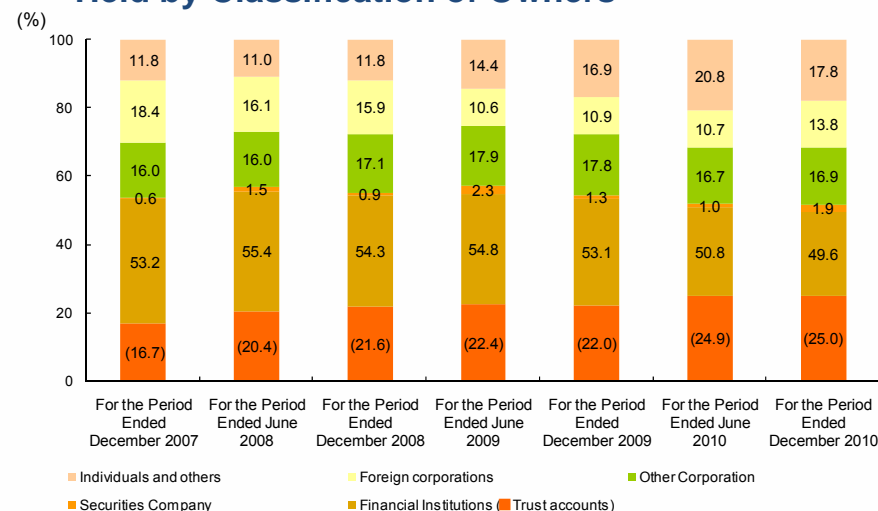
(Note) The acquisition timing of IIF Shinsuna Data Center is to be before the end of September 2013, on a data to be agreed upon between the relevant parties.

Analysis of Investor's Attributes

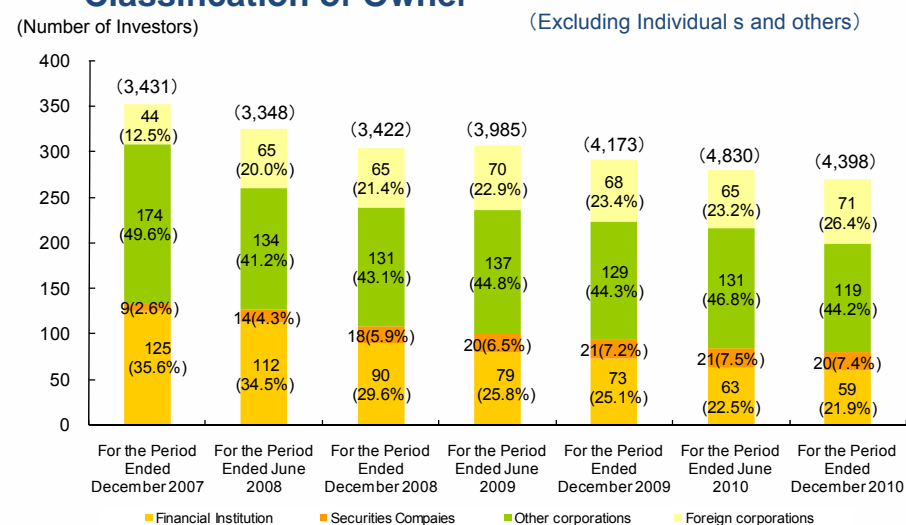
Top 20 Investors as of December 31, 2010

Rank	Name	Number of Units Held	Ownership Ratio(%)
1	Mitsubishi Corporation	9,600	12.14
2	Japan Trustee Services Bank, Ltd.(Trust Account)	8,302	10.50
3	The Nomura Trust and Banking Co., Ltd.(Investment Account)	5,321	6.73
4	UBS AG LONDON JAPAN SEED CAPITAL FUNDING	5,200	6.57
5	Development Bank of Japan Inc.	5,000	6.32
6	Trust & Custody Services Bank, Ltd.(Securities Investment Trust Account)	2,577	3.26
7	The Master Trust Bank of Japan, Ltd.(Trust Account)	2,264	2.86
8	North Pacific Bank, Ltd.	2,235	2.82
9	The Tokushima Bank, Ltd.	1,492	1.88
10	The Taiko Bank, Ltd.	1,480	1.87
11	Nomura Bank Luxembourg S.A	1,119	1.41
12	Trust & Custody Services Bank, Ltd. (Money Trust Account)	1,014	1.28
13	The Asahi Fire & Marine Insurance Company Limited	1,000	1.26
14	Nippon Tosho Fukyu Co., Ltd.	965	1.22
15	SI Income Strategy Investment LPS	700	0.88
16	American Life Insurance Company GAL	608	0.76
17	The Hokkaido Bank, Ltd.	600	0.75
18	Mitsubishi Corp.- UBS Realty Inc.	600	0.75
19	JA Bank-Yamaguchi	589	0.74
20	The Senshu Ikeda Bank, Ltd.	581	0.73
Total		51,247	64.84

Change in Percentage of Investment Units Held by Classification of Owners



Change in Number of Investors by Classification of Owner



(Note) The number of all investors including individuals and others in parentheses

7. Appendix

Agreed with JAL to a lease extension and stabilization

IIF Haneda Airport Maintenance Center

Agreed with JAL to a lease extension and stabilization, in return for a temporary reduction in rent

Primary changes based on the Agreement of Change of Lease Contract dated August 10, 2010

	Before Change	After Change
Type of Contract	Old-style lease contract	New-style lease contract
Term of Contract	February 29, 2008 to February 28, 2018 (10 years) Remaining Lease Period: 7.6 years	August 10, 2010 to December 31, 2025 (About 15 years and 5 months)
Annual Rent (excluding consumption tax)	1,947 million yen	① August 10, 2010 to December 31, 2010 1,947 million yen (same as before change) ② January 1, 2011 to December 31, 2015 (5 years) 1,849 million yen (reduce 5% from before change) Effect of dividend per unit: -520 yen/ period (comparison with ①) ③ January 1, 2016 to December 31, 2020 (5 years) 1,888 million yen (reduce 3% from before change) Effect of dividend per unit: +207 yen/ period (comparison with ②) ④ January 1, 2021 to December 31, 2025 (5 years) 1,947 million yen (as before change) Effect of dividend per unit: +311 yen/ period (comparison with ③)
Expenses	All operating expenses such as utility and medical fees as well as normal daily maintenance costs are incurred by the tenant.	
Others	Tenant reimburses IIF for property taxes and other public charges for use of nationally owned land and roads.	

* Annual rent and security deposit are rounded to the nearest million yen.

(Note) Total number of units outstanding: 93,632

Major changes associated with the change to the new-style leasehold contract

- ✓ Tenant is prohibited from requesting a rent decrease as provided in Paragraph 7 of Article 38, Land Lease and House Lease Act.
- ✓ Tenant is unable to terminate the contract before the expiration date as stipulated in the Agreement of Change.



Business rehabilitation based on Corporate Rehabilitation Law

January 19, 2010	Filed for corporate rehabilitation
May 25, 2010	Extended the submission of the Rehabilitation Plan to the end of August
August 31, 2010	Submission of the proposed reorganization plan to Tokyo District Court
November 30, 2010	Approval of the proposed reorganization plan



Lease Contract of Properties Owned

Lease Contracts of Properties owned

Asset Category	Property Number (Note 1)	Name of Property	Tenants	Type of Contract	Original Lease Period	Remaining Lease Period ^(Note 2)
Logistics Centers	L-1	IIF Shinonome Logistics Center	Sagawa Express Co., Ltd.	New-Style Lease	20 years	14 years and 11months
	L-4	IIF Noda Logistics Center	①Mitsubishi Corporation LT, Inc. ②Mitsubishi Corporation LT, Inc. ③Mitsubishi Electric Logistics	New-Style Lease	① 10 years ② 5 years ③ 5 years	①1month ②5 years and 1months ③1month
	L-5	IIF Shinsuna Logistics Center	Sagawa Express Co., Ltd.	Old-Style Lease	20 years	7 years and 4months
	L-6	IIF Atsugi Logistics Center	Mitsubishi Corporation LT, Inc.	New-Style Lease	10 years	5 years and 10months
	L-7	IIF Koshigaya Logistics Center	Kabushikikaisha Tsukasa	New-Style Lease	10 years	9 years and 10months
	L-8	IIF Nishinomiya Logistics Center	Suzuyo Corporation	New-Style Lease	20 years	14 years and 5months
	L-9	IIF Narashino Logistics Center (land with leasehold)	Kajima Leasing Corporation JA Mitsui Leasing, Ltd.	New-Style Lease	20 years	10 years and 5months
	L-10	IIF Narashino Logistics Center II (land with leasehold)	Mizuho Trust & Banking Co., Ltd.	New-Style Lease	50 years	50 years
	L-11	IIF Atsugi Logistics Center II	Sun Toshi Tatemono Co., Ltd.	Old-Style Lease	5 years	1 year and 5months
	L-12	IIF Yokohama Tsuzuki Logistics Center	Tokyo Logistics Factory Co., Ltd.	New-Style Lease	15 years	13 years
	L-13	IIF Saitama Logistics Center	MM Corporation	Old-Style Lease	7.5 years	3 years and 8months
	L-14	IIF Nagoya Logistics Center	DHL Supply Chain Kabushiki Kaisha	New-Style Lease	3 years	3 years
Manufacturing and R&D Facilities	F-1	IIF Totsuka Technology Center (land with leasehold)	Taisei Corporation	New-Style Lease	30 years	29 years
	F-2	IIF Yokohama Tsuzuki Technology Center	TÜV Rheinland Japan Ltd.	New-Style Lease	22 years	19 years 6months
Infrastructure Facilities	I-1	IIF Kobe District Heating and Cooling Center	Osaka Gas Co., Ltd.	New-Style Lease	① 10 years ② 4.2 years ③ 4.1 years	①1 years and 2months ②1 years and 2months ③1 years and 2months
	I-2	IIF Haneda Airport Maintenance Center	Japan Airlines International Co., Ltd.	New-Style Lease	15.4 years	14 years and 10months

【IIF Noda Logistics Center】

① and ③ will be renewed as it stands

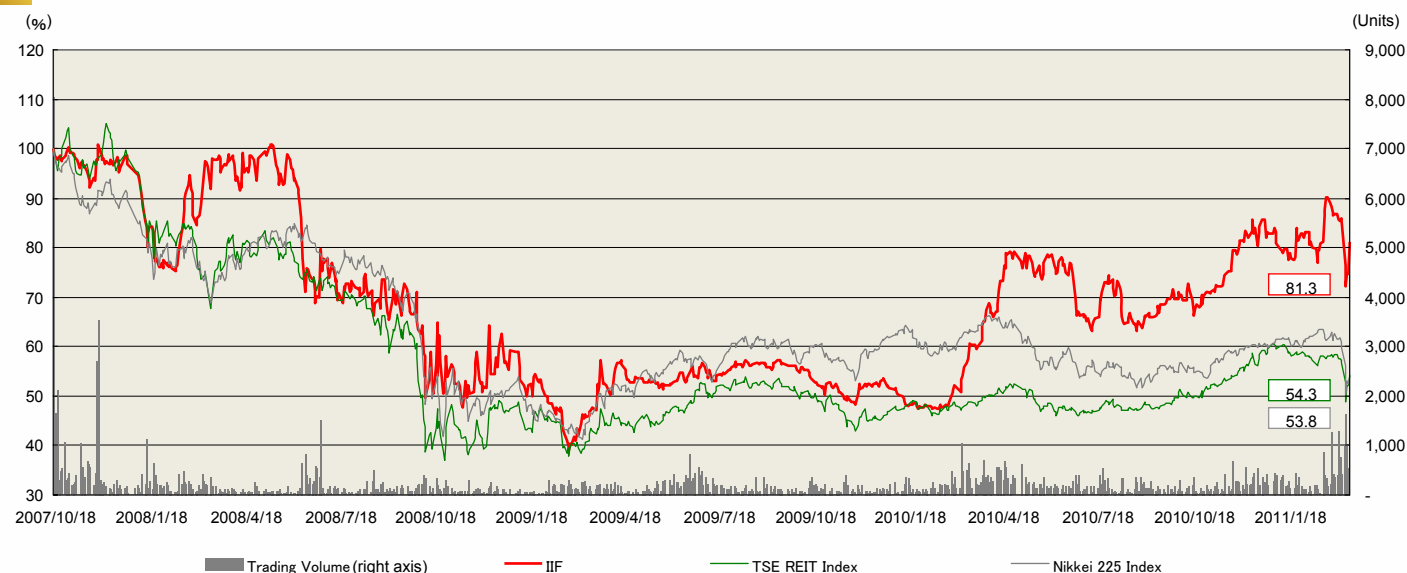
Notes

1) "Property Number" represents the number assigned to each asset owned by IIF by category: L for logistics facilities, F for manufacturing and R&D facilities and I for infrastructure facilities

2) "Remaining Lease Period" is computed with the base date of March 25, 2011. In case there are multiple expiry dates under a contract, the remaining lease period for each contracted expiry is indicated

Trends in Investment Unit Price

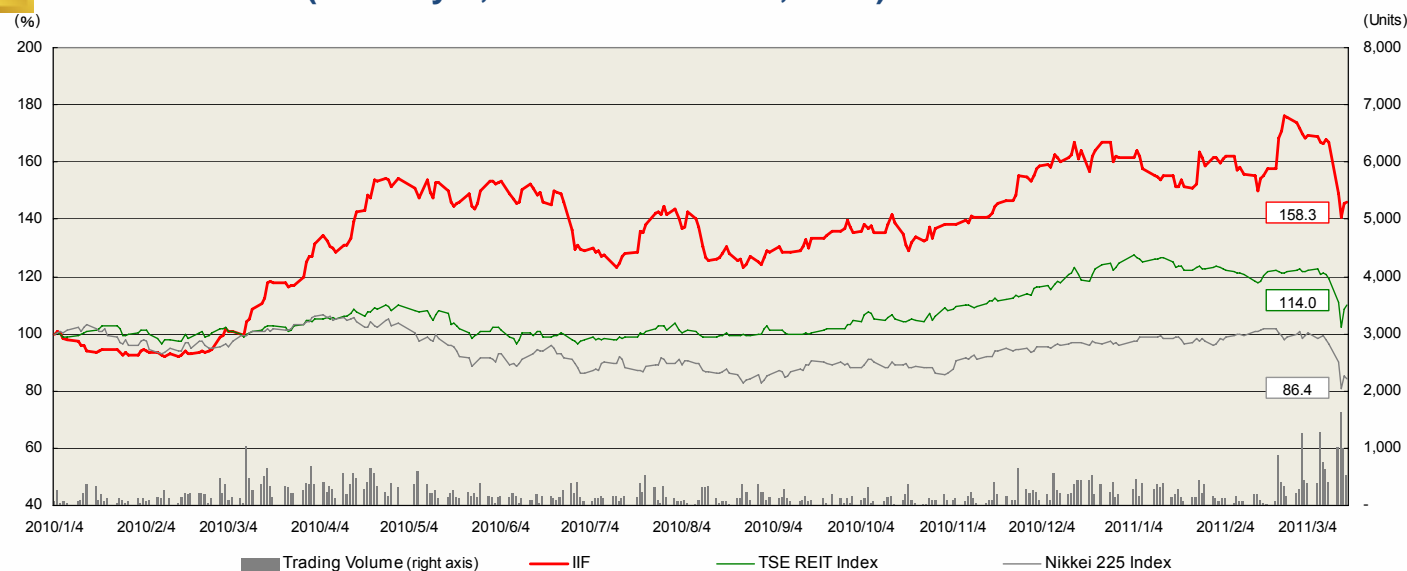
Unit price trends since IPO (October 18, 2007 to March 18, 2011)



Notes:

- 1) Closing price base
 - 2) Left axis describes relative unit price trends that is closing price of TSE on October 18, 2007 to be assumed as 100% .
- (Source) Based on Bloomberg data

Recent trends (January 4, 2010 to March 18, 2011)



Notes:

- 1) Closing price base
 - 2) Left axis describes relative unit price trends that is closing price of TSE on January 4, 2011 to be assumed as 100% .
- (Source) Based on Bloomberg data

Disclaimer

- ▶ This material may contain information such as data on future performances, plans, management targets and strategies. Such descriptions with regard to the future are based on current hypotheses and assumptions about future events and trends of the business environment, but these hypotheses and assumptions are not necessarily correct. Actual results may significantly vary due to various factors.
- ▶ This material is prepared based on the accounting policy in Japan unless otherwise noted.
- ▶ This material is to be used for analyzing the financial results of IIF and is not prepared for the purpose of soliciting the acquisition of IIF's investment securities or the signing of a financial instruments contract. When investing, we ask investors to invest at their own responsibility and by making their own judgment/

Asset Management Company : Mitsubishi Corp.- UBS Realty Inc.

(Financial Instruments Dealer Director of Kanto Financial Bureau (Financial Instruments Dealer)

Number 403, Member of The Investment Trusts Association, Japan)