Disclaimer

This document has been prepared solely for the purpose of providing U.K. and Dutch investors with certain information under Article 23 of the European Alternative Investment Fund Managers Directive (European Directive 2011/61/EU) (the “AIFMD”) as implemented in their respective jurisdictions. Accordingly, you should not use this document for any other purpose.

Netherlands

The units of Industrial & Infrastructure Fund Investment Corporation (“IIF” or the “AIF”) are being marketed in the Netherlands under Section 1:13b of the Dutch Financial Supervision Act (Wet op het financieel toezicht, or the “Wft”). In accordance with this provision, Mitsubishi Corp.-UBS Realty Inc. (the “AIFM”) has submitted a notification with the Dutch Authority for the Financial Markets. The units of ADR will not, directly or indirectly, be offered, sold, transferred or delivered in the Netherlands, except to or by individuals or entities that are qualified investors (gekwalificeerde beleggers) within the meaning of Article 1:1 of the Wft, and as a consequence neither the AIFM nor IIF is subject to the license requirement pursuant to the Wft. Consequently, neither the AIFM nor IIF is subject to supervision of the Dutch Central Bank (De Nederlandsche Bank, “DNB”) or the Netherlands Authority for Financial Markets (Autoriteit Financiële Markten, the “AFM”) and this Article 23 AIFMD Prospectus is not subject to approval by the AFM. No approved prospectus is required to be published in the Netherlands pursuant to Article 3 of the European Regulation 2017/1129 (the EU Prospectus Regulation). The AIFM is solely subject to limited ongoing regulatory requirements as referred to in Article 42 of the AIFMD.

United Kingdom

The international units are being marketed in the United Kingdom pursuant to Article 59 of the United Kingdom Alternative Investment Fund Managers Regulations 2013. The AIFM has submitted the necessary notification with the Financial Conduct Authority (the “FCA”) in accordance with this provision.

The international units are being marketed in the United Kingdom only to:

(i) investment professionals falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended, or the Order; or
(ii) (high net worth companies and other persons falling within Articles 49(2)(a) to (d) of the Order (all such persons together being referred to as “Relevant Persons”),

and this document and its contents are directed only at Relevant Persons and must not be acted on or relied on by persons who are not Relevant Persons. In the United Kingdom, any investment or investment activity to which this document relates (including any invitation, offer or agreement to subscribe for, purchase or otherwise acquire the international units) is available only to Relevant Persons and will be engaged in only with Relevant Persons. Any person who is not a Relevant Person may not act or rely on this document or any of its contents.

European Economic Area and United Kingdom

The international units are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the EEA or in the United Kingdom. For these purposes, a retail investor means a person who is one (or more) of:

(i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU, as amended, or MiFID II; or (ii) a customer within the meaning of Directive (EU) 2016/97, as amended, or the Insurance Distribution Directive, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in the EU Prospectus Regulation. Consequently, no key information document required by Regulation (EU) No 1286/2014, as amended, or the PRIIPs Regulation, for offering or selling the international units or otherwise making them available to retail investors in the EEA or in the United Kingdom has been prepared and therefore offering or selling the international units, or otherwise making them available, to any retail investor in the EEA or in the United Kingdom may be unlawful under the PRIIPS Regulation.

Article 23(1)(a)	
Objectives of the AIF	The investment objective of Industrial & Infrastructure Fund Investment Corporation ("**IIF**") is to maintain and grow unitholders' value by investing in industrial and infrastructure properties in Japan, which are properties that play a vital role in the Japanese economy and for which IIF expects to see stable demand in the medium to long term.
Investment strategy	IIF's investment management strategy is to secure, in the medium to long term, relatively stable cash distributions for its unitholders and steady increases in the value of its portfolio. IIF aims to achieve these objectives through portfolio expansion strategies that are designed to acquire properties that meet its high standards at the appropriate time and price and through portfolio management aimed at sustaining long-term, stable cash flows from such acquired properties.
Types of assets the AIF may invest in	Securities, real estate (in particular, industrial properties and infrastructure properties), leaseholds of real estate, surface rights of land (chijo-ken), trust beneficiary interests in real estate, power plants for generation of renewable energy and management rights with respect to public facilities.
Techniques it may employ and all associated risks *p.4 50*	IIF seeks to achieve its investment objectives through a number of strategies including: • *Differentiated property acquisitions strategy*. IIF believes its capability to provide corporate real estate ("CRE") solutions, together with its unique position as an investor specializing in industrial and infrastructure properties, differentiates IIF from its competitors and provides IIF with access to attractive acquisition opportunities. IIF aims to further enhance its expertise and brand as a CRE solution provider by continuously offering innovative solutions to industry participants. • *Extensive independent and sponsor network*. IIF believes that its property acquisition and leasing network is critical to its success in acquiring new properties on favorable terms and maintaining a portfolio with stable cash flows. Through proactive proposals to property owners and tenants and pursuit of attractive acquisitions, IIF continues to expand its independent acquisition and leasing network. IIF intends to also make full use of Mitsubishi Corporation's network to identify opportunities to build relationships with industry participants. • *Stable cash flow based on long-term leases.* IIF targets property owners and tenants who are currently using

	properties for their core business operations. IIF believes this strategy differentiates it from other real estate investors that merely seek to use under-utilized properties more efficiently. • *Stable occupancy rate and stable rent income*. Through the use of long-term and fixed-term leases, IIF's portfolio has maintained stable occupancy rates and rent income. IIF maintains close contact with its tenants in order to understand their needs as well as any trends affecting them. IIF focuses on increasing tenants' satisfaction levels in order to maintain and grow IIF's profitability. • *Tenant and portfolio diversification.* IIF seeks to diversify its portfolio and tenant base through expanding the number and types of assets in IIF's portfolio. IIF believes diversification will reduce its reliance on any single tenant, property or property type and contribute to stable cash flows over the long term. • *Recruitment of new tenants*. IIF aims to strengthen its leasing capability by establishing relationships with property managers and companies that are familiar with IIF's target asset categories, IIF's tenants and other key players in similar industries. IIF also seeks to utilize its expansive network and that of Mitsubishi Corporation to build industry relationships. • *3C Management*. IIF aims to improve the value of its portfolio through 3C Management, which 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). The principal risks with respect to investment in IIF are as follows: • any adverse conditions in the Japanese economy could adversely affect IIF; • IIF's strategy of investing in industrial and infrastructure properties may entail risks uncommon to other J-REITs that invest primarily in a broader range of real estate or real estate-related assets; • industrial and infrastructure properties generally cater to a single tenant or a small number of tenants and are typically designed for a specific use, which may make it difficult to find replacement tenants and cause IIF to incur additional costs; • increasing competition in attracting tenants may adversely affect the ability of IIF to retain its current tenants or find new tenants; • IIF's ability to acquire industrial and infrastructure properties in which the public sector currently plays an important role may

	depend on certain legal and regulatory changes, and its acquisition of certain industrial and infrastructure properties may expose it to a higher level of regulatory control than typically imposed on other J-REITs; • IIF or its tenants may be unable to obtain or renew government licenses required to operate or develop its existing properties or properties that it hopes to acquire in the future; • relative to other types of real estate properties, industrial and infrastructure properties have a higher risk of experiencing environment-related and other problems that may result in unexpected costs and losses in revenues; • IIF may not close all of its anticipated property acquisitions within the expected timeframe or at all; • IIF may not be able to acquire properties to execute its growth and investment management strategy in a manner that is accretive to earnings; • IIF may suffer large losses if any of its properties incurs damage from a natural or man-made disaster; • IIF depends on a small number of key tenants to lease a significant portion of the properties in its portfolio; • the properties in IIF's portfolio are primarily located in the greater Tokyo area and IIF's business will remain highly susceptible to circumstances and developments that may adversely impact the greater Tokyo area; • IIF's portfolio contains properties located on reclaimed land, which is subject to unique risks, including land liquefaction; • IIF may face unexpected losses as a result of ambiguities in the borders of its properties; • illiquidity in the real estate market may limit IIF's ability to grow or adjust its portfolio; • any inability to obtain financing for future acquisitions could adversely affect the growth of IIF's portfolio; • IIF's reliance on and restrictions on its activities under debt financing arrangements may adversely affect its business, financial condition and results of operations; • increases in prevailing market interest rates may increase IIF's interest expenses and may result in a decline in the market price of IIF's units; • decreases in tenant leasehold deposits (shiki-kin), security deposits (hoshō-kin) or both may increase IIF's funding costs; • because IIF's operating costs are largely fixed, it may suffer material adverse effects if its rent revenue declines; • IIF may lose rent revenue in the event of lease terminations, decreased lease renewals, the default of a tenant as a result of financial difficulty or insolvency, or careless or imprudent property management by a tenant;

	• master lease agreements may give rise to certain risks; and • IIF may incur additional costs due to preferential purchase rights, such as rights of first refusal or other similar rights held by lessees or tenants. In addition, IIF is subject to the following risks: • IIF entering into forward commitment contracts to acquire properties may subject IIF to market risks or cancellation penalties; • Defects relating to the title, design, construction or other aspects of IIF's properties may adversely affect IIF's financial condition and results of operations; • when IIF purchases or commits to purchase properties under development, IIF may be exposed to increased risks and uncertainties with respect to the successful completion and operation of such properties; • IIF may rely on expert appraisals and engineering, environmental, seismic and other reports, which are subject to significant uncertainties; • IIF may rely on market reports and industry data that are subject to significant uncertainties; • buildings that IIF intends to acquire may violate earthquake resistance or other building codes, and any such buildings may collapse in even a minor earthquake or may be required to be strengthened or demolished by IIF at significant expense; • IIF's actual results of operations may be worse than the forecasts contained in the Offering Circular as such forecasts consist of forward-looking statements, are necessarily based on estimates and assumptions that are inherently subject to significant business, economic, competitive and other uncertainties and contingencies, are necessarily speculative, and one or more of the assumptions underlying the projections may turn out to be incorrect; • IIF may suffer impairment losses relating to its properties; • IIF's ability to make cash distributions may be adversely affected by changes in the market for infrastructure properties; • IIF prepares its financial statements in accordance with Japanese GAAP which differs in certain material respects from IFRS, U.S. GAAP and generally accepted accounting principles and financial reporting standards in other jurisdictions; • a high level of indebtedness in future may increase IIF's interest expenses and exposure to changes in interest rates;

	• because some of IIF's properties are equipped with photovoltaic facilities, IIF may be adversely affected by any changes in the market for electricity; • IIF's unitholders have limited control over changes in its investment policies; • IIF's success depends on the performance of service providers to which IIF is required to assign various key functions; • IIF's relationship with Mitsubishi Corporation does not guarantee that IIF will be able to purchase desirable properties at competitive prices or at all; • IIF's performance is dependent on the efforts of key personnel of IIF's asset manager; • IIF has potential conflicts of interest with its asset manager; • IIF has potential conflicts of interest with Mitsubishi Corporation and UBS Asset Management AG; • IIF's redevelopment projects may not go as planned and could adversely affect IIF's revenues; • J-REITs, such as IIF, and their asset managers are subject to strict supervision by the regulatory authorities; • IIF's failure to satisfy a complex series of requirements pursuant to Japanese tax regulations would disqualify IIF from certain taxation benefits and significantly reduce its distributions to its unitholders; • If the Japanese tax authorities disagree with the interpretations IIF used for prior periods, IIF may be forced to pay additional taxes for those periods; • IIF may not be able to benefit from reductions in certain real estate taxes enjoyed by qualified J-REITs; • Changes in Japanese tax laws may significantly increase IIF's tax burden; • IIF's distributions may decrease due to reversals of ATDA; • IIF expects to be treated as a "passive foreign investment company" for U.S. federal income tax purposes; • IIF's unitholders may be subject to U.S. Foreign Account Tax Compliance Act (FATCA) withholding tax; • IIF's ownership rights in some of its properties may be declared invalid or limited; • IIF may lose its rights in a property that it owns if the purchase of the property is recharacterised as a secured financing; • IIF's leasehold rights may be terminated or may not be asserted against a third party in some cases; • IIF's properties for which third parties hold leasehold

	interests in the land and own the building may subject IIF to various risks; • IIF's costs of complying with, or restrictions imposed under, regulations applicable to IIF's properties could adversely affect IIF's results of operations; • some of IIF's properties are in the form of property or trust co-ownership and IIF's rights relating to such properties may be affected by the intentions of other owners; • from time to time, some of IIF's properties may be in the form of compartmentalized ownership and IIF's rights relating to these properties may be adversely affected by the actions of other owners; • investment in anonymous associations (*tokumei kumiai*) has potential risks; • tax increases or adverse changes in applicable laws may affect IIF's potential liabilities relating to its properties and operations; • there are important differences regarding the rights of unitholders in a J-REIT compared to those of shareholders in a corporation; • IIF's unitholders of record as of a record date may not receive the distribution they anticipate; • IIF owns most of its properties through trust beneficiary interests and may suffer losses as a trust beneficiary; • AIFMD may negatively affect IIF's ability to market its units in the EEA and increase IIF's compliance costs associated with the marketing of its units in the EEA and the UK; • IIF's units may be deemed to constitute "plan assets" for ERISA purposes, which may lead to the rescission of certain transactions, tax or fiduciary liability and IIF being held in violation of ERISA requirements; • IIF unitholders generally cannot require that IIF redeem its units and may be unable to recover part or all of their principal in the event of IIF's bankruptcy, reorganization, dissolution or deregistration; • future sales of units by IIF or its major unitholders could adversely affect the market price of IIF's units, and the issuance of additional units may cause dilution to IIF's existing unitholders; • daily price range limitations imposed by the Tokyo Stock Exchange ("TSE") may prevent the sale of IIF's units at a particular price on a particular trading day, or at all; • the Bank of Japan's policy to buy J-REIT units may affect the market price of IIF's units; • immediate dilution in the net asset value and the appraisal

	net asset value ("NAV") of the units purchased in the offerings; and • risks relating to placing undue reliance on metrics calculated based on appraisal values for IIF properties, including appraisal NAV.
Any applicable investment restrictions	IIF is subject to investment restrictions under Japanese laws and regulations (e.g., the Act on Investment Trusts and Investment Corporations of Japan (the "ITA") and the Financial Instruments and Exchange Act of Japan (the "FIEA")) as well as its articles of incorporation. A J-REIT, such as IIF, must primarily invest in specified assets as defined in the ITA. Specified assets include, but are not limited to, securities, real estate, leaseholds of real estate, surface rights (*chijō-ken*) (i.e., the right to use land for the purpose of having a structure on it) or trust beneficiary interests in these assets. Power plants for generation of renewable energy and management rights with respect to public facilities (each as defined in the relevant law) are recently included in specified assets. However, a J-REIT that lists its units on the TSE, such as IIF, may only make investments permitted by the J-REIT listing rules of the TSE. Permitted investments include real estate, real estate-related assets, cash and cash equivalents. Real estate in this context includes, but is not limited to, real estate, leaseholds of real estate, surface rights, and trust beneficiary interests for these. A J-REIT that lists its units on the TSE, such as IIF, must also comply with the ITA rules, which require a J-REIT to invest more than 50% of its assets in real estate and asset backed securities investing primarily in real estate, which includes, but are not limited to, real estate, leaseholds of real estate, surface rights of land or trust beneficiary interests in these assets. Pursuant to supervisory guidelines issued by the FSA, an investment corporation may enter into a construction agreement as ordering party in connection with development of land or construction of buildings but may not enter into transactions that obligate the investment corporation to develop land for housing or to construct buildings. An investment by the investment corporation must be made in accordance with the basic investment policy set forth in its articles of incorporation. If an investment corporation's articles of incorporation permits the acquisition of its own units, with cash consideration, by agreement with the unitholders, the investment corporation may repurchase its own units with the approval of its board of directors, subject to certain restrictions on the acquisition price, requirements and procedures under the ITA and other

	related laws and regulations. IIF's articles of incorporation permit such acquisition of its own units. Except for such acquisition, the purchase by IIF of its own units is prohibited, with certain exceptions provided by the ITA. IIF's articles of incorporation also require it to manage its assets so that 75% or more of the total amount of Specified Assets (as described in Article 2, Paragraph 1 of the ITA) held by IIF is made up of the value of the specified real estate (real estate, real estate lease rights or surface rights, or trust beneficiary rights in trust of real estate proprietary rights, land lease rights or surface rights from Specified Assets acquired by IIF).
Circumstances in which the AIF may use leverage	IIF depends primarily on outside financing in order to finance property acquisitions. IIF may borrow from financial institutions, issue primarily long-term investment corporation bonds and use equity financing in order to finance property acquisitions and, in the case of investment corporation bonds, to refinance debt incurred in connection with prior property acquisitions.
The types and sources of leverage permitted and associated risks	IIF borrows only from qualified institutional investors as defined in the Financial Instruments and Exchange Act ("FIEA") and the Special Taxation Measures Act (assuming that IIF's tenant leasehold and security deposits are not loans for such purposes). All of IIF's current borrowings are unsecured, provided that IIF maintains certain financial ratios. IIF currently does not have any outstanding guarantees. By financing property acquisitions only after identifying specific properties for potential purchase, IIF seeks to limit the amount of its cash and cash equivalents for which it has no immediate use. IIF's reliance on debt financing for acquisitions may impose restrictions on its business and affect its ability to make distributions. IIF's level of debt and the limitations imposed on us by the terms of IIF's loans or the terms of IIF's bonds could have significant adverse consequences, including the following: • IIF's cash flow may be insufficient to meet its required principal and interest payments; • IIF may be unable to refinance its indebtedness at maturity, or the refinancing terms may be less favorable than the terms of IIF's original indebtedness; and • Some of the terms of IIF's loans and corporate bonds contain restrictive covenants, including covenants limiting its ability to grant pledges or requiring it to maintain certain financial ratios,

	as well as other restrictions. Any such restrictive covenants in connection with any existing or future indebtedness may limit IIF's operations and limit its ability to make distributions to unitholders or to acquire additional properties. Furthermore, IIF may violate restrictive covenants contained in the loan agreements it executes, which may entitle the lenders to require it to mortgage its properties or demand that the entire outstanding balance be immediately paid before maturity. Further, while IIF currently has not mortgaged any of its existing properties and does not expect to mortgage any of the anticipated acquisitions, if IIF were to encumber any of its properties to secure payment of its indebtedness and were unable to meet interest or principal payments of such indebtedness, such properties could be foreclosed upon by IIF's lenders or otherwise transferred to them. Furthermore, in order to maintain IIF's favorable tax status under the relevant tax laws, IIF's lenders must be institutional investors as defined in the FIEA and the Special Taxation Measures Act, which limits its pool of potential lenders. This may, in turn, prevent IIF from arranging debt financing quickly or at all. Any or all of these factors could, in turn, have a material adverse effect on IIF's business, financial condition and results of operations. Moreover, in the event of an increase in interest rates, to the extent that IIF has any debt with unhedged variable rates of interest or it takes out new debt, its interest payments may increase, which in turn could reduce the amounts available for distributions to its unitholders. Higher interest rates may also limit IIF's capacity for short- and long-term borrowings and investment corporation bonds, which in turn would limit its ability to acquire properties. Thus, higher market interest rates could cause the market price of IIF units to decline.
Any restrictions on leverage	IIF may enter into borrowing arrangements and issue investment corporation bonds up to a total of ¥2 trillion.
Any restrictions on collateral and asset reuse arrangements	Investors will be provided with information regarding changes to the rights for re-use of collateral under IIF's leveraging arrangements via the IR/PR announcement page maintained by IIF (https://www.iif-reit.com/english/ir/news.html).
Maximum level of leverage which the AIFM	IIF may enter into borrowing arrangements and issue investment corporation bonds up to a total of ¥2 trillion.

is entitled to employ on behalf of the AIF	In assessing the appropriate level of leverage, IIF looks to its debt ratio, which is calculated by dividing the total of interest bearing debt by total assets. In general, IIF seeks to maintain a debt ratio of 60% or less, but there may be times when it exceeds its target threshold in certain circumstances, such as in connection with new property acquisitions financed by debt instead of equity. IIF's debt ratio as of January 31, 2020 was 47.8%. IIF also considers its loan-to value ("LTV") ratio, which is calculated by dividing interest bearing debt by total assets. IIF plans to continue to maintain its LTV ratio at around 50 %.
Article 23(1)(b)	
Procedure by which the AIF may change its investment strategy / investment policy	Resolutions set out in Article 93-2, Paragraph 2 of the Act on Investment Trusts and Investment Corporations of Japan are passed with a two-thirds majority of the voting rights of unitholders present when unitholders with a majority of the issued investment units are present.
Article 23(1)(c)	
Description of the main legal implications of the contractual relationship entered into for the purpose of investment, including jurisdiction, applicable law, and the existence or not of any legal instruments providing for the recognition and enforcement of judgments in the territory where the AIF is established	IIF is not a party to any material legal proceedings or any off-balance sheet financing transactions. IIF does not intend to enter into securitization transactions with respect to rental receivables or other assets. IIF has no obligations to purchase properties, from Mitsubishi Corporation or otherwise, other than the properties that it intends to acquire in connection with the offerings. *Trademark Licensing Agreement*. For the purpose of showing that the Asset Manager manages IIF's assets, IIF has entered into a trademark licensing agreement with the Asset Manager pursuant to which IIF has the right to use the Mitsubishi Corp.-UBS Realty Inc. logo, which it may use together with its own trade name. In addition, IIF has entered into a trademark licensing agreement with the Asset Manager pursuant to which IIF has the right to use the trademark "IIF," which it may use together with its own tradename.
Article 23(1)(d)	
The identity of the AIFM, AIF's depository, auditor and any other service providers and a description	• AIFM (or "Asset Manager"): Mitsubishi Corp.-UBS Realty Inc. • Auditor: Ernst & Young ShinNihon LLC • Tax Administrator: Ernst & Young Tax Co. • Transfer Agent and Special Accounts Administrator: Mitsubishi UFJ Trust and Banking Corporation ("MUTB")

of their duties and the investors' rights thereto	• Custodian and General Administrator: Sumitomo Mitsui Trust Bank, Limited • Corporation Bondholders' Register: MUFG Bank, Ltd. *Description of Asset Manager*. Mitsubishi Corp.-UBS Realty Inc., a Japanese joint stock company incorporated in November 2000, is IIF's asset manager. The Asset Manager is a joint venture between Mitsubishi Corporation, which owns 51% of its equity, and UBS Asset Management AG, which owns 49%. Mitsubishi Corporation is one of Japan's largest general trading companies and engages in a wide range of activities globally across several industries including the environmental and infrastructure business, industrial finance, energy, metals, machinery, chemicals and foods. UBS Asset Management AG is a wholly-owned subsidiary of UBS AG, one of the world's leading financial firms, with significant experience and expertise in real estate investment and management.
Article 23(1)(e)	
Description of how the AIFM complies with the requirements to cover professional liability risks (own funds / professional indemnity insurance)	The Asset Manager (AIFM) covers its professional liability risks through the provision of its own funds.
Article 23(1)(f)	
Description of any delegated management function such as portfolio management or risk management and of any safekeeping function delegated by the depositary, the identification of the delegate and any conflicts of interest that may arise from such delegations	There is no delegation of such functions beyond the AIFM, which is responsible for portfolio and risk management, and the Custodian, which is responsible for safekeeping activities. The Asset Manager owes IIF fiduciary duties of loyalty and good faith as its asset manager under the FIEA and its asset management agreement with IIF. However, potential conflicts of interest between IIF and the Asset Manager could adversely affect IIF through the Asset Manager's performance. In addition, conflicts could arise from differences between the interests of the Asset Manager's two shareholders, Mitsubishi Corporation and UBS Asset Management AG, which, in the case of Mitsubishi Corporation, is also one of IIF's unitholders, or certain entities affiliated with Mitsubishi Corporation or UBS Asset Management AG, and the interests of other IIF unitholders. Moreover, the Asset Manager manages the assets of other J-REITs, Japan Retail Fund Investment Corporation and MCUBS MidCity Investment

	Corporation, in addition to IIF's assets.
Article 23(1)(g)	
Description of the AIF's valuation procedure and pricing methodology, including the methods used in valuing hard- to-value assets	J-REITs may only use the valuation methods prescribed in the rules of the ITA, which emphasize market price valuation. IIF evaluates its invested assets based on generally accepted accounting principles in Japan. IIF intends to maintain the credibility of its evaluations by strictly adhering to the principle of continuity and to carefully and diligently conduct its activities for the benefit of its investors. The asset evaluation methods and standards to be used will depend on the type of invested asset. The following asset evaluation methods and standards are currently in effect: *Real estate, surface rights and real estate leasehold rights.* Evaluation will be made at the value obtained by deducting the accumulated depreciation amount from the acquisition price. Depreciation, in principle, will be calculated on a straight-line basis for both the building and the facilities; provided, however, that if the calculation performed on a straight-line basis becomes inappropriate due to any justifiable reason, a different method may be used for such calculation, as long as it can reasonably be determined that no problems will arise with respect to the protection of investors. *Beneficiary interests in trust of money, real estate, surface rights or real estate leasehold rights.* Real estate, surface rights or real estate leasehold rights of the trust properties will be evaluated following the previous item, and the financial assets contained in the trust properties will be evaluated following generally accepted accounting principles. In case it is difficult to process the account as we directly own the trust property, the trust beneficiary interests will be evaluated by subtracting the total amount of trust liabilities from the total amount of trust properties to obtain the trust net asset value. *Equity interests in real estate silent partnerships.* Real estate assets of real estate silent partnerships will be evaluated following both of the items above. Financial assets of real estate silent partnerships will be evaluated following generally accepted accounting principles in Japan. The equity interests in real estate silent partnerships will then be evaluated on the basis of the acquisition value plus or minus the amount of equity interests in the net amount of the profit or loss of such real estate silent partnership. *Securities.* Listed securities will be evaluated based on the market price.

	For all other securities, as a general principle, evaluations will be made based on prices quoted by brokerage firms and similar sources. However, when there are no such quotes, as a general principle, IIF will evaluate all other securities based on the rules set forth by the ITA. *Monetary claims*. Evaluations will be made at the amount equivalent to the acquisition price less any allowance for bad debt; provided, however, that if the difference between the acquisition price and the face amount is deemed to be attributable to interest adjustment, the monetary claims that have been acquired at a price lower or higher than the face amount thereof will be evaluated at the amount equivalent to the value, as calculated based on the amortized cost method, less the allowance for bad debt. *Commercial paper.* Evaluations will be made at the amount equivalent to the acquisition price plus any accrued interest; provided, however, that if a material adverse change in the credibility were to occur, the commercial paper will be evaluated at the acquisition price, less the amount for bad debt. *Rights in derivative transactions.* In principle, derivative transactions will be evaluated based on fair market value. However, for those transactions that are certified as hedging transactions pursuant to generally accepted accounting principles, hedge accounting may be applied. Further, for those transactions accepted as interest rate swaps and currency futures, certain accounting principles permitted to evaluate such transactions may be applied. *Other.* Unless otherwise provided for above, the assets will be evaluated pursuant to the evaluation rules of the ITA or in accordance with generally accepted accounting principles. If another asset evaluation method is used other than that mentioned above to indicate values in a securities registration statement, annual securities report or asset management report, IIF evaluates assets in the following manner: *Real estate, surface rights and real estate leasehold rights.* Real estate, surface rights and real estate leasehold rights will be evaluated based on a discounted cash flow method. *Trust beneficiary rights in cash, real estate, surface rights or real estate leasehold rights.* While trust properties that are real estate, surface rights or real estate leasehold rights will be evaluated as described in the previous item, financial assets contained in the trust properties will be evaluated in

	accordance with generally accepted accounting principles. In case it is difficult to process the account as IIF directly owns the trust property, the trust beneficiary interests will be evaluated by subtracting the total amount of trust liabilities from the total amount of trust properties to obtain the trust net asset value. *Equity interests in real estate silent partnerships*. Real estate assets of real estate silent partnerships will be evaluated following both of the items above. Financial assets of real estate silent partnerships will be evaluated following generally accepted accounting principles in Japan. The equity interests in real estate silent partnerships will then be evaluated by subtracting the total amount of liabilities for equity interests in real estate silent partnerships from the total amount of assets for equity interests in real estate silent partnerships to obtain the net asset value of equity interests in the real estate silent partnerships. The reference date for asset evaluations, in principle, will be the last day of each fiscal period; however, in the case of securities or other assets, which may be evaluated at a value based on market price, the reference date will be the last day of each month. Net asset value per unit, based on the book values of IIF's assets, is to be presented in the notes to IIF's financial statements. IIF prepares such financial statements (including balance sheets and statements of income) for each fiscal period, as well as an asset management report and statements related to the distribution of cash, for approval by its board of directors. If approved by its board of directors, IIF's unitholders are to be notified of such approval, and all financial statements, along with an audit report, are to be delivered to IIF's unitholders without delay.
Article 23(1)(h)	
Description of the AIF's liquidity risk management, including redemption rights in normal and exceptional circumstances and existing redemption arrangements with investors	IIF seeks to manage its capital resources and liquidity sources to provide adequate funds for current and future financial obligations and other cash needs and acquisitions. Liquidity management is a core component of the investment process and will be taken into consideration in the application and ongoing monitoring of IIF's investment management strategy, liquidity and profile. For the purpose of further strengthening its long-term financial position by maintaining a certain level of liquidity relative to asset size, IIF has entered into a commitment line agreement with MUFG Bank, Ltd., Sumitomo Mitsui Trust Bank, Limited and Mizuho Bank, Ltd. for the total amount of ¥10 billion and currently with a contract period from July 1, 2015 to June 30, 2023. IIF has also entered into an additional commitment line agreement with MUFG Bank, Ltd. and Sumitomo

	Mitsui Trust Bank, Limited for the total amount of ¥5 billion and currently with a contract period from September 11, 2019 to June 30, 2023. IIF also has established a ¥10 billion commitment-type term loan agreement for a term of four years with Development Bank of Japan Inc., with a contract period from March 15, 2020 to March 15, 2024. As IIF is a closed-end J-REIT in the form of an investment corporation, unitholders are not entitled to request the redemption of their investment.
Article 23(1)(i)	
Description of all fees, charges and expenses and a maximum amount which is directly / indirectly borne by the investors	*Expenses related to Property Rental Business.* Expenses related to property rental business are IIF's largest operating expense item. Expenses related to property rental business primarily include the following: • *Depreciation*. Depreciation expenses depend on the acquisition costs of IIF's properties, the method of depreciation and the assignment of components of such properties to accounting categories with varying estimated useful lives. IIF expects to continue to use the straight-line depreciation method for all of its properties. • *Leasehold Rents*. To the extent that IIF holds only leasehold or subleasehold interests in the land or buildings at its properties, IIF incurs rent expenses arising from its rental payments to the owners of the buildings or land. As of July 31, 2019, IIF held leasehold interest in the land on which IIF Haneda Airport Maintenance Center is located. Total leasehold rents were ¥400 million for the fiscal period ended July 31, 2019 and ¥404 million for the fiscal period ended January 31, 2020 • *Property-related Taxes*. Property-related taxes are imposed annually on the record owner of the property as of January 1st of each year and are required to be paid in installments. The schedule for payment of installments varies among municipal governments. Government assessments of property values that are used for the purpose of calculating property-related taxes are conducted every three years. When a property is sold, the purchaser of the property typically reimburses the seller, pursuant to the purchase agreement, for the pro rata portion of the property-related taxes that relates to the period from the acquisition date to the end of the calendar year in which the acquisition occurs (or for some localities, the end of March of the subsequent calendar year). As is customary in real property transactions in Japan and in accordance with Japanese GAAP, IIF capitalizes the pro rata portion as part of the acquisition cost of the property and do not recognize it as an expense. IIF recognizes property-related taxes for each calendar year following the year of acquisition as property-related expenses in

	its statement of income. Expenses for property-related taxes are recognized in the fiscal period in which the relevant installment is paid to the relevant municipal government. Therefore, portions of expenses for property-related taxes in respect of any calendar year will be recognized in various fiscal periods ending in July and January of that calendar year and July of the following calendar year in accordance with the schedule of installments for the relevant municipalities. The amount of IIF's property-related taxes depends on the timing and size of its property acquisitions and dispositions, as well as real estate tax rates. • *Property Management Fees.* IIF pays fees to the property managers of its properties, which are expensed as incurred. These fees vary among the property managers but are typically fixed monthly fees. IIF expects property management fees to increase largely in line with the increase in the size of its portfolio. • *Facility Management Fees*. IIF pays fees to various third parties to which it outsources facility management functions, such as security, maintenance and cleaning. IIF typically pays fixed monthly fees to these third parties. IIF expects facility management fees to increase largely in line with the increase in the size of its portfolio. • *Utilities*. With respect to lease agreements for certain properties that require IIF to pay utility charges and be reimbursed by tenants, it records reimbursable utility charges on a gross basis. • *Insurance*. IIF incurs insurance expenses related to fire, liability and business interruption insurance for each of the properties in its portfolio. IIF's insurance expenses are expected to vary year to year based upon prevailing conditions in the insurance market. • *Trust Fees*. Trust fees include fees payable to trustees in relation to IIF's ownership of properties through the trust beneficiary interests established through trust agreements with major Japanese financial institutions. Each trustee is entitled to fixed trust fees that IIF pays on a quarterly basis for the period from the trust establishment date through the termination of the trust. • *Repair and Maintenance*. The general condition of each property affects the amount of repairs and maintenance necessary for the property. Based on currently available information, IIF believes that none of the properties currently in its portfolio and none of the properties that it intends to acquire in connection with the offerings as described in this offering circular will require significant repairs or maintenance in the short term. The aggregate of the above-mentioned fees, charges and expenses will

	vary and cannot be reliably predicted. *Compensation for Directors.* IIF's articles of incorporation provide that it may pay its executive director up to ¥800,000 per month and each of its supervisory directors up to ¥500,000 per month. IIF's board of directors is responsible for determining a reasonable compensation amount for its executive director and each of its supervisory directors, taking into account general price movements and wage movements. IIF does not have any unit-based compensation plan. *Asset Management Fees.* Under the asset management agreement, the Asset Manager receives an asset management fee for (i) the period from the day after the end of the previous fiscal period through the last day of the third month following the end of the previous fiscal period (referred to as "Calculation Period I") and (ii) the period from the day after such last day of Calculation Period I through the end of the current fiscal period (referred to as "Calculation Period II"), calculated by multiplying the total assets (as defined below) for each of Calculation Period I and Calculation Period II by a rate separately agreed upon by IIF and the Asset Manager, not exceeding the annual rate of 1/100 (calculated on a per diem basis based on the actual number of days in the applicable calculation period based on 365 days per year). Total assets for Calculation Period I are calculated as indicated below. If IIF acquires or disposes of assets set forth in Article 11, Items 1, 2, 4, or 6 of IIF's articles of incorporation, or Major Investment Assets, during Calculation Period I, total assets for Calculation Period I are calculated as follows: • If X is equal to or greater than Y, by adding the difference between X and Y to the total assets indicated in the balance sheet for the previous fiscal period. • If X is less than Y, by adding the difference between Z and Y (or if the difference is negative (where Z is smaller than Y), by subtracting the absolute value of such difference) to the total assets indicated in the balance sheet for the previous fiscal period. In performing the above calculations, X is the total acquisition price of the Major Investment Assets, Y is the total book value of the Major Investment Assets disposed during Calculation Period I based on the balance sheet for the previous fiscal period and Z is the total sales price of the disposed Major Investment Assets. Total assets for Calculation Period II are the total assets shown on the balance sheet for the fiscal period ending on the last day of Calculation Period II.

Custodian and General Administrator Fees. IIF pays fees, or custodian fees, to Sumitomo Mitsui Trust Bank in its capacity as IIF's custodian. IIF also pays fees, or general administration fees, to Sumitomo Mitsui Trust Bank for administrative services related to the administration of issuance of IIF's units, the administration of institutional matters (such as the administration of directors' and unitholders' meetings, but excluding the creation, administration and custody of the unitholder registry), the administration of accounting matters, the preparation of financial documents and the administration of tax payments. Both fees include national and local consumption tax thereon.

IIF pays custodian fees and general administration fees to Sumitomo Mitsui Trust Bank for each fiscal period. The amount of such custodian fees and general administration fees payable at the end of each fiscal period is determined in proportion to IIF's asset portfolio and in an amount agreed upon with Sumitomo Mitsui Trust Bank, but the amount of such custodian fees and general administration fees may not be more than the upper limit set by the method of calculation for custodian fees and general administration fees as provided below (truncating figures less than ¥1). Such fees are paid to Sumitomo Mitsui Trust Bank by the end of next month after IIF's receipt of the invoice thereof.

Method of Calculation for Custodian Fees. The upper limit of custodian fees for a fiscal period is the sum of the monthly fees for each month in the fiscal period calculated as provided below.

(a) The last month of the fiscal period: The upper limit of the monthly fees for each such month is 0.03% of the amount of IIF's total assets as of the end of the relevant fiscal period as shown on its balance sheet, divided by 12.

(b) Months other than the last month of the fiscal period: The upper limit of the monthly fees for each such month is 0.03% of the amount of IIF's total assets as of the end of the relevant month as shown on its monthly trial balance, divided by 12.

Method of Calculation for General Administration Fees.
The upper limit of general administration fees for a fiscal period is the sum of the monthly fees for each month in the fiscal period calculated as provided below.

(a) The last month of the fiscal period: The upper limit of the monthly fees for each such month is 0.09% of the amount of IIF's total assets as of the end of the relevant fiscal period as shown on IIF's balance sheet, divided by 12.

(b) Months other than the last month of the fiscal period: The upper limit of the monthly fees for each such month is 0.09% of the amount of

	IIF's total assets as of the end of the relevant month as shown on its monthly trial balance, divided by 12. Notwithstanding the above calculation methods, regarding any month for which services were provided for only part of the month, the amount of custodian fees or general administration fees will be equal to an amount calculated in accordance with the above calculation method for custodian fees or general administration fees, respectively, but reduced pro rata based on the actual number of days in such month (truncating figures less than ¥1). If the period for which services were provided does not include the last calendar day of the relevant month, the amount of total assets for the purposes of the calculations above will be the amount of IIF's total assets as of the end of the previous month as shown on IIF's balance sheet or monthly trial balance, as the case may be. *Transfer Agent* IIF pays monthly fees to MUTB in its capacity as the transfer agent pursuant to the fee schedule of the transfer agency agreement and as detailed below. Fees for services not listed on such fee schedule will be decided upon consultation between IIF and MUTB. *Standard fees.* Standard fees are for services such as administration and custody of the unitholders' register, confirmation of unitholders for settlement of accounts, managing unitholders lists, compilation of statistical data, and the creation, administration and custody of distribution profit reports, investment securities ledgers, non-issued investment securities management reports, registers of investment securities refund amounts, unpaid dividends reports and unpaid refunds reports. The monthly fee is the sum of the fees calculated per unitholder as provided below, based on the number of unitholders as of the end of each month. There is a minimum monthly fee of ¥220,000.

Number of Unitholders	Fees per Unitholder
first 5,000 unitholders	390 yen
over 5,000 to 10,000	330 yen
over 10,000 to 30,000	280 yen
over 30,000 to 50,000	230 yen
over 50,000 to 100,000	180 yen
over 100,000	150 yen

General Administrator for Investment Corporation Bonds. IIF pays fees to MUFG Bank for services related to principal and interest payments made on its outstanding investment corporation bonds which MUFG Bank

	makes on its behalf. Such fees are calculated as provided below. Fees for Principal Payments. Fees for principal payments are 0.00075% of the amount of the principal payment. Fees for Interest Payments. Fees for interest payments are 0.00075% of the amount of the principal forming the basis for the interest payment. Fees Paid Related to the Administration of the Issuance of IIF's Investment Corporation Bonds and the Administration of IIF's Investment Corporation Bonds While Outstanding. IIF paid fees including national and local consumption tax thereon to MUFG Bank for services related to the administration of the issuance of its investment corporation bonds as well as the administration of its investment corporation bonds while they are outstanding. *Tax Administrator.* IIF pays fees, or tax administration fees, to Ernst & Young Tax Co. each accounting period by the end of the following month from the issuance of invoice following the filing of IIF's tax returns. Each amount of the tax administration fees that are paid to Ernst & Young Tax Co. is an amount agreed upon with Ernst & Young Tax Co. but not to exceed more than ¥10 million per fiscal period. The AIF may also incur other miscellaneous fees in connection with the issuance of units, the operation, management, acquisition, or disposition of properties, utilities, and insurance.
Article 23(1) (j)	
Description of the AIFM's procedure to ensure fair treatment of investors and details of any preferential treatment received by investors, including detailing the type of investors and their legal or economic links with the AIF or AIFM	Under the ITA, investment corporations are required to treat unitholders equally depending on the number of units held. In the event of IIF's liquidation, the assets remaining after payment of all debts, liquidation expenses and taxes will be distributed among the unitholders in proportion to the number of units held.
Article 23(1) (k)	
The latest annual report referred to in Article 22(1)	Additional information may be found in IIF's most recent semi-annual report prepared in accordance with Article 22 of the AIFMD, which is available at the Asset Manager's office located at Tokyo Building, 7-3, Marunouchi 2-chome, Chiyoda-ku, Tokyo 100-6420, Japan Tel: +81-3-5293-7000 and via IIF's website at the link below: https://contents.xj-

	storage.jp/xcontents/32490/9d3e68f7/9933/459c/88d9/6d862e97e6d4/20200423115034306s.pdf A list of all semi-annual reports may be accessed via IIF's website at the link below: https://www.iif-reit.com/english/ir/library/6.html
Article 23(1) (l)	
The procedure and conditions for the issue and sale of the units	IIF is authorized under the articles of incorporation to issue up to 32,000,000 units. IIF may issue units at the times and upon the terms approved by resolution of its board of directors. Its units have been listed on the Tokyo Stock Exchange since October 18, 2007. Secondary market sales and transfers of units will be conducted in accordance with the rules of the Tokyo Stock Exchange. Unit prices on the Tokyo Stock Exchange are determined on a real-time basis by the equilibrium between bids and offers. The Tokyo Stock Exchange sets daily price limits, which limit the maximum range of fluctuation within a single trading day. Daily price limits are set according to the previous day's closing price or special quote.
Article 23(1) (m)	
Latest net asset value of the AIF or latest market price of the unit or share of the AIF	The latest market price of IIF's units is publicly available at the Tokyo Stock Exchange or from financial information vendors (including Reuters, which can be viewed at https://www.reuters.com/finance/stocks/overview/3249.T)
Article 23(1) (n)	
Details of the historical performance of the AIF, where available	The units of IIF were listed on the Tokyo Stock Exchange on October 18, 2007. The most recent five fiscal period performance of the units is as follows (translation from the Japanese at available on IIF's website: https://www.iif-reit.com/ir/financial.html):

Fiscal Period	Total Assets (JPY million)	Total Net Assets (JPY million)	Total unitholders' equity per unit (base value) JPY
25th Fiscal Period (August 1, 2019 to January 31, 2020)	327,950	155,559	82,832

	24th Fiscal Period (February 1, 2019 to July 31, 2019)	314,087	141,873	79,194
	23rd Fiscal Period (August 1, 2018 to January 31, 2019)	289, 242	129,780	76,520
	22nd Fiscal Period (February 1, 2018 to July 31, 2018)	289,221	129,765	76,514
	21st Fiscal Period (August 1, 2017 to January 31, 2018)	261,500	116,483	293,906

Article 23(1) (o)	
Identity of the prime broker, any material arrangements of the AIF with its prime brokers, how conflicts of interest are managed with the prime broker and the provision in the contract with the depositary on the possibility of transfer and reuse of AIF assets, and information about any transfer of liability to the prime broker that may exist	No applicable prime broker.
Article 23(1) (p)	
Description of how and when periodic disclosures will be made in relation to leverage, liquidity and risk profile of the	The following information, to the extent relevant, will be made available to investors, at a minimum, as part of an English-language report published at least annually via IIF's website in compliance with Articles 22, 23(4), 23(5) and 24 of the AIFMD:

assets, pursuant to Articles 23(4) and 23(5)	• the percentage of IIF assets which is subject to special arrangements arising from their illiquid nature; • IIF's current risk profile and the risk management systems employed to manage those risks; and • the total amount of leverage IIF employs.
Article 23(2)	
The AIFM shall inform the investors before they invest in the AIF of any arrangement made by the depository to contractually discharge itself of liability in accordance with Article 21(13)	Not applicable.
The AIFM shall also inform investors of any changes with respect to depositary liability without delay	Not applicable.
Article 23(4)(a)	
Percentage of the AIF's assets which are subject to special arrangements arising from their illiquid nature. The percentage shall be calculated as the net value of those assets subject to special arrangements divided by the net asset value of the AIF concerned	There are no assets that are subject to special arrangements arising from their illiquid nature.
Overview of any special arrangements, including whether they relate to side pockets, gates or other arrangements	There are no such special arrangements.
Valuation methodology applied to assets which are subject to such arrangements	There are no such special arrangements.
How management and performance fees apply to such assets	There are no such special arrangements.
Article 23(4)(b)	
Any new arrangements for managing the liquidity of the AIF	Any new arrangements or change in applicable arrangements will be disclosed at an appropriate time.

For each AIF that the AIFM manages that is not an unleveraged closed-end AIF, notify to investors whenever they make changes to its liquidity management systems (which enable an AIFM to monitor the liquidity risk of the AIF and to ensure the liquidity profile of the investments of the AIF complies with its underlying obligations) that are material in accordance with Article 106(1) of Regulation (EU) No 231/2013 (i.e. there is a substantial likelihood that a reasonable investor, becoming aware of such information, would reconsider its investment in the AIF, including because such information could impact an investor's ability to exercise its rights in relation to its investment, or otherwise prejudice the interests of one or more investors in the AIF).	Any new arrangements or change in applicable arrangements will be disclosed at an appropriate time.
Immediately notify investors where they activate gates, side pockets or similar special arrangements or where they decide to suspend redemptions	Any new arrangements or change in applicable arrangements will be disclosed at an appropriate time.
Overview of changes to liquidity arrangements, even if not special arrangements	Any new arrangements or change in applicable arrangements will be disclosed at an appropriate time.
Terms of redemption and circumstances where management discretion applies, where relevant	IIF is a closed-end investment corporation, and unitholders are not entitled to request the redemption of their investment.

Also any voting or other restrictions exercisable, the length of any lock-up or any provision concerning 'first in line' or 'pro-rating' on gates and suspensions shall be included	There are no voting or other restrictions on the rights attaching to units.
Article 23(4)(c)	
The current risk profile of the AIF and the risk management systems employed by the AIFM to manage those risks	IIF 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. The funds raised through loans payable or issuance of investment corporation bonds are mainly used to acquire real estate properties or properties in trust, and for the repayment of existing loans payable or investment corporation bonds. Tenant leasehold and security deposits are deposits from tenants. Although loans payable with floating interest rates are subject to fluctuations in market interest rates, the Asset Manager manages interest fluctuation risk by monitoring market interest rates and measuring the effect on the results of operation of IIF. 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. IIF 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. Derivative instruments are used only for hedging purposes and not for speculation. In accordance with IIF's risk management policy and its

	internal rules, it uses derivative instruments for the purpose of hedging risks that are prescribed in its articles of incorporation. IIF 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. IIF 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 deducted from any interest earned or incurred on the hedged asset or liability, as appropriate, and the fair value of the interest rate swaps 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. 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 amount 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.
Measures to assess the sensitivity of the AIF's portfolio to the most relevant risks to which the AIF is or could be exposed	No such measures have been implemented.
If risk limits set by the AIFM have been or are likely to be exceeded and where these risk limits have been exceeded a description of the circumstances and the remedial measures taken	No such situation has occurred.
Article 23(5)(a)	
Any changes to the maximum amount of leverage which the AIFM may employ on behalf of the AIF, calculated in	Any new arrangements or change in applicable arrangements will be disclosed at an appropriate time.

accordance with the gross and commitment methods. This shall include the original and revised maximum level of leverage calculated in accordance with Articles 7 and 8 of Regulation (EU) No 231/2013, whereby the level of leverage shall be calculated as the relevant exposure divided by the net asset value of the AIF.	
Any right of the reuse of collateral or any guarantee granted under the leveraging agreement, including the nature of the rights granted for the reuse of collateral and the nature of the guarantees granted	Investors will be provided with information regarding changes to: (i) the rights for re-use of collateral under IIF's leveraging arrangements; (ii) any guarantee granted under IIF's leveraging arrangements; or (iii) any changes to the maximum level of leverage employed by the Asset Manager on IIF's behalf. This information will be made available to investors, without undue delay following the occurrence of that change, usually via IIF's website, or in such other manner as the Asset Manager and IIF's board of directors determine as appropriate.
Details of any change in service providers relating to the above.	Any new arrangements or change in applicable arrangements will be disclosed at an appropriate time.
Article 23(5)(b)	
Information on the total amount of leverage employed by the AIF calculated in accordance with the gross and commitment methods	The aggregate amount of interest-bearing debt was JPY 156,583 million as of January 31, 2020.