

August 27, 2021

To all concerned parties:

Investment Corporation

Industrial & Infrastructure Fund Investment Corporation

(Tokyo Stock Exchange Company Code: 3249)

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Asset Management Company

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**Notice Concerning Issuance of Investment Corporation Bonds (Social Bonds) and
 Early Repayment of Borrowings**

Industrial & Infrastructure Fund Investment Corporation (“IIF”) announced that IIF has decided on the issuance of investment corporation bonds (Social Bonds) (the “Social Bonds”) based on the Revised Shelf Registration Statement dated July 28, 2021 announced in the press release titled “Notice Concerning Submission of Revised Shelf Registration Statement for Social Bond Issuance” dated July 28, 2021 and early repayment of the borrowings announced in the press release titled “Notice Concerning New Debt Financing” dated July 28, 2021.

The Social Bonds are the first issuance of Social Bonds for IIF.

1. The issuance of the Social Bonds

(1) Overview of the Social Bonds

(1) Name	Industrial & Infrastructure Fund Investment Corporation The 5th Unsecured Investment Corporation Bonds (Special pari passu conditions among specified investment corporation bonds) (Social bond) (Alias : The 1st IIF Social Bonds)	Industrial & Infrastructure Fund Investment Corporation The 6th Unsecured Investment Corporation Bonds (Special pari passu conditions among specified investment corporation bonds) (Social bond) (Alias : The 2nd IIF Social Bonds)
(2) Total amount to be issued ^(Note)	3,000 million yen	2,000 million yen
(3) Form of bond certificate	Subject to the provisions of the Act on Book-Entry Transfer of Company Bonds, Shares, etc., (Act No. 75 of 2001, as amended) IIF will not issue investment corporation bond certificates for the Social Bonds.	
(4) Total amount to be paid in or minimum amount	100 yen per 100 yen of each Bond	
(5) Redemption price	100 yen per 100 yen of each Bond	
(6) Interest rate	0.390% per annum	0.680% per annum
(7) Denomination price	100 million yen	
(8) Offering method	Public offering	
(9) Subscription date	August 27, 2021 (Friday)	
(10) Payment date	September 7, 2021 (Tuesday)	
(11) Collateral	The Social Bonds are neither secured by mortgage nor guaranteed, and no asset is particularly reserved as security for the Social Bonds.	

(12) Redemption date and method	The total amount will be redeemed on September 5, 2031.	The total amount will be redeemed on September 5, 2036.
(13) Interest payment date	March 7 and September 7 of every year	
(14) Financial covenant	Negative pledge clause is attached.	
(15) Rating	Japan Credit Rating Agency, Ltd. (JCR) : AA	
(16) Fiscal agent, issuing agent and payment agent	MUFG Bank, Ltd.	
(17) Underwriter	SMBC Nikko Securities Inc. Mizuho Securities Co., Ltd. Mitsubishi UFJ Morgan Stanley Securities Co., Ltd.	

(Note) The maximum amount to be issued in the Revised Shelf Registration Statement for the issuance of the Social Bonds submitted to the Kanto Local Finance Bureau on July 28, 2021 is 100 billion yen.

(2) The reasons for the issuance of the Social Bonds

IIF has decided on the issuance of the Social Bonds to promote further ESG initiatives and to expand financing methods by expanding investor base who are proactive in ESG investment by implementation of social financing through the Social Bond issuance as part of initiatives to resolve social issues.

IIF issues the Social Bonds based on the scheme of the social financing (Social Finance Framework^(Note)) announced in the press release titled “Notice Concerning Submission of Revised Shelf Registration Statement for Social Bond Issuance” dated July 28, 2021. IIF has received “Social 1 (F)” (the highest for JCR Social Finance Framework Evaluation^(Note)) rating from Japan Credit Rating Agency, Ltd. (“JCR”), the third-party to evaluate social finance framework, for the Social Finance Framework.

(Note) For the details of the Social Finance Framework and JCR Social Finance Framework Evaluation, please refer to the press release titled “Notice Concerning Submission of Revised Shelf Registration Statement for Social Bond Issuance” dated July 28, 2021.

(3) Amount of funds to be raised, use of the proceeds and scheduled timing of expenditure

(a) Amount of funds to be raised (estimated net proceeds)

4,956 million yen

(b) Specific use of funds and scheduled timing of expenditure

IIF will use the proceeds for part of early repayment of borrowings for the acquisition of IIF Shonan Health Innovation Park (40% co-ownership interest), which is the Eligible Social Projects^(Note), on September 10, 2021. For the details of the borrowings subject to the early repayment of borrowings, please refer to “2. Early Repayment of Short-term Borrowings (1) Description of borrowings to be early repaid” below.

(Note) The Eligible Social Projects refer to the properties that meet either of the Eligibility Social Criteria. For the details of the Eligibility Social Criteria, please refer to the press release titled “Notice Concerning Submission of Revised Shelf Registration Statement for Social Bond Issuance” dated July 28, 2021.

(4) Investors who declared investment in the Social Bonds

Listed below are investors who declared investment in the Social Bonds as of today.

- ASAHIKAWA SHINKIN BANK
- Credit Guarantee Corporation of Osaka
- DaitokyoShinkumi Credit Cooperative
- GUNMAMIRAI Shinkumi Bank
- Hyogo Shinkin Bank
- Iwaki Shinkumi, Ltd.
- Nishihyogo Shinkin Bank
- SHIZUOKA YAIZU SHINKIN BANK
- Sumitomo Mitsui Trust Asset Management Co., Ltd.
- Suwa Shinkin Bank
- The 77 Bank, Ltd.
- THE AWAJI SHINKIN BANK
- The Dai-ichi Life Insurance Company, Limited
- THE ECHIZEN SHINKIN BANK
- The SAGAMI Shinkin Bank
- THE SANJO SHINKIN BANK
- The Sawayaka Shinkin Bank
- The Tsuruga Shinkin Bank
- The Yamanashi Chuo Bank, Ltd.
- TOKUSHIMA SHINKIN BANK

(Note) In alphabetical order.

2. Early Repayment of Short-term Borrowings

(1) Description of borrowings to be early repaid

Lender	Loan Amount (million yen)	Repayment amount (million yen)	Fixed / Float	Interest Rate	Borrowing Date	Maturity Date	Early Repayment Date	Remarks, Repayment Method
MUFG Bank, Ltd.	3,500	3,500	Float	Base interest rate* +0.160% (*JBA 1-month Japanese yen TIBOR)	August 2, 2021	July 29, 2022	September 10, 2021 (scheduled)	Unsecured and unguaranteed, lump sum repayment
Sumitomo Mitsui Trust Bank, Limited	1,500	1,500						

(2) The proceeds for repayment

IIF will repay the borrowings with the proceeds by the issuance of the Social Bonds described in “1. The issuance of the Social Bonds” and cash reserves.

3. IIF’s Debt after the issuance and the repayment (after September 10, 2021)

(Million yen)

	Before	After	Change
Short-term Borrowings	5,000	0	-5,000
Long-term Borrowings ^(Note)	184,383	184,383	0
Total Borrowings	189,383	184,383	-5,000
Investment Corporation Bonds (Social Bonds)	10,000 (0)	15,000 (5,000)	+5,000 (+5,000)
Interest-bearing Debt in Total	199,383	199,383	0

(Note) The amount of long-term borrowings includes the current portion of long-term borrowings.

4. Future Outlook

The forecast of operating status for the period ending January 2022 (the 29th fiscal period: August 1, 2021 to January 31, 2022) considering the impact of the issuance and the repayment will be announced in “Industrial & Infrastructure Fund Investment Corporation Summary of Financial Results for the Six Months Ended July 31, 2021”, which is scheduled to be released on September 15, 2021.

5. Others

For the risks associated with the Redemption of the Social Bonds, etc., please refer to “Investment Risk” stated in the 27th fiscal period Securities Report filed on April 30, 2021.

About IIF: Industrial & Infrastructure Fund Investment Corporation (“IIF”) is the first J-REIT focused on acquiring and operating both industrial and infrastructure properties in Japan — properties that play a vital role in the Japanese economy, and for which IIF expects to see stable demand in the mid to long term. With respect to industrial properties, IIF intends to invest in a diverse portfolio of properties, including manufacturing and research and development facilities.

Please refer to our website at <https://www.iif-reit.com/english/>

Contacts: For the further information relating to this press release as well as IIF and its Asset Manager, please feel free to contact Mr. Hidehiko Ueda (Telephone Number: 81-3-5293-7090), Head of Industrial Division at Mitsubishi Corp.-UBS Realty Inc., asset manager for Industrial & Infrastructure Fund Investment Corporation.

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This English language release is for informational purposes only, and the Japanese language release should be referred to as the original.