

September 8, 2021

To all concerned parties:

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## Notice Concerning Acquisition of Real Estate Trust Beneficiary Right 【IIF Yokkaichi Logistics Center (*Existing Building*)】

Industrial & Infrastructure Fund Investment Corporation (“IIF”) announced today that Mitsubishi Corp. – UBS Realty Inc., IIF’s asset manager (the “Asset Manager”), decided to acquire a domestic real estate trust beneficiary right (the “Anticipated Acquisition”) as outlined below.

### 1. Summary of Anticipated Acquisition

#### Key Points

- 1. Acquisition of complex project through CRE proposal (including proposal of development of a new building) in collaboration with Kajima Group capturing the business expansion needs of a major logistics company**
- 2. Located close to Yokkaichi-higashi IC near where distribution bases of major logistics companies and the one of the largest semiconductor manufacturing plants in the world are located, dramatically improved traffic convenience by stretching expressway**

### 【Summary of Anticipated Acquisition】

Property number <small>(Note 1)</small>	Property name	Location	Seller <small>(Note 2)</small>	Anticipated acquisition price <small>(million yen)</small>	Appraisal value <small>(Note 3)</small> <small>(million yen)</small>	NOI yield <small>(Note 4)</small>	NOI yield (after depreciation) <small>(Note 4)</small>	Anticipated acquisition date
L-51	IIF Yokkaichi Logistics Center <i>(Existing Building)</i>	Yokkaichi-shi, Mie	Japanese operating company	3,640	3,957	5.4%	4.3%	December 13, 2021

(Note 1) “Property number” classifies properties owned or to be acquired by IIF into three categories, namely, L (logistics facilities), F (manufacturing, research and development facilities) and I (infrastructure facilities).

(Note 2) Although the seller is a Japanese operating company, the seller’s profile cannot be disclosed as we have not obtained consent from the seller with respect to disclosure. The same shall apply hereinafter.

(Note 3) The “appraisal value” is the total of the appraisal value based on the appraisal report for the Existing Building as of August 1, 2021 and the appraisal value based on the appraisal report for planned construction site for New Building as of August 1, 2021. For the details of the appraisal report for the Existing Building and planned construction site for New Building, please refer to “11. Summary of Appraisal Report” below. The same shall apply hereinafter.

(Note 4) For the calculation formula of “NOI yield” and the “NOI yield after depreciation”, please refer to “Reference: Definitions of Individual Calculation Formulas” below.



【IIF Yokkaichi Logistics Center (*Existing Building*)】



【Plan to develop a new building on the site】

## 2. Reason for Acquisition and Leases

IIF decided to acquire the Anticipated Acquisition based on its judgment that the characteristics of the property are aligned with IIF's investment strategies, specifically, the acquisition of quality asset that would contribute to increase cash distributions per unit. In deciding whether to acquire the property to be acquired, we evaluated the property in terms of profitability, long-term usability and versatility.

Please refer to section "4. Summary of Anticipated Acquisition and Leases" for the details and reasons for acquisition and lease of the property.

With regards to the reasons for the lease of the Anticipated Acquisition, we are of the view that each tenant of the Anticipated Acquisition meets the tenant selection criteria set forth in the "Report on the Management Structure and System of the Issuer of REIT Units and Related Parties", released as of April 30, 2021.

## 3. Background to the acquisition

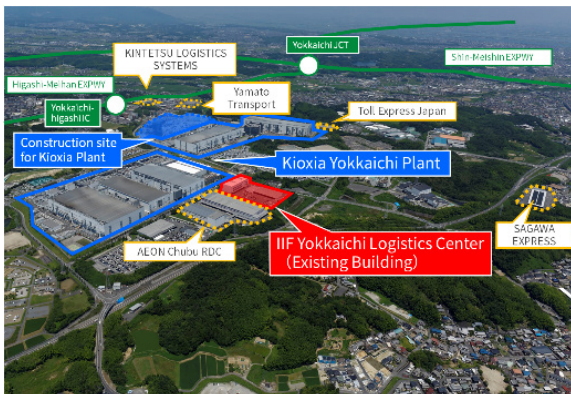
IIF has decided to acquire the real estate trust beneficiary right in logistics facility (the "Existing Building") through a CRE proposal to a major logistics company. In addition, a development project to construct a new logistics facility (the "New Building") on premise (the "Development Project") is planned. Following on the redevelopment project <sup>(Note1)</sup> of IIF Atsugi Logistics Center III announced last month, the Development Project will also be a development project of BTS-type logistics facility through capturing the needs of expanding business.

The property is a logistics facility located near approximately 1.5 km from the Yokkaichi-higashi IC on Higashi-Meihan expressway and in a highly versatile industrial area allowing 24-hour operating. In the vicinity, there is the one of largest semiconductor manufacturing plants in the world, "Kioxia Yokkaichi Plant" of Kioxia Corporation (hereinafter "Kioxia"), which is a major semiconductor manufacturer, and Kioxia is building a new manufacturing plant with the purpose of improving production capacity in line with the expansion of worldwide demand for semiconductors. As a result, the area is expected to further increase demand for logistics facilities of electronic component manufacturers, etc. including semiconductor-related companies.

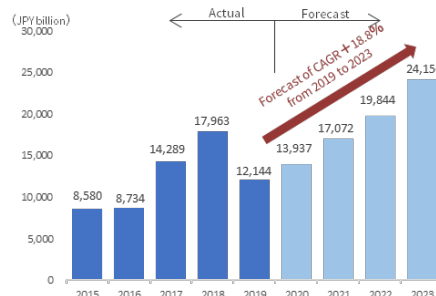
The Development Project is a development project utilizing a bridge scheme. Kajima Leasing Corporation, which is a bridger (the "Bridger"), as a construction contractee will build the New Building and IIF has concluded a Project Agreement <sup>(Note2)</sup> concerning acquisition of the New Building after completion between the Bridger and related parties and affiliated companies. In addition, IIF will conclude a fixed-term land lease contract with the Bridger for the planned construction site for New Building and receive the land rent during the development period. Accordingly, we will work to maintain profitability by utilizing the bridge scheme to prevent downtime during the development period and by receiving the land rent related to the construction of the New Building as well as the building rent of the Existing Building.

(Note 1) For more information of the redevelopment project of IIF Atsugi Logistics Center III, please refer to the press release titled "Notice Concerning IIF Atsugi Logistics Center III Redevelopment Project" dated July 7, 2021.

(Note 2) Except for certain matters, the Project Agreement shall not be legally binding. The Project Agreement does not oblige to IIF to acquire the New Building and does not assure IIF of the acquisition of the New Building.



【Forecast expansion of semiconductor memory market】



### ■ Scheme and schedule of the Development Project (planned)

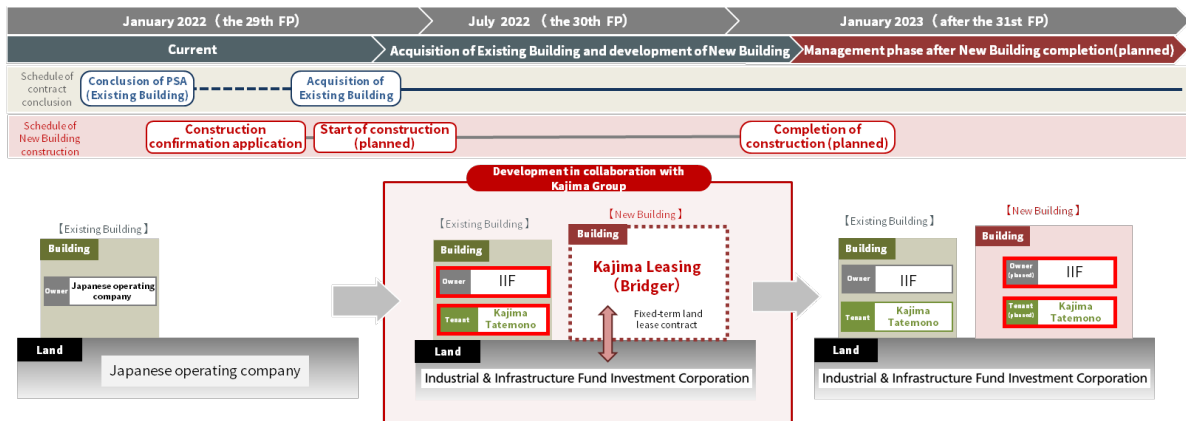
IIF concluded a Purchase and Sale Agreement <sup>(Note)</sup> of trust beneficiary right in the Existing Building with the seller dated today. In addition, Sumitomo Mitsui Trust Bank, Limited, which acts as trustee of the Existing Building (the “Trustee”), will conclude a fixed-term building lease contract (master lease contract) with Kajima Tatemono Sogo Kanri Co., Ltd (“Kajima Tatemono”) as a lessee and a sublessor.

Furthermore, the Bridger plans to construct the New Building as construction contractee on the premise after IIF will acquire the Existing Building and IIF has concluded the Project Agreement concerning including acquisition of the New Building after completion with the Bridger, Kajima Tatemono, a sublessee, KAJIMA CORPORATION which is to be a designer/construction contractor and the Asset Manager on August 25, 2021. With regard to the New Building after completion, the Bridger and IIF plan to conclude a Purchase and Sale Agreement of trust beneficiary right in the New Building. Furthermore, a fixed-term building lease contract (master lease agreement) for the New Building will be conclude between the Trustee as the lessor and Kajima Tatemono as a lessee and a sublessor. However, the Project Agreement does not oblige to IIF to acquire the New Building and does not assure IIF of the acquisition of the New Building.

In addition, the Trustee and the Bridger will conclude a fixed-term land lease contract for the planned construction site for New Building.

(Note) Conditions precedent concerning the execution of sale and purchase are set in the Purchase and Sale Agreement of trust beneficiary right in the Existing Building. For the details of the conditions, please refer to "5. Matters relating to Forward Commitment Contracts" below.

Conclusion of Project Agreement (New Building)	August 25, 2021
Conclusion of Purchase and Sale Agreement of trust beneficiary right (Existing Building)	September 8, 2021
Basic design and detailed design	August to October 2021 (scheduled)
Conclusion of fixed-term building lease contract (Existing Building)	December 13, 2021 (scheduled)
Conclusion of fixed-term land lease contract	December 13, 2021 (scheduled)
Construction term of New Building	December 2021 ~ September 2022 (scheduled)
Start of New Building operation	September 2022 (scheduled)



### ■ Effect of the Development Project

The following effects are expected as a result of the Development Project. The appraisal value (survey value) and unrealized gain after the acquisition of the New Building will be 9,990 million yen (increase by 6,033 million yen) and 1,170 million yen (unrealized gain ratio +13.3%) respectively and they will be improved compared to the figures of the Existing Building.

	Existing Building	+	New Building	=	After acquisition of New Building
Anticipated acquisition price <sup>(Note1)</sup>	JPY 3,640 million		JPY 5,180 million		JPY 8,820 million
Appraisal value <sup>(Note2)</sup>	JPY 3,957 million				JPY 9,990 million (+JPY 6,033 million)
Unrealized gain (Unrealized gain ratio) <sup>(Note3)</sup>	JPY 317 million (+8.7%)				JPY 1,170 million (+13.3%)
Total floor area <sup>(Note4)</sup>	18,155.31 m <sup>2</sup>		34,354.00 m <sup>2</sup>		52,509.31 m <sup>2</sup>
NOI yield/ NOI yield after depreciation <sup>(Note5)</sup>	5.4% / 4.3%		5.4% / 2.7%		5.4% / 3.4% (after adjustment by optimal payable distribution: 3.8% <sup>(Note6)</sup> )

Significant improvement of appraisal value and unrealized gain by development and acquisition of new building (planned)

(Note 1) The "Anticipated acquisition price" of the New Building is a reference figure based on the anticipated acquisition price specified in the Project Agreement. The "Anticipated acquisition price" of the Property after acquisition of the New Building is a reference figure of totaling the anticipated acquisition price of the Existing Building and that of the New Building. IIF has not decided to acquire the New Building as of today and the actual acquisition price of the New Building may change in the future due to changes in the content of plan for the Development Project. In addition, the Project Agreement does not oblige to IIF to acquire the New Building and does not assure IIF of the acquisition of the New Building. The same shall apply hereinafter.

(Note 2) The "Appraisal value" of the Property after acquisition of the New Building is the survey value based on the survey report for the entire of the Existing Building and the New Building based on the plan for the Development Project as of August 1, 2021. The same shall apply hereafter.

(Note 3) The "Unrealized gain" of the Existing Building is the difference between the appraisal value and the anticipated acquisition price of the Existing Building. The "Unrealized gain" of the Property after acquisition of the New Building is the difference between the survey value based on the survey report for the entire of the Existing Building and the New Building based on the plan for the Development Project as of August 1, 2021 and the total anticipated acquisition price of the Existing Building and the New Building. The "Unrealized gain" of the Property after acquisition of the New Building is estimated value as of today and there is no guarantee that it will be consistent with actual unrealized gain after the acquisition of the New Building. The anticipated acquisition price of the New Building and the actual survey value (appraisal value) of the New Building may change in the future due to changes in the content of plan for the Development Project. The same shall apply hereafter.

(Note 4) The "Total floor area" of the New Building is the reference figure based on the current plan for the Development Project. The "Total floor area" of the Property after acquisition of the New Building is the sum of the total floor area

of the Existing Building and that of the New Building. The "Total floor area" of the New Building may change in the future due to changes in the content of plan for the Development Project.

(Note 5)  $\text{NOI yield} = \text{NOI}^* / \text{Anticipated acquisition price}^{**}$

$\text{NOI yield after depreciation} = (\text{NOI-depreciation}^{***}) / \text{Anticipated acquisition price}$

\*With respect to the calculation of NOI, the NOI of the Existing Building is calculated based on the total net operating income for the first fiscal year under the DCF method indicated in the appraisal report for the Existing Building as of August 1, 2021 and in the appraisal report for planned construction site for New Building as of August 1, 2021. The NOI of the Property after acquisition of the New Building is calculated based on the net operating income for the first fiscal year under the DCF method indicated in the survey report for the entire of the Existing Building and the New Building based on the plan for the Development Project as of August 1, 2021. The NOI of the New Building is the difference between the NOI of the Existing Building and that of the Property after acquisition of the New Building. The same shall apply hereafter.

\*\* The anticipated acquisition price of the New Building and the Property after acquisition of the New Building are reference figures as of today. The actual acquisition price of the New Building may change in the future due to changes in the content of plan for the Development Project and thus the NOI and the NOI after depreciation of the New Building and the Property after acquisition of the New Building may change in the future due to changes in the content of plan for the Development Project. The same shall apply hereafter.

\*\*\* The depreciation of the Existing Building and the Property after acquisition of the New Building are estimates as of today calculated by using the depreciation rates under the straight-line method in proportion to the useful life for the Existing Building and the Property after acquisition of the New Building, respectively. The depreciation of the New Building is the difference between depreciation of the Existing Building and that of the Property after acquisition of the New Building. The same shall apply hereafter.

For formulas for "NOI yield" and "NOI yield after depreciation," please refer to "【Reference】 Definitions of various formulas" below.

(Note 6)  $\text{NOI yield after depreciation (after adjustment by optimal payable distribution)} = (\text{Annual NOI after depreciation of the Property after acquisition of the New Building} + \text{depreciation (annual) of the New Building} \times 30\%) / \text{Anticipated acquisition price of the Property after acquisition of the New Building}$

\*Approval of changes in the Articles of Incorporation of IIF at the General Meeting of Unitholders of IIF is mandatory to implement optimal payable distribution. As of today, IIF has not decided on implementation of the optimal payable distribution, nor the call of the General Meeting of Unitholders for such amendment. NOI yield after depreciation (after adjustment by optimal payable distribution) described in this document is a reference value based on estimate as of today, and there is no guarantee that it will be realized.



## 4. Summary of Anticipated Acquisition and Leases

### 【IIF Yokkaichi Logistics Center (*Existing Building*)】

#### (1) Summary of Property

Type of asset	Trust beneficiary right in real estate	Summary of building structure evaluation	Evaluator	Sompo Risk Management Inc.
Anticipated acquisition date	December 13, 2021		Evaluation date	August 25, 2021
Anticipated acquisition price	3,640 million yen		Immediate repair cost	0 yen
Appraisal value	3,957 million yen		Short-term repair cost	0 yen
Appraiser	Tanizawa Sogo Appraisal Co., Ltd.		Long-term repair cost	212,750,000 yen (for 12 years)
Date of trust beneficiary rights set	December 13, 2021		Annualized average repair cost	17,729,000 yen (annualized average of 12 years)
Trustee	Sumitomo Mitsui Trust Bank, Limited			
Trust period end	December 31, 2031			
Location	1340-8, azayamagamidani, tarusaka-cho, Yokkaichi-shi, Mie, Japan and others			
Land area	32,929.09 m <sup>2</sup>	Building structure / stories	1-story below ground and 5-story above ground; steel-framed, reinforced concrete building with flat roofing	
Zoning	Exclusive industrial area			
Floor area ratio/building-to-land ratio	200%/60%			
Type of Possession	Ownership			
Earthquake PML	6.3%			
Collateral	None	Completion	June 20, 2000	
Designer	Japanese operating company (Note) First-class Architect Office	Gross floor area	18,155.31 m <sup>2</sup>	
Structure designer	Japanese operating company (Note) First-class Architect Office			
Constructor	Consortium of construction work between KAJIMA, TAISEI and Komatsu	Type of building	Warehouse	
Confirmation and Inspection Organization	Yokkaichi City building official			
Special notes	<ul style="list-style-type: none"> <li>Boundary confirmation letter has not been concluded on the boundary with the neighboring land, but the seller plans to conclude the boundary confirmation letter with the owner of the neighboring land by the execution of the Anticipated Acquisition.</li> <li>When IIF intends to dispose the Anticipated Acquisition or to have the Trustee dispose the property related to the Anticipated Acquisition (hereinafter referred to as "the Anticipated Acquisition, etc." in conjunction with the Anticipated Acquisition), IIF should notifies the seller of the main terms concerning the disposition request of the Anticipated Acquisition, etc. In case of the above, the seller may negotiate preferentially with IIF and the Trustee to the acquisition of the Acquired Acquisition, etc. in a certain period by giving notice to IIF within a certain period that the seller wishes to acquire the Anticipated Acquisition, etc. IIF agrees</li> </ul>			

	<p>with the seller that IIF may dispose the Anticipated Acquisition, etc. to a third party or have the trustee dispose the Anticipated Acquisition, etc. in the event that IIF and the seller do not reach an agreement concerning the purchase and sale of the Anticipated Acquisition, etc. within the period.</p> <ul style="list-style-type: none"> <li>In the Building Status Survey Report, there are items pointed out under the Building Standards Act, however, these will be corrected by the present owner at its responsibility and expenses by the anticipated acquisition date.</li> </ul>
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(Note) IIF has not obtained the necessary permission from the designer and the structure designer to disclose its name.

## (2) Description of Leases Relating to Anticipated Acquisition (planned)

The contents of the fixed-term building lease contract, the fixed-term land lease contract and the loan for land use contract to be concluded are as below as of today.

Tenant(s)	Number of tenant(s) (Note 1)	Total leased area (Note 2) (occupancy rate)	Annual rent (excluding consumption tax) (Note 3)	Period of contract <sup>(Note 2)</sup>	Deposit <sup>(Note 3)</sup>
Kajima Tatemono Sogo Kanri Co., Ltd	1	18,155.31 m <sup>2</sup> (Note 4) (41.8%)	Not disclosed	10 years (from December 13, 2021 until December 12, 2031)	-
Kajima Leasing Corporation	1	23,503.24 m <sup>2</sup> (54.1%)	Not disclosed	70 years (from December 13, 2021 until December 12, 2091)	-
Lessee 1	1	1,750.00 m <sup>2</sup> (4.0%)	-	1.3 years (from December 13, 2021 until March 31, 2023)	-
Total	3	43,408.55 m <sup>2</sup> (100%)	-	-	-
Revision of rent or termination during the lease period <sup>(Note 2)</sup>					
<ul style="list-style-type: none"> <li><b>Kajima Tatemono Sogo Kanri Co., Ltd</b> Contract Type: Fixed-term building lease contract Contract Renewal and Revision: <ul style="list-style-type: none"> <li>The lessor and the lessee shall not revise the rent during the contract term, and the provisions of Article 32 of the Act on Land and Building Leases shall not apply. In the event the lessor and the sublessee agree to revise the sublease rent based on the sublease agreement concluded between the lessee and the sublessee (the "Sublease Contract"), the lessee agrees to revise the rent in accordance with the rent revision of the sublease rent based on the Sublease Contract.</li> <li>In the event the sublessee terminates the Sublease Contract prematurely pursuant to the Sublease Contract, the lessee may terminate the fixed-term building lease contract prematurely only if the lessor is notified in writing no later than 18 months prior to the date of termination (provided, however, that the lessee shall notify the lessor no later than the day following the date on which the written notice of termination from the sublessee to the lessee under the Sublease Contract arrives at the lessee) and the total rent equivalent from the date of such termination to the last day of the contract period (provided, however, that the amount shall be calculated on the basis of the monthly rent as of the date of termination) is paid to the lessor as a penalty in a lump sum. Provided, however, that the Penalty shall be paid directly by the sublessee to the lessor.</li> </ul> </li> <li><b>Kajima Leasing Corporation</b> Contract Type: Fixed-term land lease contract Contract Renewal and Revision: <ul style="list-style-type: none"> <li>The provisions of Articles 4 and 18 of the Act on Land and Building Leases and Article 619 of the Civil Code shall not apply to the fixed-term land lease contract, and the lessee may not terminate the contract during the contract period.</li> <li>The lessor and the lessee shall not revise the rent during contract period.</li> </ul> </li> <li><b>Lessee 1</b> Contract Type: Loan for land use contract(<i>tochi shiyō taishaku keiyaku</i>)<sup>(Note 5)</sup> Contract Renewal and Revision: None</li> </ul>					

(Note 1) The number of tenants is based on the number of the building or land lease contract terms stipulated in each lease contract.

(Note 2) As each lease contract has not yet been concluded as of today, each actual leased area, period of contract, revision of

rent and termination during the lease period may change due to future discussions in the future.

- (Note 3) IIF has not obtained the necessary permission from the lessees to disclose this information.
- (Note 4) With regard to the fixed-term building lease contract with Kajima Tatemono Sogo Kanri Co., Ltd, Kajima Tatemono Sogo Kanri Co., Ltd as the sublessor (master lessee) will sublease whole building to sublessee.
- (Note 5) The contract is subject to land concerning a part of building on the premise of the Anticipated Acquisition. The building is planned to be demolished and the contract will end according with the demolition. The land subject to loan for land use contract (*tochi shiyō taishaku keiyaku*) is included in the land subject to the fixed-term land lease contract with Kajima Leasing Corporation.

### (3) Reasons for the Acquisition

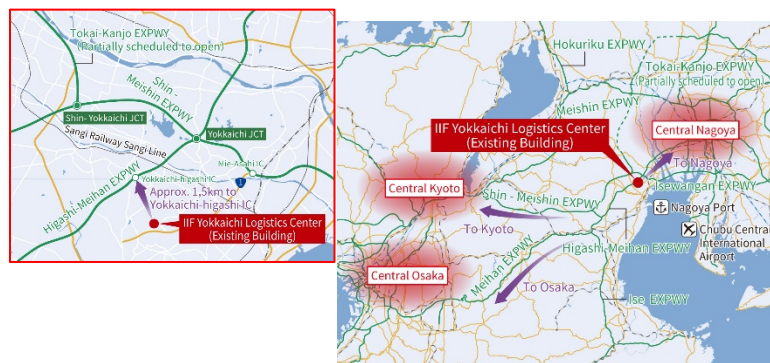
#### ■ Long-term Usability (Likelihood of Long-term Use by Current Tenant)

- Planning development of logistics facility utilizing a bridge scheme in collaboration with Kajima Group capturing the business expansion needs of a major logistics company
- Located in the area where a major semiconductor manufacturer has the one of the largest semiconductor manufacturing plants in the world, with high demand for logistics facilities of electronic component manufacturers, etc. including semiconductor-related companies
- Long-term usability backed by the 10-year fixed-term building lease contract

#### ■ Versatility (Versatility as a Real Estate Asset)

##### <Location>

- Located on approximately 1.5 km from Yokkaichi-higashi IC on Higashi-Meihan Expressway and in a highly versatile industrial area allowing 24-hour operating
- Accessible to a wide area including Central Kyoto and Central Osaka etc. as well as Central Nagoya due to the connection from Higashi-Meihan Expressway to Shin-Meishin Expressway and Isewangan Expressway



##### <Facility>

- Highly versatile building with a floor weight capacity of 1.5t/m<sup>2</sup>, effective ceiling height of 5.3-5.4m and pillar intervals of approximately 11m × approximately 11m, which can be used by various consigners, furthermore, with a capacity to divide into three spaces and lease them respectively



5. Matters relating to Forward Commitment Contracts

(1) Anticipated Acquisition that fall under a Forward Commitment Contract

The Purchase and Sale Agreement concerning IIF Yokkaichi Logistics Center (Existing Building) falls within the definition of forward commitment contract, etc. <sup>(Note)</sup> as stipulated in the Comprehensive Guidelines for Supervision of Financial Instruments Business Operators, etc.

(Note) A forward commitment contract, etc. is defined as any sale and purchase agreement or other type of agreement that is signed a month or more in advance of the actual date of the settlement or delivery pursuant to the agreement. The same shall apply hereinafter.

(2) Effect on IIF's Financial Condition due to any Failure of IIF to comply with a Forward Commitment Contract, etc.

The purchase and sale agreement (the "Purchase and Sale Agreement") stipulates that both the seller and IIF may terminate the Purchase and Sale Agreement if even one of the conditions precedent is not fulfilled. Such conditions precedent include that effective construction confirmation has been obtained for the New Building and construction confirmation certification have been delivered, that contracts concerning the acquisition of the Anticipated Acquisition and the Development Project (lease contract for the Existing Building, lease reservation contract for the New Building, land lease contract for construction of the New Building and the purchase and sale agreement for the New Building, etc.) have been concluded, and that other obligations to be fulfilled by the seller and IIF have been satisfied by the execution date of the sale and purchase, etc. Furthermore, the condition precedent of execution of the sale and purchase for IIF stipulates that IIF shall complete the financing necessary for the payment concerning the Purchase and Sale Agreement.

The seller or IIF shall mean that the other party has failed to comply with the agreements (meaning that the agreements are not fulfilled in accordance with the purpose, the same shall apply hereinafter), or in the event the other party's representations and warranties set forth in the Purchase and Sale Agreement are found to be incorrect or misleading, the party may request the other party to correct the items that are contrary to such representations and warranties or to promptly rectify such breach. If such correction or rectification is not made within a reasonable period even though it can be, or if it is clear that the purpose of the Purchase and Sale Agreement will not be attained in material respects due to such breach, misstatement or misleading representation, it is stipulated that the other party to a party who makes such breach, misstatement or misleading representation (hereinafter referred to as the "Breaching Party") may terminate the Purchase and Sale Agreement.

In this case, the other party of the breaching party shall be entitled to claim an amount equivalent to 10% of the total sales price (excluding the amount equivalent to the building consumption tax; the same shall apply hereinafter) as a penalty. Provided, however, that in the event of any damage in excess of the amount equivalent to 10% of the total sales price (limited to the extent that a reasonable causal relationship is found between damage and breach, misstatement or misleading representation as a cause of cancellation), any damage in excess of such amount shall not be precluded from claiming compensation. In addition, in the event the other party breaches any of the agreements or representations and warranties stipulated in the Purchase and Sale Agreement, the seller or IIF may, without electing to terminate the Purchase and Sale Agreement, seek compensation for damages, etc. incurred by the other party up to a maximum of 10% of the total sales price, and seek fulfillment of the Purchase and Sale Agreement.

#### 6. Profile of Seller

Although the seller is a Japanese operating company, the seller's profile cannot be disclosed as we have not obtained consent from the seller with respect to disclosure. There are no capital, personal or business relationships to note between IIF / the Asset Manager and the seller, and there are no capital, personal or business relationships to note between interested parties and affiliated companies of IIF / the Asset Manager and those of the seller. None of the seller, its interested parties or its affiliated companies falls under the category of related parties of IIF / the Asset Manager.

#### 7. Profile of Broker

Although the broker is a Japanese operating company, the broker's profile cannot be disclosed as we have not obtained consent from the broker with respect to disclosure. There are no capital, personal or business relationships to note between IIF / the Asset Manager and the broker, and there are no capital, personal or business relationships to note between interested parties and affiliated companies of IIF / the Asset Manager and those of the broker. None of the broker, its interested parties or its affiliated companies falls under the category of related parties of IIF / the Asset Manager.

#### 8. Means of Payment

The Anticipated Acquisition will be financed by cash reserves. IIF plans to conduct a lump-sum settlement upon delivery for the Anticipated Acquisition.

#### 9. Date of Acquisition

Property name	Contract signing date	Payment date (scheduled)	Delivery date (scheduled)
IIF Yokkaichi Logistics Center (Existing Building)	September 8, 2021	December 13, 2021	December 13, 2021

#### 10. Future Outlook of IIF

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 Anticipated Acquisition 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.

## 11. Summary of Appraisal Report

## 【Existing Building】

Appraiser	Tanizawa Sogo Appraisal Co., Ltd.
Appraisal value	3,190 million yen
Appraisal value as of:	August 1, 2021

Item	Value	Notes
Indicated value by income approach	3,190 million yen	
DC method	3,210 million yen	
Operating income	Not disclosed	(Note)
Effective gross income	Not disclosed	
Loss from vacancy	Not disclosed	
Operating expenses	Not disclosed	
Maintenance and management fee	Not disclosed	
Utility cost	Not disclosed	
Repair expenses	Not disclosed	
Property management fee	Not disclosed	
Leasing cost	Not disclosed	
Property tax	Not disclosed	
Insurance premium	Not disclosed	
Other expenses	Not disclosed	
Net operating income	165 million yen	
Operating profit from lump-sum payments	0 million yen	
Capital expenditures	18 million yen	
Net income	147 million yen	
Capitalization rate	4.6%	
DCF method	3,180 million yen	
Discount rate	4.7%	
Terminal capitalization rate	4.8%	
Indicated Value based on cost approach	3,150 million yen	
Proportion of land	44.9%	
Proportion of building	55.1%	

Other matters that the appraisal firm considered upon conducting the appraisal	None
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(Note) Since the disclosure of this information may negatively affect IIF's competitiveness and work to the detriment of unitholders, we have decided not to disclose the information.

**【Planned construction site for New Building】**

Appraiser	Tanizawa Sogo Appraisal Co., Ltd.
Appraisal value	767 million yen
Appraisal value as of:	August 1, 2021

Item	Value	Notes
Indicated value by income approach	767 million yen	
DCF method	767 million yen	Adopted the appraisal by the DCF method subject to only land with leasehold interest.
Discount rate	4.0%	
Terminal capitalization rate	4.2%	The discount rate at the return of the vacant site, rather than the discount rate for the terminal value, is adopted as it is assumed based on the fixed-term land lease contract that the land will be returned as a vacant site after the expiry of the lease term.

Other matters that the appraisal firm considered upon conducting the appraisal	None
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## 12. Various indices of Anticipated Acquisition

NOI yield	5.4 %	NOI	195 million yen
NOI yield (after depreciation)	4.3 %	Depreciation	39 million yen

### 【Reference: Definitions of Individual Calculation Formulas】

Definitions of Individual Calculation Formulas regarding “NOI yield”, “NOI yield (after depreciation)” referred to in Note 4 on Page 1 “1. Summary of Anticipated Acquisition” and in Note 5 on Page 4 “3. Background to the acquisition ■ Effect of the Development Project”, and “NOI yield”, “NOI yield (after depreciation)”, “NOI” and “Depreciation” referred to in “12. Various indices of Anticipated Acquisition” above.

Each figure is calculated as follows.

NOI yield = NOI\* / Anticipated acquisition price\*\*

NOI yield (after depreciation) = (NOI - depreciation\*\*\*) / Anticipated acquisition price

\* With respect to the calculation of NOI, the NOI of the Existing Building is calculated based on the total net operating income for the first fiscal year under the DCF method indicated in the appraisal report for the Existing Building as of August 1, 2021 and in the appraisal report for planned construction site for New Building as of August 1, 2021. The NOI of the Property after acquisition of the New Building is calculated based on the net operating income for the first fiscal year under the DCF method indicated in the survey report for the entire of the Existing Building and the New Building based on the plan for the Development Project as of August 1, 2021. The NOI of the New Building is the difference between the NOI of the Existing Building and that of the Property after acquisition of the New Building.

\*\* Anticipated acquisition price of the Existing Building is set forth in the sales value of the trust beneficiary right in the purchase agreement (excluding acquisition-related costs, fixed asset tax, urban planning tax and consumption tax). The anticipated acquisition price of the New Building is a reference figure based on the acquisition price specified in the Project Agreement. The anticipated acquisition price of the Property after acquisition of the New Building is a reference figure of totaling the anticipated acquisition price of the Existing Building and that of the New Building. The actual acquisition price of the New Building may change in the future due to changes in the content of plan for the Development Project and thus the NOI and the NOI after depreciation of the New Building and the Property after acquisition of the New Building may change in the future due to changes in the content of plan for the Development Project.

\*\*\* The depreciation of the Existing Building and the Property after acquisition of the New Building are estimates as of today calculated by using the depreciation rates under the straight-line method in proportion to the useful life for the Existing Building and the Property after acquisition of New Building, respectively. The depreciation of the New Building is the difference between depreciation of the Existing Building and that of the Property after acquisition of the New Building.

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.

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