

February 24, 2022

To all concerned parties:

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Notice Concerning Acquisition and Leasing of Two Properties in Japan

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

1. Summary of Anticipated Acquisitions

Property number (Note 1)	Property name	Location	Seller (Note 2) (Note 3)	Anticipated acquisition price (million yen)	Appraisal value (Note 4) (million yen)	Unrealized gain (Note 5) (million yen) (ratio)	NOI yield (Note 6)	NOI yield (after depreciation) (Note 6)	Anticipated acquisition date
F-24	IIF Iruma Manufacturing Center (land with leasehold interest)	Iruma-shi, Saitama	Kinugawa Rubber Industrial co., Ltd.	2,550	2,920	370 (+14.5%)	5.5%	5.5%	April 1, 2022
F-25	IIF Tochigi Moka Manufacturing Center (land with leasehold interest)	Moka-shi, Tochigi	Kinugawa Rubber Industrial co., Ltd.	1,100	1,330	230 (+20.9%)	6.1%	6.1%	April 1, 2022
Total / Average				3,650	4,250	600 (+16.4%)	5.7%	5.7%	-

(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) Since all the properties will be acquired through a bridge structure, the name of actual seller is indicated instead of a bridge seller.

(Note 3) The bridge seller is the same business company in Japan. The bridge seller is not interested parties

(Note 4) The “appraisal value” is the appraisal value based on the appraisal report as of January 1, 2022. For the details of the appraisal report, please refer to “10. Summary of Appraisal Report” below.

(Note 5) The unrealized gain is a figure between appraisal value and anticipated acquisition price.

(Note 6) For the calculation formula of “NOI yield” and the “NOI yield after depreciation”, please refer to “Reference: Definitions of Individual Calculation Formulas” below.

2. Reason for Acquisitions and Leases

IIF decided to acquire the Anticipated Acquisitions 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 two properties to be acquired, we evaluated the properties in terms of profitability, long-term usability and versatility.

Please refer to section "3. Summary of Anticipated Acquisitions and Leases" for the details and reasons for acquisitions and leases of the properties.

With regards to the reasons for the leases of the Anticipated Acquisitions, we are of the view that each tenant of the Anticipated Acquisitions 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 October 28, 2021.

3. Summary of Anticipated Acquisitions and Leases

【IIF Iruma Manufacturing Center (land with leasehold interest)】

(1) Summary of Property

Type of asset	Trust beneficiary right in real estate	Summary of building structure evaluation	Evaluator	-
Anticipated acquisition date	April 1, 2022		Evaluation date	-
Anticipated acquisition price	2,550 million yen		Immediate repair cost	-
Appraisal value	2,920 million yen		Short-term repair cost	-
Appraiser	Japan Real Estate Institute		Long-term repair cost	-
Date of trust beneficiary rights set	March 19, 2021		Annualized average repair cost	-
Trustee	Mitsubishi UFJ Trust and Banking Corporation			
Trust period end	March 31, 2031			
Location	178-1, Oaza Shinko, Iruma-shi, Saitama, Japan and others			
Land area	34,632.97m ²	Building structure / stories	-	
Zoning	Urbanization control area			
Floor area ratio /building-to-land ratio	200%/60%			
Type of Possession	Ownership			
Earthquake PML	-	Completion	-	
Collateral	None	Gross floor area	-	
		Type of building	-	
Special notes	<ul style="list-style-type: none"> IIF shall send the notification of the wish to dispose the beneficiary right (hereinafter referred to as "notification of disposition request") to Kinugawa Rubber Industrial co., Ltd. (a "Kinugawa Rubber Industrial") by 90 days prior to the desired date of disposition when IIF intends to dispose the beneficiary right of the property to a third party. Kinugawa Rubber Industrial may negotiate with IIF to acquire the beneficiary right preferentially for 60 days from the date of receipt of the notification of disposition request by sending the notification of the wish to acquire the beneficiary right to IIF within 30 days from the date of receipt of 			

	<p>the notification of disposition request.</p> <ul style="list-style-type: none"> • Prior to the acquisition of the property, IIF requested Field Partners Co., Ltd. to conduct a soil contamination risk assessment. As a result, Tetrachloroethylene was detected from soil gas. However, as a result of surface soil survey and depth confirmation survey, it complies with the standards of the soil eluting volume and groundwater for the substance and no soil contamination and groundwater contamination was confirmed. • A portion of the property is leased to KDDI CORPORATION for the purpose of installing facilities for mobile communications business.
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(2) Description of Leases Relating to Anticipated Acquisition

Tenant(s)	Number of tenant(s)	Total leased area (occupancy rate)	Annual rent (excluding consumption tax) ^(Note)	Period of contract	Deposit ^(Note)
Kinugawa Rubber Industrial co., ltd.	1	34,384.62 m ² (100.0%)	-	49 years 11 months (from March 19, 2021 until February 18, 2071)	-
Revision of rent or termination during the lease period					
<ul style="list-style-type: none"> ● Kinugawa Rubber Industrial co., ltd. <p>Contract Type: Fixed-term land lease contract for business purpose</p> <p>Contract Renewal and Revision:</p> <ul style="list-style-type: none"> • The lessor and the lessee have agreed that the rent shall not be revised for any reason during the lease term and that the rent shall not be reduced even in the event that some or all of the property are temporarily unable to use or receive profits due to investigation of the property or other reasons, or the part of the property is unable to use or receive profits due to loss or other reasons. • The lessee may not terminate the lease contract until the corresponding day of 10 years after the commencement date of the lease term (excluding the same date) (hereinafter referred to as the "non-cancellable period"). • The lessee may terminate the lease contract with a written notice to the lessor after the following day of the last day of the non-cancellable period on the corresponding day of 2 years after such notice. Notwithstanding the above, during the non-cancelable period, the lessee may terminate the lease contract with a written notice to the lessor on the corresponding day of 2 years after such notice (hereinafter referred to as the "termination day") only by paying the amount equivalent to the rent from the termination day to the corresponding day of 2 years after the last day of the non-cancellable period as a penalty. <p>Other Matters:</p> <ul style="list-style-type: none"> • The lessor shall send the notification of the wish to dispose the beneficiary right (hereinafter referred to as "notification of disposition request") to the lessee by 90 days prior to the desired date of disposition when the lessor intends to dispose the beneficiary right of the property to a third party. The lessee may negotiate with the lessor to acquire the beneficiary right preferentially for 60 days from the date of receipt of the notification of disposition request by sending the notification of the wish to acquire the beneficiary right to the lessor within 30 days from the date of receipt of the notification of disposition request. • The lessee shall indemnify the lessor against any damage to the lessor due to any cause attributable to the lessee in connection with the use and profit of the property under the lease contract. The lessee shall, in the event it is necessary to take out the soil of the property from the property due to contamination by hazardous substances in the property, promptly take out the soil of the property at the lessee's expense and responsibility in accordance with the lessor's instructions, and shall compensate the lessor or any third party for any damage, loss, cost, etc. caused by the use or the storage of hazardous substances in the property and the building on the property, etc. or by the contamination of the property with hazardous substances. • In the event the lease term expires, the extension agreement or the re-contract is not concluded, or the lease contract is cancelled, the lessee shall surrender all of the property to the lessor after making the property a vacant lot by removing the building, etc. on the property at its own expense. The condition of the "vacant lot" means that there shall be no hazardous substances that conflict with laws and regulations or environmental standards relating to soil contamination (except for hazardous substances that are clearly not attributable to the use or profit of the lessee). 					

(Note) IIF has not obtained the necessary permission from the lessee to disclose this information.

(3) Reasons for the Acquisition

■Key Point

- Acquisition of land with leasehold interest for plant with long-term usability and versatility in good location through CRE proposal capturing the sale-and-leaseback needs of a major automotive parts manufacturer, the seller

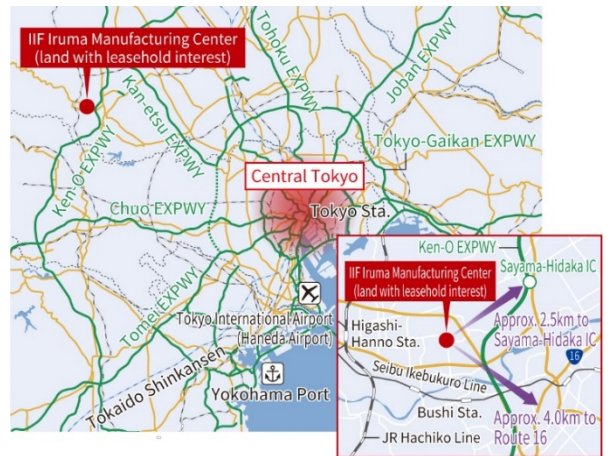
■Long-term Usability (Likelihood of Long-term Use by Current Tenant)

- Core plant of the lessee to manufacture hose-related products (cooling systems, etc.) for major domestic automotive manufacturer
- Long-term usability backed by the fixed-term land lease contract for business purpose with 49 years and 11 months (non-cancellable for 12 years)

■Versatility (Versatility as a Real Estate Asset)

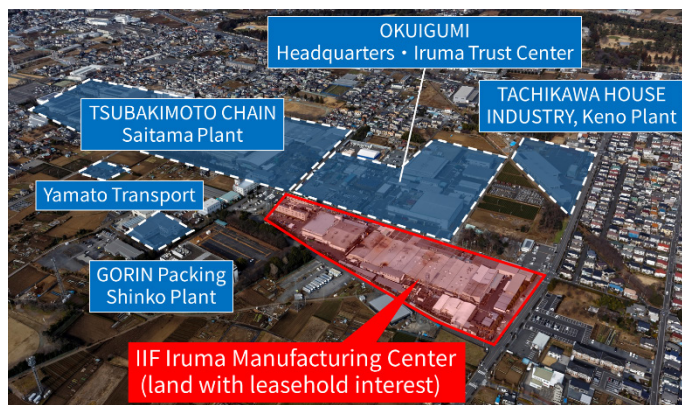
<Location>

- Accessible to highways located on approximately 2.5 km from Sayama-Hidaka IC on Ken-O Expressway and approximately 4.0 km from the National Route 16
- Located in an industrial cluster where a factory of a major industrial machinery manufacturer and distribution facilities are located
- Location with an advantage in securing a workforce due to the expansion of residential areas in the vicinity, on approximately 1.8km from Bushi station on Seibu Ikebukuro Line, within a walking distance from the nearest bus stop



(Note) IIF plans to acquire land only and those other than the Anticipated Acquisition to be acquired by IIF are included in the photograph above.

<Located in an industrial cluster near residential areas>



【IIF Tochigi Moka Manufacturing Center (land with leasehold interest)】

(1) Summary of Property

Type of asset	Real estate	Summary of building structure evaluation	Evaluator	-
Anticipated acquisition date	April 1, 2022		Evaluation date	-
Anticipated acquisition price	1,100 million yen		Immediate repair cost	-
Appraisal value	1,330 million yen		Short-term repair cost	-
Appraiser	Japan Real Estate Institute		Long-term repair cost	-
Date of trust beneficiary rights set	-		Annualized average repair cost	-
Trustee	-			
Trust period end	-			
Location	8-1, Matsuyama-cho, Moka-shi, Tochigi, Japan			
Land area	93,854.28 m ²	Building structure / stories		
Zoning	Industrial exclusive area			
Floor area ratio /building-to-land ratio	200%/60%			
Type of Possession	Ownership			
Earthquake PML	-	Completion		
Collateral	None	Gross floor area		
		Type of building		
Special notes	<ul style="list-style-type: none"> • IIF shall send the notification of the wish to dispose the property (hereinafter referred to as "notification of disposition request") to Kinugawa Rubber Industrial co., Ltd. (a "Kinugawa Rubber Industrial") by 90 days prior to the desired date of disposition when IIF intends to dispose the property to a third party. Kinugawa Rubber Industrial may negotiate with IIF to acquire the property preferentially for 60 days from the date of receipt of the notification of disposition request by sending the notification of the wish to acquire the property to IIF within 30 days from the date of receipt of the notification of disposition request. • Prior to the acquisition of the property, IIF requested Field Partners Co., Ltd. to conduct a soil contamination risk assessment. As a result, fluorine, boron and oil were detected at the property. However, as a result of surface soil survey and depth confirmation survey, soil contamination due to the soil eluting volume of fluorine and boron has not reached the ground water. Therefore, it is considered that health damage through groundwater is unlikely to occur at the time of the survey. As for the oil, although the oil was detected in the collected soil, the oil has not reached the groundwater. Therefore, it is considered that the contamination is unlikely to diffuse out of the property at the time of the survey. • Part of the property is leased to TEPCO Power Grid, Incorporated for the purpose of constructing power transmission lines, etc. 			

(2) Description of Leases Relating to Anticipated Acquisition

Tenant(s)	Number of tenant(s)	Total leased area (occupancy rate)	Annual rent (excluding consumption tax) ^(Note)	Period of contract	Deposit ^(Note)
Kinugawa Rubber Industrial co., Ltd.	1	92,826.16 m ² (100.0%)	-	49 years 11 months (from March 19, 2021 until February 18, 2071)	-
Revision of rent or termination during the lease period					
<p>● Kinugawa Rubber Industrial co., Ltd. Contract Type: Fixed-term land lease contract for business purpose Contract Renewal and Revision:</p> <ul style="list-style-type: none"> • The lessor and the lessee have agreed that the rent shall not be revised for any reason during the lease term and that the rent shall not be reduced even in the event that some or all of the property are temporarily unable to use or receive profits due to investigation of the property or other reasons, or the part of the property is unable to use or receive profits due to loss or other reasons. • The lessee may not terminate the lease contract until the corresponding day of 10 years after the commencement date of the lease term (excluding the same date) (hereinafter referred to as the "non-cancellable period"). • The lessee may terminate the lease contract with a written notice to the lessor after the following day of the last day of the non-cancellable period on the corresponding day of 2 years after such notice. Notwithstanding the above, during the non-cancelable period, the lessee may terminate the lease contract with a written notice to the lessor on the corresponding day of 2 years after such notice (hereinafter referred to as the "termination day") only by paying the amount equivalent to the rent from the termination day to the corresponding day of 2 years after the last day of the non-cancellable period as a penalty. <p>Other Matters :</p> <ul style="list-style-type: none"> • The lessor shall send the notification of the wish to dispose the property (hereinafter referred to as "notification of disposition request") to the lessee by 90 days prior to the desired date of disposition when the lessor intends to dispose the property to a third party. The lessee may negotiate with the lessor to acquire the property preferentially for 60 days from the date of receipt of the notification of disposition request by sending the notification of the wish to acquire the property to the lessor within 30 days from the date of receipt of the notification of disposition request. • The lessee shall indemnify the lessor against any damage to the lessor due to any cause attributable to the lessee in connection with the use and profit of the property under the lease contract. The lessee shall, in the event it is necessary to take out the soil of the property from the property due to contamination by hazardous substances in the property, promptly take out the soil of the property at the lessee's expense and responsibility in accordance with the lessor's instructions, and shall compensate the lessor or any third party for any damage, loss, cost, etc. caused by the use or the storage of hazardous substances in the property and the building on the property, etc. or by the contamination of the property with hazardous substances. • In the event the lease term expires, the extension agreement or the re-contract is not concluded, or the lease contract is cancelled, the lessee shall surrender all of the property to the lessor after making the property a vacant lot by removing the building, etc. on the property at its own expense. The condition of the "vacant lot" means that there shall be no hazardous substances that conflict with laws and regulations or environmental standards relating to soil contamination (except for hazardous substances that are clearly not attributable to the use or profit of the lessee). 					

(Note) IIF has not obtained the necessary permission from the lessee to disclose this information.

(3) Reasons for the Acquisition

■Key Point

- Acquisition of land with leasehold interest for plant with long-term usability and versatility in good location through CRE proposal capturing the sale-and-leaseback needs of a major automotive parts manufacturer, the seller

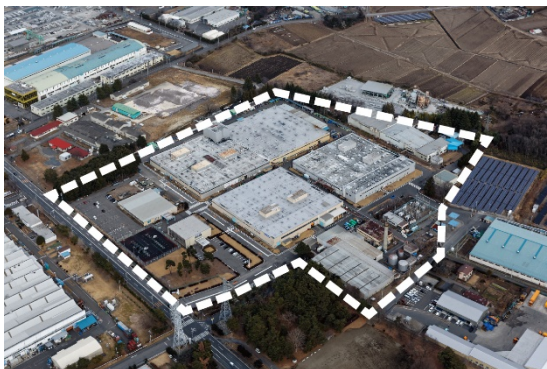
■Long-term Usability (Likelihood of Long-term Use by Current Tenant)

- Core plant of the lessee to manufacture brake parts and anti-vibration parts for major domestic automotive manufacturers, the mother plant of Kinugawa Rubber Group
- Long-term usability backed by the fixed-term land lease contract for business purpose with 49 years and 11 months (non-cancellable for 12 years)

■Versatility (Versatility as a Real Estate Asset)

<Location>

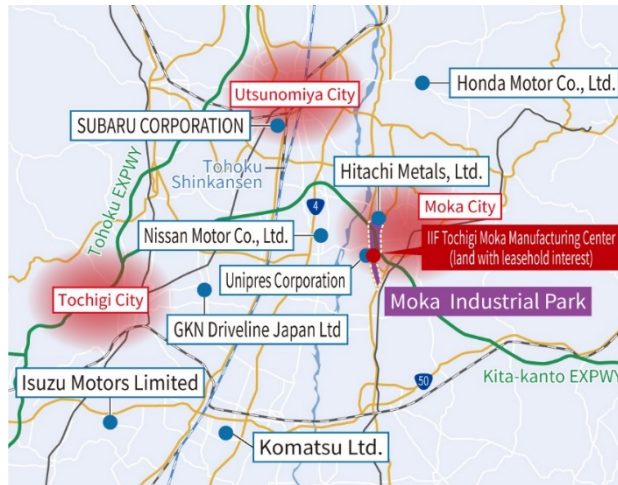
- Located on approximately 2.0km from the Moka IC on Kita-kanto Expressway and accessible to Tokyo area and Tohoku area etc. through Tohoku Expressway
- Automobile-related industries, including Nissan Motor Co., Ltd.'s Tochigi Plant are clustered in the surrounding area, and this property is also located in the Moka Industrial Park (Industrial Park I) with a cluster of factories in various industries including automobile parts and with highly versatility that 24 hours operation is available
- A location with an advantage in securing employment, due to the expansion of residential areas around Moka Industrial Park



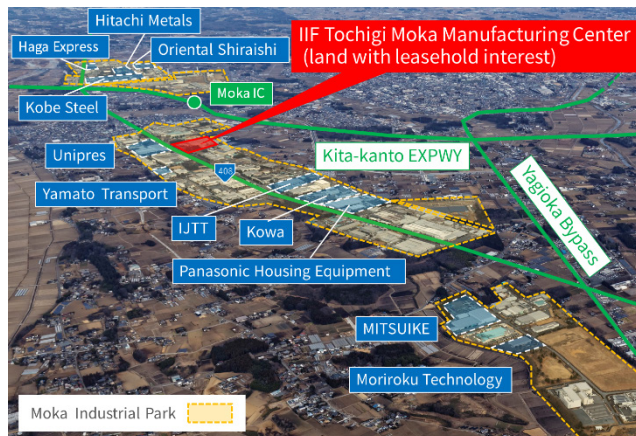
(Note) IIF plans to acquire land only and those other than the Anticipated Acquisition to be acquired by IIF are included in the photograph above.



<Plants and offices of automobile manufacturing-related companies are clustered around Moka City>



<Moka Industrial Park with a cluster of factories, research laboratories, and logistics companies in various industries>



4. Profile of Seller

Although the seller (bridger) of the Anticipated Acquisitions is the same 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.

5. Profile of Broker

None

6. None Matters relating to Forward Commitment Contracts

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

The purchase and sale agreements concerning the Anticipated Acquisitions fall within the definition of forward commitment contract, etc. ^(Note) 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.

In each purchase and sale agreement for the Anticipated Acquisitions, if the seller or IIF violates the agreements stipulated in the purchase and sale agreement or makes a false or misleading representation and the purchase and sale agreement is cancelled, the other party may claim an amount equivalent to 20% of the sales price as a penalty. Provided, however, on each purchase and sale agreement, completion of the financing by IIF (including but not limited to equity financing) necessary for the payment of the sales price on each purchase and sale agreement is a condition for execution of sales transaction.

7. Means of Payment

IIF may pay the acquisition costs not only in cash on hand but also in financing such as debt etc. as needed. In the case of payment through financing, we will announce again when the amount, date, and method of the finance are determined. Furthermore, IIF plans to conduct a lump-sum settlement upon delivery for the Anticipated Acquisitions.

8. Date of Acquisition

Property name	Contract signing date	Payment date (scheduled)	Delivery date (scheduled)
IIF Iruma Manufacturing Center (land with leasehold interest)	February 24, 2022	April 1, 2022	April 1, 2022
IIF Tochigi Moka Manufacturing Center (land with leasehold interest)	February 24, 2022	April 1, 2022	April 1, 2022

9. Future Outlook of IIF

The Anticipated Acquisitions have no material impact on the forecasts of operating status for the fiscal period ending July 2022 (the 30th fiscal period: February 1, 2022 to July 31, 2022) and the forecast of operating status for the same period remains unchanged.

10. Summary of Appraisal Report

【IIF Iruma Manufacturing Center (land with leasehold interest)】

Appraiser	Japan Real Estate Institute
Appraisal value	2,920 million yen
Appraisal value as of:	January 1, 2022

Item	Value	Notes
Indicated value by income approach	2,920 million yen	
DC method	2,920 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	140 million yen	
Operating profit from lump-sum payments	2 million yen	
Capital expenditures	- million yen	
Net income	142 million yen	
Capitalization rate	4.9%	
DCF method	2,920 million yen	
Discount rate	4.5%	
Terminal capitalization rate	5.0%	
Indicated Value based on the right ratio method	2,880 million yen	
Proportion of land	- %	
Proportion of building	- %	

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.

【IIF Tochigi Moka Manufacturing Center (land with leasehold interest)】

Appraiser	Japan Real Estate Institute
Appraisal value	1,330 million yen
Appraisal value as of:	January 1, 2022

Item	Value	Notes
Indicated value by income approach	1,330 million yen	
DC method	1,330 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	66 million yen	
Operating profit from lump-sum payments	1 million yen	
Capital expenditures	- million yen	
Net income	68 million yen	
Capitalization rate	5.1%	
DCF method	1,330 million yen	
Discount rate	4.7%	
Terminal capitalization rate	5.2%	
Indicated Value based on the right ratio method	1,330 million yen	
Proportion of land	-%	
Proportion of building	-%	

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.

11. Various indices of Anticipated Acquisitions

【IIF Iruma Manufacturing Center (land with leasehold interest)】

NOI yield	5.5%	NOI	140 million yen
NOI yield (after depreciation)	5.5%	Depreciation	0 million yen

【IIF Tochigi Moka Manufacturing Center (land with leasehold interest)】

NOI yield	6.1%	NOI	66 million yen
NOI yield (after depreciation)	6.1%	Depreciation	0 million yen

【Reference: Definitions of Individual Calculation Formulas】

Definitions of Individual Calculation Formulas regarding “NOI yield”, “NOI yield (after depreciation)” referred to in Note 6 on Page 1 “1. Summary of Anticipated Acquisitions” and “NOI yield”, “NOI yield (after depreciation)”, “NOI” and “Depreciation” referred to in “11. Various indices of Anticipated Acquisitions” 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, each NOI of Anticipated Acquisitions is calculated using the net operating income in the direct capitalization method indicated in each appraisal report as of January 1, 2022.

** Anticipated acquisition price is set forth in the sales value of the Anticipated Acquisitions in the purchase agreements (excluding acquisition-related costs, fixed asset tax, urban planning tax and consumption tax).

*** The depreciations of the Anticipated Acquisitions are estimates as of today calculated by using the depreciation rates under the straight-line method in proportion to the useful life for the Anticipated Acquisitions.

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.