

# Industrial & Infrastructure Fund Investment Corporation

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To all concerned parties:

Investment Corporation

**Industrial & Infrastructure Fund Investment Corporation**

(Tokyo Stock Exchange Company Code: 3249)

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Asset Management Company

**KJR Management**

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## **Notice Concerning Revision of Forecast of Operating Status** **for the July 2023 (32nd) Fiscal Period**

Industrial & Infrastructure Fund Investment Corporation (“IIF”) announces today its revision of forecast of operating status for the fiscal period ending July 2023 (32nd fiscal period: From February 1, 2023 to July 31, 2023), announced in the “Summary of Financial Results” dated March 13, 2023. Details are as follows.

1. Revision of forecast of operating status for the fiscal period ending July 2023 (32nd fiscal period: From February 1, 2023 to July 31, 2023)

	Operating Revenue (million yen)	Operating Income (million yen)	Ordinary Income (million yen)	Net Income (million yen)	Distributions per Unit (including distributions in excess of retained earnings per unit) (yen)	Distributions per Unit (excluding distributions in excess of retained earnings per unit) (yen)	Distributions in Excess of Retained Earnings per Unit (yen)
Previous forecast (A)	18,402	7,588	6,631	6,630	3,084	3,084	0
Revised forecast (B)	17,848	8,354	7,419	7,419	3,282	3,282	0
Variance (B) - (A)	(554)	+766	+787	+789	+198	+198	0
Rate of variance	(3.0%)	+10.0%	+11.8%	+11.9%	+6.4%	+6.4%	0.0%

(Note 1) “Previous forecast” is the forecast of operating status for the fiscal period ending July 2023 (32nd fiscal period) announced in “Summary of Financial Results” dated March 13, 2023.

(Note 2) Investment units issued and outstanding as of the end of the fiscal period ending July 2023 (32nd fiscal period): 2,113,516 units

(Note 3) The forecast figures for the fiscal period ending July 2023 (32nd fiscal period) represent current figures and are subject to change depending on the results of future settlement work. As such, the forecast described in this press release does not guarantee any future results.

(Note 4) Digits below the unit are truncated.

## 2. Reasons for Revision

This announcement is given because the forecast of distribution per unit for the fiscal period ending July 31, 2023 (32nd fiscal period), which was announced on March 13, 2023, has changed by more than 5% due to updates in operating forecasts. These updates include the significant improvement in revenue and expense balances for utility at IIF Shonan Health Innovation Park compared to initial assumptions, as well as the significant reduction in waste disposal costs at the IIF Hamura Logistics Center Redevelopment Project compared to initial assumptions.

To address soaring utility expenses at IIF Shonan Health Innovation Park, a pass-through structure for utility costs, whereby the tenant bears the utility costs, has been implemented with a main tenant since April 2023. In addition, the recent decrease in fuel adjustment costs and renewable energy surcharges due to falling resource prices and the review of utility usage at the facility have also contributed to remarkable improvement in utility costs, significantly better than the initial forecast.

Furthermore, concerning the disposal of waste generated from the demolition of the existing building at IIF Hamura Logistics Center, the asset management company has carefully reviewed costs and negotiated disposal methods with disposal contractors, resulting in significant cost savings compared to the initial forecast. Waste disposal costs are expected to decrease from the initial assumption in the fiscal period ending January 31, 2024 (33rd fiscal period) and in the fiscal period ending July 31, 2024 (34th fiscal period), but a further announcement will be provided as the costs are still under review.

**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. Concerning 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 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 KJR Management., 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.*