

March 13, 2019

To all concerned parties:

Investment Corporation

Industrial & Infrastructure Fund Investment Corporation

(Tokyo Stock Exchange Company Code: 3249)

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**Notice Concerning Debt Financing (Refinancing), Prepayment,
and Cancellation of Interest Rate Swap Agreement**

Industrial & Infrastructure Fund Investment Corporation (“IIF”) announced today its decision with respect to debt financing related to refinancing, prepayment, and the cancellation of interest rate swap agreement (collectively, the “Debt Financing”), as outlined below.

1. Overview

To reduce future interest costs, lengthen remaining borrowing periods and diversify repayment dates, IIF has decided to refinance the existing long-term debts, which are due for repayment on March 29, 2019 and June 28, 2019, and in conjunction with the early repayment and refinancing of the debts, to cancel the interest rate swap agreement.

Key Points

- **Interest costs will be significantly reduced while lengthening borrowing periods and diversifying repayment dates.**
- **Early repayment will be made using profit from the sale of the IIF Atsugi Logistics Center with the aim of reducing future interest costs. Part of the profit from the sale will be applied to temporary expenses arising from the early repayment.**

2. Debt Financing (Refinancing)

(i) Overview of Refinancing

	Borrowing Period	Amount (million yen)	Fixed / Float	Interest Rate ^(Note 1)	Lender	Contract Execution Date	Scheduled Borrowing Date	Maturity Date	Remarks, Repayment Method
Debt 1	8.0 years	500	Fixed	To be determined ^(Note 2)	Sumitomo Mitsui Trust Bank, Limited	Mar. 13, 2019	Mar. 29, 2019	Mar. 31, 2027	Unsecured and unguaranteed, lump sum repayment
Debt 2	5.0 years	1,500	Fixed	To be determined ^(Note 2)	Sumitomo Mitsui Banking Corporation			Mar. 29, 2024	
Debt 3	8.5 years	1,000	Fixed	0.38500%	MUFG Bank, Ltd.			Sep. 30, 2027	
Debt 4	9.5 years	1,000	Fixed	0.45000%				Sep. 29, 2028	
Debt 5	10.0 years	3,274	Fixed	0.51000%				Mar. 29, 2029	

	Borrowing Period	Amount (million yen)	Fixed / Float	Interest Rate ^(Note 1)	Lender	Contract Execution Date	Scheduled Borrowing Date	Maturity Date	Remarks, Repayment Method
Debt 6	9.4 years	583	Fixed	0.46000%	MUFG Bank, Ltd.	Mar. 13, 2019	Jun. 28, 2019	Nov. 30, 2028	Unsecured and unguaranteed, lump sum repayment

Total Amount
7,857 million yen

(Note 1) For Debt 1 and 2, interest payments will start on June 28, 2019, followed by the last days of March, June, September, and December until the maturity date (if any corresponding date falls in a non-business day, the immediately preceding business day), and the maturity date. For Debt 3, 4, and 5, interest payments will start on June 28, 2019, followed by the last days of March, June, September and December until the maturity date (if any corresponding date falls in a non-business day, the immediately preceding business day; and, if the immediately following business day falls on the next calendar month, the immediately preceding business day) and the maturity date. For Debt 6, interest payments will start on September 30, 2019, followed by the last days of March, June, September and December until the maturity date (if the corresponding date falls on a non-business day, the immediately following business day; and, if the immediately following business day falls on the next calendar month, the immediately preceding business day) and the maturity date.

(Note 2) The interest rate will be determined on or before the anticipated borrowing date pursuant to the loan agreements entered on March 13, 2019. The announcement of the interest rate will be made at the time of determination.

(ii) Description of Existing Loans Subject to Refinancing
(Refinancing due to Arrival of Maturity Date)

(1) Existing Loans Subject to Refinancing due to Arrival of Maturity Date

	Borrowing Period	Amount (million yen)	Fixed / Float	Interest Rate	Lender	Contract Execution Date	Borrowing Date	Maturity Date	Remarks, Repayment Method
Debt 1	7.0 years	1,500	Fixed	1.32375% ^(Note)	MUFG Bank, Ltd. Sumitomo Mitsui Trust Bank, Limited	Feb. 15, 2012	Mar. 30, 2012	Mar. 29, 2019	Unsecured and unguaranteed, lump sum repayment
Debt 2	7.0 years	1,500		1.32375% ^(Note)	Sumitomo Mitsui Banking Corporation	Feb. 15, 2012	Mar. 30, 2012	Mar. 29, 2019	
Debt 3	7.0 years	583		1.17500% ^(Note)	MUFG Bank, Ltd.	Jun. 25, 2012	Jun. 29, 2012	Jun. 28, 2019	

(Note) Each loan agreement provides for a variable interest rate. IIF has executed interest rate swap agreements to fix the interest rate from June 30, 2012 onwards.

(2) Reason for Refinancing
Please refer to “1. Overview”.

(iii) Description of Existing Loans Subject to Refinancing
(Refinancing in Conjunction with Early Prepayment)

(1) Existing Loans Subject to Refinancing in Conjunction with Early Repayment

	Borrowing Period	Amount (million yen)	Fixed / Float	Interest Rate	Lender	Contract Execution Date	Borrowing Date	Maturity Date	Remarks, Repayment Method
Debt 1	7.0 years	2,274	Fixed	1.15750% ^(Note)	MUFG Bank, Ltd.	Aug. 8, 2012	Sep. 28, 2012	Sep. 30, 2019	Unsecured and unguaranteed, lump sum repayment
Debt 2	10.0 years	1,000		1.90500% ^(Note)		Feb. 15, 2012	Mar. 30, 2012	Mar. 30, 2022	
Debt 3	10.0 years	1,000		1.29000%		Jan. 16, 2013	Feb. 6, 2013	Feb. 6, 2023	

(Note) Each loan agreement provides for a variable interest rate. IIF has executed interest rate swap agreements to fix the interest rate on the borrowing date for Debt 1 and for Debt 2, from June 30, 2012 onwards, respectively.

(2) Reason for Refinancing
Please refer to “1. Overview”.

3. Cancellation of Interest Rate Swap Agreement

(i) Reason for Terminating Interest Rate Swap Agreement

The interest rate swap agreement will be cancelled due to the repayment of Debt (1) and Debt (2) described in the above “(1) Existing Loans Subject to Refinancing in Conjunction with Early Repayment” of “(iii) Description of Existing Loans Subject to Refinancing (Refinancing in Conjunction with Early Repayment).”

(ii) Overview of the Interest Rate Swap Agreement to be Terminated

	Interest Rate Swap Agreement for Debt 1	Interest Rate Swap Agreement for Debt 2
Counterparty	MUFG Bank, Ltd.	MUFG Bank, Ltd.
Nominal Amount	2,274 million yen	1,000 million yen
Cancellation Date (Scheduled)	March 29, 2019	March 29, 2019
Contract Period	September 28, 2012-September 30, 2019	June 29, 2012- March 30, 2022

4. IIF’s Debt after the Debt Financing (after June 28, 2019)

(million yen)

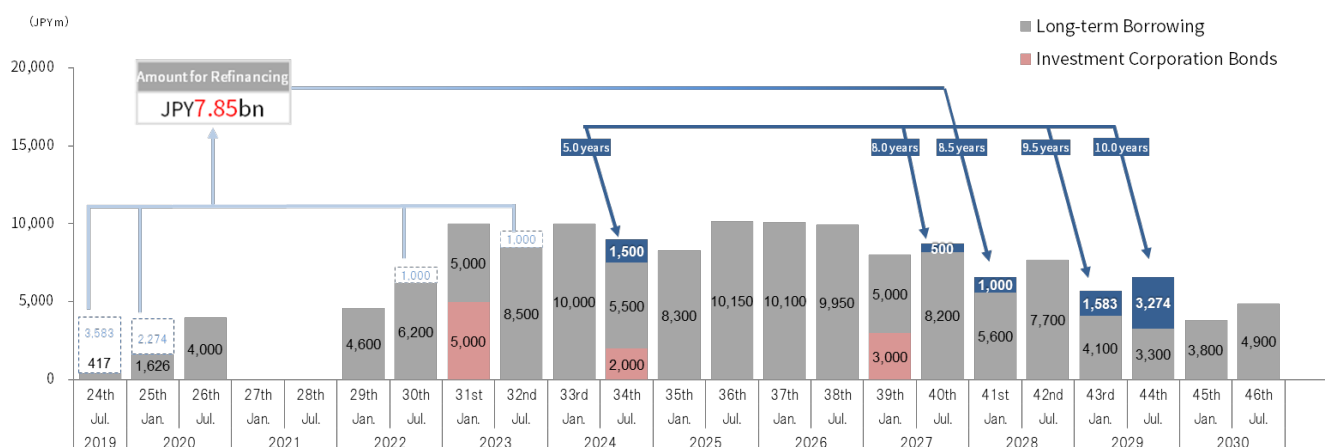
	Before Debt Financing	After Debt Financing	Change
Short-term Borrowings	0	0	0
Long-term Borrowings ^(Note)	134,800	134,800	0
Total Borrowings	134,800	134,800	0
Investment Corporation Bonds	10,000	10,000	0
Interest-bearing Debt in Total	144,800	144,800	0

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

5. Others

For the risks associated with the Debt Financing, please refer to “Investment Risk” stated in the Securities Registration Statement filed on October 25, 2018.

<Reference: Maturity Ladder after Refinancing>





Industrial & Infrastructure Fund Investment Corporation

About IIF: Industrial and 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/>

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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.