Industrial & Infrastructure Fund Investment Corporation

April 22, 2026

To all concerned parties:

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Notice Concerning Acquisition and Lease of Domestic Real Estate Trust Beneficiary Rights

Industrial & Infrastructure Fund Investment Corporation ("IIF") announces that KJR Management, IIF's asset manager (the "Asset Manager"), decided today to acquire and lease domestic real estate trust beneficiary rights (hereinafter the "Assets to Be Acquired" or the "Property"), as outlined below (hereinafter the "Acquisition").

Key Points

- ✓ **CRE carve-out phase two with the Proterial Group, a leading Japanese high-performance materials manufacturer.**
- ✓ **Upside potential through introduction of CPI-linked rent.**

1. Summary of the Assets to Be Acquired

Property Name (Note 1)	Location	Seller	Anticipated acquisition price (Note 2) (JPY mn)	Appraisal value (Note 3) (JPY mn)	Unrealized gain (JPY mn) (Unrealized gain ratio) (Note 4)	NOI yield (Note 5)	NOI yield after depreciation (Note 5)	Anticipated acquisition date (Note 6)
IIF Sakai Logistics Processing Center (Land with leasehold interest)	Sakai-shi, Osaka	Proterial, Ltd.	2,600	3,210	610 (+23.5%)	4.5%	4.5%	April 30, 2026
IIF Nishinomiyakita Logistics Processing Center (Land with leasehold interest)	Nishinomiya-shi, Hyogo	Proterial Specialty Steel, Ltd.	1,300	1,490	190 (+14.6%)	4.3%	4.3%	

(Note1) "Property Name" refers to the name to be used by IIF upon the Acquisition of each of the Assets to Be Acquired. The same shall apply hereinafter.
(Note2) "Anticipated acquisition price" represents the purchase price of the trust beneficiary rights stated in the purchase and sale agreement (excluding acquisition costs, fixed asset taxes, city planning taxes and consumption taxes, etc.). The same shall apply hereinafter.
(Note3) "Appraisal value" represents the appraisal value stated in the real estate appraisal report on the Property as of March 31, 2026. For details, please refer to "10. Summary of Appraisal Report" below.
(Note4) "Unrealized gain" represents the difference between the appraisal value and the acquisition price, while the "unrealized gain ratio" is the figure calculated by dividing the unrealized gain by the acquisition price. Please note that the unrealized gain is not guaranteed to be realized.
(Note5) For the calculation formulas for "NOI yield / NOI yield after depreciation," please refer to "[Reference] Definition of each calculation formula" below.
(Note6) "Anticipated acquisition date" represents the transfer date of the trust beneficiary rights stated in the purchase and sale agreement as of today. However, this may be changed upon agreement between IIF and the seller.

2. Reasons for the Acquisition and Lease

IIF aims to maximize unitholder value through a growth strategy with a focus on improving distribution per unit and enhancing inflation resilience.

Under this strategy, IIF has captured the asset-light and cash needs of the Proterial Group (Proterial, Ltd. and its affiliates; the same shall apply hereinafter), and through the Asset Manager's unique CRE proposal, decided to acquire the land with leasehold interest of a logistics facility and steel processing plant in the company's core business. Proterial, Ltd. is one of Japan's leading high-performance material manufacturers, dealing in specialty steel, magnetic materials, power semiconductor substrates, and more. In December 2025, IIF acquired silent partnership equity interests (Note 1) backed by two lands with leasehold interest of the company's core plants. This project is the second project with Proterial following that, and the Acquisition opportunity was secured through the continuous development of CRE proposals based on the relationship with the company.

The Assets to Be Acquired are logistics and processing bases that play an important role in business operations in the specialty steel products business, which is a core business of the Proterial Group. They are located in areas near major urban centers in Kansai with excellent access to expressways, where demand for both logistics and manufacturing purposes is expected.

IIF Sakai Logistics Processing Center (Land with leasehold interest) is located in the Sakai-Senboku Coastal Industrial Zone and is an important base in the West Japan area responsible for distribution to major cities in Kansai and the Chubu area, against the backdrop of area characteristics where logistics facilities and plants are concentrated. This property has steel processing functions in addition to logistics functions and is operated as a wide-area logistics base.

In addition, IIF Nishinomiyakita Logistics Processing Center (Land with leasehold interest) is located within the Hanshin Distribution Center and is a logistics base with excellent accessibility for distribution to the Hanshin area and the Chugoku region. It is highly important as a logistics facility capable of handling large cargo, and by also having steel processing functions, it serves as a base that plays an important role in the company's logistics network.

Since both properties are important bases supporting the core business of the Proterial Group, these properties have strong operational stability. In addition, the decision to acquire was made based on a comprehensive evaluation of the locational characteristics in industrial clusters and profitability. Furthermore, the fixed-term land lease contract for business purposes introduces CPI-linked rent (Note 2), with rent revised every three years (first revision in April 2029), and the rent setting is upside-only, where the revised rent will not fall below the pre-revision rent. In addition, since the lessee bears the fixed asset tax and city planning tax for the Properties, the lease agreement is equipped with inflation resilience.

The Acquisition will contribute to improving the inflation resilience of IIF's portfolio, and by securing high profitability and unrealized gains with an average NOI yield of 4.4% and an unrealized gain ratio of +20.5%, which exceed the implied cap rate, it will contribute to improving DPU and NAV.

(Note 1) Regarding the acquisition of silent partnership equity interests, please refer to the following press release.
"Notice Concerning Domestic Asset Acquisition (Equity Interest in a Silent Partnership)" dated December 10, 2025

(Note 2) "CPI-linked rent" refers to rent that automatically increases or decreases in conjunction with the Consumer Price Index (CPI). For details, please refer to page 3.

3. Summary of the Assets to Be Acquired and Lease

Property Name		IIF Sakai Logistics Processing Center (Land with leasehold interest)
Location		3-6, Dejimanishimachi, Sakai-ku, Sakai-shi, Osaka, others
Type of Asset		Real estate trust beneficiary right
Trustee		SMBC Trust Bank Ltd.
Trust Period		From April 30, 2026 to March 31, 2036
Land	Area	14,064.04 ㎡
	Zoning	Exclusive industrial zone
	Type of Possession	Ownership
	Floor Area Ratio / Building Coverage Ratio	200% / 60%
Anticipated Acquisition Price		2,600 million yen
Appraisal Value		3,210 million yen
Appraiser		The Tanizawa Sogo Appraisal Co., Ltd.
Collateral		None
Tenant overview	Number of Tenants	1
	Main Tenants	Proterial, Ltd.
	Total Rental Income	Not disclosed
	Security and Guarantee Deposit	Not disclosed
	Total Leased Area	14,064.04 ㎡
	Total Leasable Area	14,064.04 ㎡
	Occupancy Rate	100%
	Lease Term	49 years and 11 months (From April 30, 2026 to March 29, 2076)
	Lease Type	Fixed-term land lease contract for business purposes
	Rent Revision	The rent shall not be revised for three years from the date of execution of this agreement. Thereafter, starting from the third anniversary of the execution date and every three years thereafter (hereinafter referred to as the "Rent Revision Date"), the rent shall be automatically revised based on the rate of change in the Core CPI (Note) published by the Statistics Bureau of the Ministry of Internal Affairs and Communications. The rate of change is the cumulative product of the annual average Core CPI for each year plus 100% up to the Rent Revision Date. If the calculation result of the rate of change is less than 100%, the rate of change shall be 100%. Except for the above cases, no rent revision shall be made during the lease term.
	Cancellation during the Lease Period	The lessee may terminate this agreement by providing two years' prior written notice, with the cancellation date being the 20th anniversary of the commencement date of the lease term or later (including the same day).
	Other Items	・Upon termination of this agreement, such as the expiration of the lease term, the lessee shall, at its own expense, remove the buildings and other structures on the Property, restore the Property to its original vacant state, and vacate the Property to the lessor. ・If the lessor intends to transfer the Property to a third party or intends to consent to a transfer of the trust beneficiary rights related to the Property by the beneficiary to a third party, the lessor shall, in principle, notify the lessee in advance. If the lessee expresses an intention to negotiate, the lessor shall negotiate with the lessee regarding the purchase of the Property or the trust beneficiary rights related to the Property (individually or collectively referred to as the "Property, etc."). However, if an agreement is not reached within a certain period or if the lessee has no intention to negotiate, the lessor may transfer the Property, etc. ・If the lessee wishes to purchase the Property, etc., it may notify the lessor in writing to that effect, in which case the lessor shall negotiate for a certain period.

Other Notable Items	・No boundary confirmation agreement has been executed with respect to the boundary with the adjacent land. ・An easement has been created over a portion of the land of the Property for the purpose of permitting entry onto the land and other activities necessary for the maintenance and management of gas pipelines. ・Prior to the Acquisition of the Property, IIF engaged Field Partners to conduct a soil contamination risk assessment. As a result, arsenic exceeding the applicable standard for leaching was identified at the subject site. However, as no groundwater contamination has been confirmed at the site boundary on the downstream side in the direction of groundwater flow, the possibility of contaminated groundwater having migrated beyond the subject site is considered low, and the possibility of health hazards occurring in the area surrounding the subject site as a result of contamination originating from the subject site is also considered low. In addition, there are no wells at the subject site, and provided that no drinking wells are installed in the future, this is considered equivalent to the suppression of intake of groundwater contaminated by soil contamination as contemplated under the Soil Contamination Countermeasures Act. Accordingly, the possibility of health hazards occurring at the subject site is considered low.

(Note) This refers to the Consumer Price Index (Core CPI (monthly general index for the whole country (excluding fresh food))) published by the Statistics Bureau of the Ministry of Internal Affairs and Communications, expressed as a percentage increase or decrease from the same month of the previous year. However, the lower limit is set at -1% and the upper limit at +2%. The same shall apply hereinafter.

■ Continuity

・Located in the Sakai-Senboku Coastal Industrial Zone, this is an important base in the West Japan area responsible for distribution to major cities in Kansai and the Chubu area, against the background of area characteristics where logistics facilities and factories are concentrated.

・Inflation resilience is provided by introducing CPI-linked rent into a fixed-term land lease contract for business purposes with a term of 49 years and 11 months (in principle, non-cancellable for 20 years).

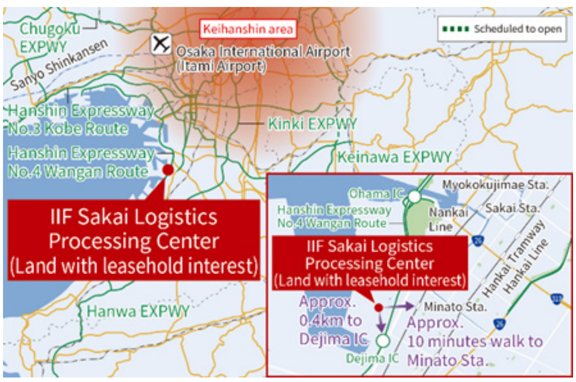
■ Versatility (Versatility as real estate)

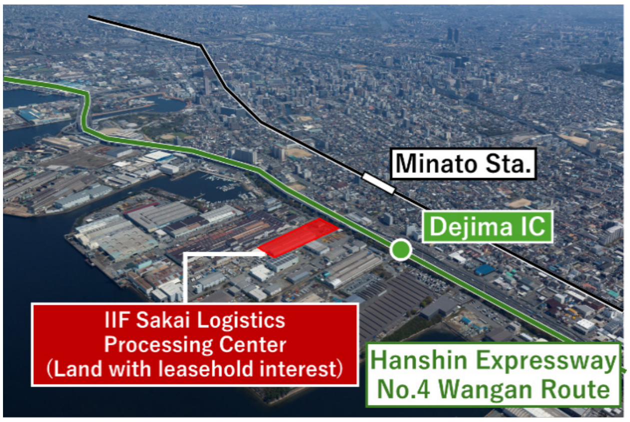
<Location>

・Located approximately 0.4 km from the Dejima Interchange on the Hanshin Expressway Route 4 Wangan Line, it is in close proximity to urban expressways and has high potential for regional transportation within Osaka Prefecture. In addition, the location has excellent transportation convenience, capable of covering a wide area of southern Osaka through the use of multiple arterial roads such as Senboku Route 1, National Route 309, and National Route 310.

・Since it is located in an area where buildings for industrial use are concentrated, operations such as 24-hour operation and high-frequency distribution are possible.

・It is a 10-minute walk to Minato Station on the Nankai Main Line, providing excellent accessibility by public transportation and an advantage in terms of securing employees.





Property Name		IIF Nishinomiyakita Logistics Processing Center (Land with leasehold interest)
Location		81-2, Yamaguchi-cho Hanshin Ryutsu Center 1-chome, Nishinomiya-shi, Hyogo, other
Type of Asset		Real estate trust beneficiary right
Trustee		SMBC Trust Bank Ltd.
Trust Period		From April 30, 2026 to March 31, 2036
Land	Area	11,164.50 ㎡
	Zoning	Quasi-industrial zone
	Type of Possession	Ownership
	Floor Area Ratio / Building Coverage Ratio	200% / 60%
Anticipated Acquisition Price		1,300 million yen
Appraisal Value		1,490 million yen
Appraiser		The Tanizawa Sogo Appraisal Co., Ltd.
Collateral		None
Tenant overview	Number of Tenants	1
	Tenant	Proterial, Ltd.
	Total Rental Income	Not disclosed
	Security and Guarantee Deposit	Not disclosed
	Total Leased Area	11,164.50 ㎡
	Total Leasable Area	11,164.50 ㎡
	Occupancy Rate	100%
	Lease Term	49 years and 11 months (From April 30, 2026 to March 29, 2076)
	Lease Type	Fixed-term land lease agreement for business purposes
	Rent Revision	The rent shall not be revised for three years from the date of execution of this agreement. Thereafter, starting from the third anniversary of the execution date and every three years thereafter (hereinafter referred to as the "Rent Revision Date"), the rent shall be automatically revised based on the rate of change in the Core CPI published by the Statistics Bureau of the Ministry of Internal Affairs and Communications. The rate of change is the cumulative product of the annual average Core CPI for each year plus 100% up to the Rent Revision Date. If the calculation result of the rate of change is less than 100%, the rate of change shall be 100%. Except for the above cases, no rent revision shall be made during the lease term.

	Cancellation during the Lease Period	The lessee may terminate this agreement by providing two years' prior written notice, with the cancellation date being the 20th anniversary of the commencement date of the lease term or later (including the same day).
	Other Items	・Upon termination of this agreement, such as the expiration of the lease term, the lessee shall, at its own expense, remove the buildings, etc. on the property, restore the property to a vacant lot, and surrender it to the lessor. ・If the lessor intends to transfer the property to a third party or grant consent for the transfer of the trust beneficiary right related to the property by the beneficiary to a third party, the lessor shall, in principle, notify the lessee in advance. If the lessee intends to negotiate, the lessor shall negotiate with the lessee regarding the purchase of the property, etc. (referring to the property or the trust beneficiary right related to the property individually or collectively; the same shall apply hereinafter). However, if an agreement is not reached within a certain period or if the lessee has no intention to negotiate, the lessor may transfer the property, etc. ・If the lessee wishes to purchase the property, etc., it may notify the lessor in writing, in which case the lessor shall negotiate for a certain period.
Other Notable Items		・No boundary confirmation agreement has been executed with respect to the boundary with the adjacent land. ・A land sale and purchase reservation agreement has been executed between the Hanshin Sogo Oroshi Shogyo Danchi Kyodo Kumiai (hereinafter referred to as the "Association") and the current owner. This agreement stipulates that the owner of the land shall not use the property for purposes other than the site for facilities such as stores, warehouses, and offices based on the store grouping business plan, and shall not transfer or sublease the property or the buildings thereon, nor establish rights such as superficies, mortgages, pledges, or leasehold rights, without the prior written consent of the Association. In the event of a violation of these terms or other specified events, the Association may exercise its right to conclude the reservation and acquire ownership of the land. A provisional registration of the right to claim ownership transfer based on this reservation has been made on the land. IIF plans to enter into a similar land sale and purchase reservation agreement with the Association upon Acquisition of the property, and the Association's consent will be required for any future transfer of the property by IIF.

■ Continuity

・Located within the Hanshin Distribution Center, this is a logistics base with excellent accessibility for distribution to the Hanshin area and the Chugoku region. This base plays an important role in the Proterial Group's logistics network, as it is highly important as a logistics facility capable of handling large cargo and also possesses steel processing functions.

・Inflation resilience is provided by introducing CPI-linked rent into a fixed-term land lease contract for business purposes with a term of 49 years and 11 months (in principle, non-cancellable for 20 years).

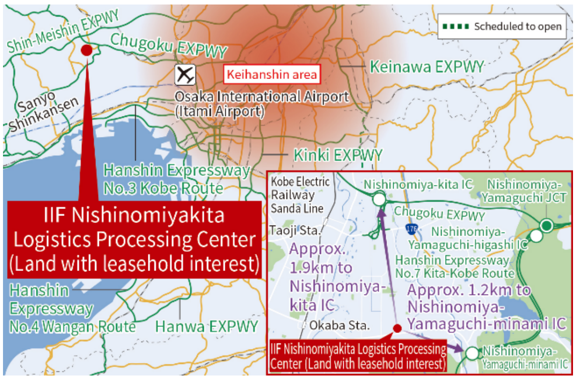
■ Versatility (Versatility as real estate)

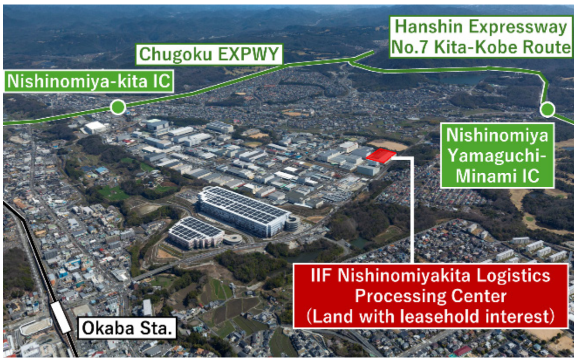
<Location>

・The Property is located approximately 1.9 km from the Nishinomiya-kita Interchange on the Chugoku Expressway and approximately 1.2 km from the Nishinomiya-yamaguchi-minami Interchange on the Hanshin Expressway No. 7 Kita-Kobe Route, providing excellent access to both Hyogo and Osaka prefectures.

・Located within the Hanshin Distribution Center, where factories, truck terminals, and warehouses are clustered, the Property allows for 24-hour operations and high-frequency distribution.

・The nearest station, Okaba Station on the Kobe Electric Railway Sanda Line, is ranked high in terms of the number of passengers on the line and is located in an area with a large labor population. Public transportation (bus) from Okaba Station to the Hanshin Distribution Center is also available, providing an advantage in terms of securing employees.





4. Overview of the Seller

Name	Proterial, Ltd.
Location	6-36, Toyosu 5-chome, Koto-ku, Tokyo
Name and Job Title of Representative	Sean M. Stack, Representative Director, Chairman, President and CEO
Business Description	Manufacturing and sales of high-grade specialty steel, specialty alloys, other specialty materials and their processed products, and precision cast and forged products, etc.
Capital	310 million yen
Date of Establishment	March 2, 1946
Net Assets	Not disclosed
Total Assets	Not disclosed
Major Shareholder and Shareholding Ratio	K.K. BCJ-52 (100%)
Relationship with IIF or the Asset Manager	
Capital relationship Personal relationship Business relationship	There are no capital, personal, or business relationships to be noted between IIF / the Asset Manager and the company. In addition, there are no noteworthy relationships between the related parties and affiliates of IIF / the Asset Manager and the related parties and affiliates of the company.
Related party	The company does not fall under the category of a related party of IIF or the Asset Manager. In addition, the related parties and affiliates of the company do not fall under the category of related parties of IIF or the Asset Manager.

Name		Proterial Specialty Steel, Ltd.
Location		6-36, Toyosu 5-chome, Koto-ku, Tokyo
Name and Job Title of Representative		Seiji Abe, Representative Director
Business Description		Sales of specialty steel, magnetic materials, castings, and other metal materials, etc.
Capital		100 million yen
Date of Establishment		October 1, 2004
Net Assets		Not disclosed
Total Assets		Not disclosed
Major Shareholder and Shareholding Ratio		Proterial, Ltd. (100%)
Relationship with IIF or the Asset Manager		
	Capital relationship Personal relationship Business relationship	There are no capital, personal, or business relationships to be noted between IIF / the Asset Manager and the company. In addition, there are no noteworthy relationships between the related parties and affiliates of IIF / the Asset Manager and the related parties and affiliates of the company.
	Related party	The company does not fall under the category of a related party of IIF or the Asset Manager. In addition, the related parties and affiliates of the company do not fall under the category of related parties of IIF or the Asset Manager.

5. Status of Property Acquirers, etc.

The transaction is not with a party that has a special interest in IIF or the Asset Manager.

6. Overview of Brokerage

The broker of the Acquisition does not fall under a related party, etc. of IIF or the Asset Manager.

7. Acquisition Funds and Settlement Method

The acquisition funds for the Acquisition of the Assets to Be Acquired are expected to be cash on hand. In addition, payment is expected to be made in a lump sum at the time of delivery.

8. Acquisition Schedule

Contract execution date	Payment date (scheduled)	Acquisition date (scheduled)
April 22, 2026	April 30, 2026	April 30, 2026

9. Future Outlook

The Acquisition has no material impact on the forecasts of operating results of IIF for the fiscal period ending July 2026 (the 38th fiscal period: February 1, 2026 to July 31, 2026) and the fiscal period ending January 2027 (the 39th fiscal period: August 1, 2026 to January 31, 2027); and therefore there is no change to the forecasts of operating results for these fiscal periods.

10. Summary of Appraisal Report

[IIF Sakai Logistics Processing Center (Land with leasehold interest)]

Appraisal firm	The Tanizawa Sogo Appraisal Co., Ltd.
Appraisal value	3,210 million yen
Appraisal date	March 31, 2026

Items	Details	Notes
Income approach value	3,210 million yen	
DCF method value	3,210 million yen	Since the direct capitalization method was not used in the appraisal by the appraisal firm, only the income approach value based on the DCF method is stated.
Discount rate	Until 20th year 4.0% After 21st year 4.1%	
Terminal capitalization rate	4.1%	Since it is assumed that the land will be returned to its original state as vacant land upon the expiration of the lease term based on the fixed-term land lease agreement for business use, the terminal capitalization rate is not used, and the discount rate for the vacant land return price is stated.

Other matters considered by the appraisal firm	None

[IIF Nishinomiyakita Logistics Processing Center (Land with leasehold interest)]

Appraisal firm	The Tanizawa Sogo Appraisal Co., Ltd.
Appraisal value	1,490 million yen
Appraisal date	March 31, 2026

Items	Details	Notes
Income approach value	1,490 million yen	
DCF method value	1,490 million yen	Since the direct capitalization method was not used in the appraisal by the appraisal firm, only the income approach value based on the DCF method is stated.
Discount rate	Until 20th year 4.1% After 21st year 4.2%	
Terminal capitalization rate	4.2%	Since it is assumed that the land will be returned to its original state as vacant land upon the expiration of the lease term based on the fixed-term land lease agreement for business use, the terminal capitalization rate is not used, and the discount rate for the vacant land return price is stated.

Other matters considered by the appraisal firm	None

11. Various indices of the Assets to Be Acquired

[IIF Sakai Logistics Processing Center (Land with leasehold interest)]

NOI yield	4.5%	NOI	116 million yen
NOI yield after depreciation	4.5%	Depreciation	0 million yen

[IIF Nishinomiyakita Logistics Processing Center (Land with leasehold interest)]

NOI yield	4.3%	NOI	55 million yen
NOI yield after depreciation	4.3%	Depreciation	0 million yen

[Reference] Definition of each calculation formula

[NOI yield]

NOI yield of the Assets to Be Acquired is calculated as follows:

NOI yield = NOI* / Anticipated acquisition price**

*For the calculation of NOI, the net operating income for the first year using the DCF method as stated in the appraisal report is used. The same shall apply hereinafter.

** "Anticipated acquisition price" represents the purchase price of the trust beneficiary right stated in the purchase and sale agreement (excluding acquisition costs, fixed asset taxes, city planning taxes and consumption taxes, etc.). The same shall apply hereinafter.

[NOI yield after depreciation]

NOI yield after depreciation of the Assets to Be Acquired is calculated as follows:

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

*Depreciation expenses are calculated using the straight-line method based on the useful lives of the assets, consistent with the method applied to other assets held by IIF.

The NOI yield and NOI yield after depreciation of the Assets to Be Acquired are calculated based on the appraisal report with a price date of March 31, 2026, and differ from the actual values after the Acquisition by IIF.