Industrial & Infrastructure Fund
Investment Corporation

August 17, 2026

To all concerned parties:

Investment Corporation
Industrial & Infrastructure Fund Investment Corporation
(Tokyo Stock Exchange Company Code: 3249)
Representative: Kumi Honda, Executive Director
URL: https://www.iif-reit.com/english/
Asset Management Company
KJR Management
Representative: Keita Araki,
President & Representative Director
Inquiries: Masa Moritsu, Executive Officer & Head of Industrial Division
TEL: +81-3-5293-7091

Notice Concerning Disposition of Domestic Real Estate
【IIF Shinagawa Data Center】

Industrial & Infrastructure Fund Investment Corporation ("IIF") announces that KJR Management, IIF's asset manager (the "Asset Manager"), decided today to dispose (the "Anticipated Disposition") of the domestic real estate (the "Property to Be Disposed" or the "Property") as outlined below.

Key Points

- ✓ **Dispose of at approximately a 75% premium to book value and approximately a 27% premium to appraisal value (survey price); gains on sales to be fully distributed over two fiscal periods**
- ✓ **The proceeds from the disposition are expected to be used for the acquisition of assets that enhance inflation resilience and for the repayment of borrowings, among other purposes**

1. Summary of the Anticipated Disposition

Property name	IIF Shinagawa Data Center
Type of asset	Real estate
Location	9-15, Futaba 2-chome, Shinagawa-ku, Tokyo
Anticipated disposition price (Note 1)	9,500 million yen
Book value (Note 2)	5,444 million yen
Difference between anticipated disposition price and book value (Note 3)	4,055 million yen
Appraisal value (survey price) (Note 4)	7,480 million yen
Broker	Applicable
Buyer (Note 5)	A domestic operating company
Contract signing date	August 17, 2026
Delivery date (scheduled) (Note 6)	Co-ownership interests 30%: January 12, 2027 70%: February 25, 2027

(Note 1) The anticipated disposition price excludes expenses related to the disposition and other costs.
(Note 2) The book value is as of January 31, 2026.
(Note 3) The difference between the anticipated disposition price and the book value is shown for reference. The actual gains or losses on sales may differ from the difference above.
(Note 4) The appraisal value (survey price) is as of January 31, 2026.
(Note 5) The buyer's profile cannot be disclosed as IIF has not obtained consent from the buyer with respect to disclosure. For details, please refer to "4. Profile of the buyer".
(Note 6) In connection with the disposition of "IIF Shinagawa Data Center", IIF entered into an agreement (the "Co-ownership Agreement") with the buyer on August 17, 2026. Under the Co-ownership Agreement, IIF and the buyer have agreed, among other things, that, in principle, neither party may dispose of its co-ownership interest to any third party until IIF has disposed of all of its interests to the buyer, and that, in principle, certain important matters, such as the disposition of the real estate, are to be determined by the unanimous consent of all co-owners.

2. Reasons for the Anticipated Disposition

IIF aims to maximize unitholder value with a focus on improving the investment unit price level and distributions per unit through a growth strategy centered on three pillars: “internal growth”, “realization of unrealized gains”, and “external growth”.

The Property has been operated stably since its acquisition in 2012; however, in light of the fact that 37 years have elapsed since its construction, IIF has reviewed its asset management policy from the perspective of mid- to long-term ownership, taking into account factors such as upside potential in future cash flow and downside risks. As a result, given that the Property is expected to require large-scale capital expenditures going forward, including equipment renewals, while the rent upside potential under the current master lease contract is limited, IIF determined that taking advantage of the current robust real estate transaction market and disposing of the Property at a price exceeding its appraisal value (survey price) to realize gains on sales at this time would contribute to enhancing unitholder value.

IIF has selected a prospective buyer from among multiple candidates and plans to dispose of the Property at a price exceeding its book value by approximately 75% and its appraisal value (survey price) by approximately 27%. The gains on sales to be generated from the Anticipated Disposition are expected to be fully distributed over two fiscal periods ending January 2027 (39th fiscal period) and ending July 2027 (40th fiscal period). In addition, the portion of the disposition proceeds excluding such gains on sales is expected to be used for acquisitions of assets that enhance the portfolio’s inflation resilience and for repayment of borrowings, among other purposes.

3. Information on the Property to Be Disposed

The summary of the Property to Be Disposed is set out in Part 1, Fund Information, Item 1. Status of the Fund, 5 Status of investment management, (2) Investment assets, of IIF’s securities report for the 37th fiscal period filed on April 23, 2026.

4. Profile of the buyer

The buyer of the Property is a domestic operating company, but the buyer’s profile cannot be disclosed as IIF has not obtained consent from the buyer with respect to disclosure. There are no notable capital, personal or business relationships between IIF, the Asset Manager and the buyer. In addition, there are no notable capital, personal or transactional relationships between the interested parties and affiliated companies of IIF and the Asset Manager and those of the buyer. None of the buyer, its interested parties or its affiliated companies falls under the category of related parties of IIF or the Asset Manager.

5. Profile of the broker

None of the broker, its interested parties or its affiliated companies falls under the category of related parties, etc. of IIF or the Asset Manager.

6. Matters relating to forward commitment contract

(1) The Property to Be Disposed that falls within the definition of a forward commitment contract, etc.

The purchase and sale agreement concerning “IIF Shinagawa Data Center” falls 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 purchase and sale 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.

With regard to the purchase and sale agreement concerning "IIF Shinagawa Data Center", if IIF or the buyer commits a material breach of the purchase and sale agreement (including a material breach of the representations and warranties) or a material breach of the Co-ownership Agreement, IIF or the buyer may request performance or cure by giving the breaching party written notice reasonably and specifically describing such breach and specifying a reasonable and appropriate cure period. If such breach is not cured within the cure period and it is reasonably evident that, due to such breach, the purpose of the purchase and sale agreement cannot be achieved, the non-breaching party may terminate the purchase and sale agreement in its entirety (provided, however, that partial termination is not permitted, and that termination is not permitted after the first disposition of the co-ownership interest has been completed).

In addition, each party shall be liable to compensate the other party for damages and other losses (including reasonable attorneys' fees) incurred by the other party as a result of such party's material breach of the purchase and sale agreement. Regardless of whether the purchase and sale agreement is terminated, the aggregate amount of such compensation shall not exceed an amount equivalent to 20% of the total purchase price.

7. Means of payment

The settlement will be conducted in a lump sum on each scheduled date of delivery.

8. Scheduled date of the Anticipated Disposition

Date of decision on disposition	August 17, 2026
Contract signing date	August 17, 2026
Payment date (scheduled)	Co-ownership interests 30%: January 12, 2027 70%: February 25, 2027
Delivery date (scheduled)	

9. Future Outlook

For the forecast of the operating results reflecting the impact of the Anticipated Disposition for the fiscal period ending January 2027 (39th fiscal period; from August 1, 2026 to January 31, 2027), please refer to "Notice Concerning Revised Forecast & Distributions for the January 2027 Fiscal Period" announced today.

10. Summary of Appraisal Report (Survey Report)

Appraiser	Japan Real Estate Institute
Appraisal value (survey price)	7,480 million yen
Appraisal value (survey price) as of	January 31, 2026

Item	Value	Notes
Indicated value by income approach	7,480 million yen	
DC method	7,550 million yen	
Operating income	Not disclosed	(Note)
Potential 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	367 million yen	
Operating profit from lump-sum payments	5 million yen	
Capital expenditures	18 million yen	
Net income	354 million yen	
Capitalization rate	4.7%	
DCF method	7,410 million yen	
Discount rate	3.8%	
Terminal capitalization rate	4.7%	

Other matters that the appraisal firm considered upon conducting the appraisal	None

(Note) Since this appraisal refers to numbers based on the actual results, the disclosure of this information may negatively affect IIF's competitiveness and work to the detriment of unitholders, and therefore, the Asset Manager has decided not to disclose the information.