Industrial & Infrastructure Fund Investment Corporation

August 25, 2025

To all concerned parties:

Investment Corporation
Industrial & Infrastructure Fund Investment Corporation
(Tokyo Stock Exchange Company Code: 3249)
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Asset Management Company
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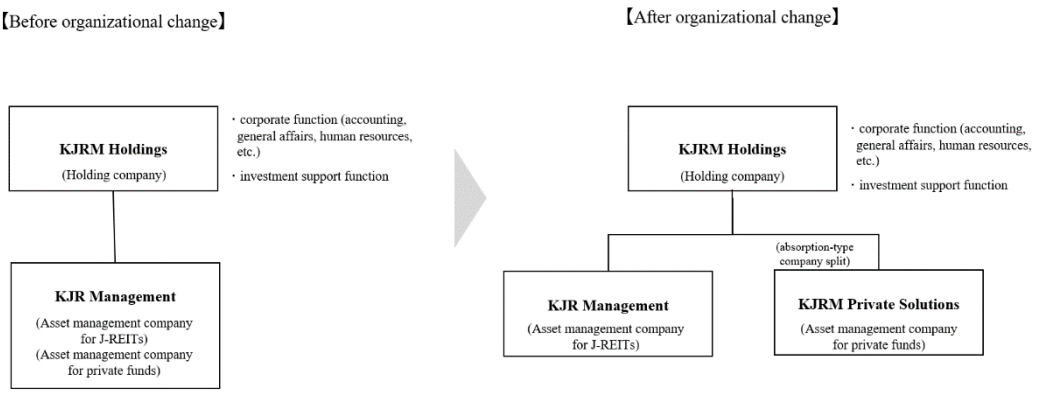
Notice Concerning Company Split of the Asset Manager

We announce that KJR Management (the "Asset Manager"), the asset management company to which Industrial & Infrastructure Fund Investment Corporation ("IIF") entrusts its asset management, at the Board of Directors' Meeting held today, resolved to undertake an absorption-type company split (the "Company Split"), with October 1, 2025 as the effective date of the absorption-type company split, whereby the Asset Manager, which is the splitting company in the Company Split, will cause KJRM Private Solutions (hereinafter referred to as "KPS"), which is the successor company in the Company Split that is the subsidiary of KJRM Holdings (shareholding ratio: 100%) which is the parent company of the Asset Manager (shareholding ratio: 100%), to take over the rights and obligations relating to the private fund business of the Asset Manager, and entered into an absorption-type company split agreement (the "Company Split Agreement") today, as described below.

1. Objective of the Company Split

The Asset Manager and KPS have executed the Company Split Agreement today, and are scheduled to undertake the Company Split, with October 1, 2025 as the effective date of the absorption-type company split, whereby KPS, the subsidiary of KJRM Holdings (shareholding ratio: 100%) which is the parent company of the Asset Manager (shareholding ratio: 100%), will be the successor company in the Company Split and the Asset Manager will be the splitting company in the Company Split. The Company Split is to be undertaken for KPS, the successor company in the Company Split, to take over the rights and obligations relating to the private fund business of the Asset Manager from the Asset Manager, the splitting company in the Company Split, for the purpose of strengthening the system for conflict of interest management, etc.

<Reference: Outline of organizational change by the Company Split>



(Note) The above diagram is intended to provide an easier understanding of the outline of organizational change by the Company Split and shows the contents of business and capital relationships of the Asset Manager, KJRM Holdings and KPS after the Company Split.

2. About conflicts of interest

The Asset Manager has been entrusted with the asset management business by IIF which invests in the industrial real estate and Japan Metropolitan Fund Investment Corporation which invests in retail facilities, office buildings, residences, hotels and mixed-used properties for these purposes. After the Company Split, KPS may be entrusted by real estate funds, etc. other than IIF and the Japan Metropolitan Fund Investment Corporation (including, but not limited to, a special purpose company which is an investment vehicle, other forms of a corporation or a partnership, or a trustee, etc.; hereinafter referred to as the "Private Funds") with the discretionary investment business and the investment advisory business, etc. Therefore, there is the possibility of a conflict of interest upon property acquisitions, etc, between IIF or the Japan Metropolitan Fund Investment Corporation and the Private Funds by which KPS is entrusted with the discretionary investment business and the investment advisory business, etc. For this reason, even after the Company Split, the KJRM Group to which the Asset Manager belongs (meaning the corporate group consisting of KJRM Holdings, Asset Manager and KPS) as a whole will maintain rules substantially equivalent to the rules regarding preferential consideration rights for investment information of the Asset Manager before the Company Split. Also, since the Private Funds by which KPS is entrusted with the discretionary investment business and the investment advisory business, etc. continue to fall under the "Stakeholders" under the rules for transactions with related parties of the Asset Manager even after the Company Split, in transactions between IIF or the Japan Metropolitan Fund Investment Corporation and such Private Funds, necessary procedures, etc. will be conducted in accordance with the rules for transactions with related parties of the Asset Manager. As a result, any conflicts of interest between IIF or the Japan Metropolitan Fund Investment Corporation and the Private Funds by which KPS is entrusted with the discretionary investment business and the investment advisory business, etc. will be prevented even after the Company Split.

3. Overview of the Company Split

(1) Schedule of the Company Split

Meeting of the Board of Directors to approve the Company Split Agreement	August 25, 2025
Date of execution of the agreement	August 25, 2025
Due date of the company split	October 1, 2025 (scheduled)
Date of registration of the company split	Early October 2025 (scheduled)
Date of notification submitted to Prime Minister	Early October 2025 (scheduled)

(Note) The effectiveness of the Company Split is subject to the condition that KPS has obtained necessary permits and licenses for the operation of its private fund business (including, but not limited to, membership in the Japan Investment Advisers Association and the Type II Financial Instruments Firms Association), and the schedule of the Company Split is subject to change based on agreement between the Asset Manager and KPS if such condition is not met or if it is otherwise necessary depending on the progress of the procedures for the Company Split and others.

(2) How the Company Split is implemented and other details

(i) How the Company Split is implemented

In the Company Split, the Asset Manager is to be the splitting company in the Company Split and KPS is to be the successor company in the Company Split. To implement the Company Split, each of the Asset Manager and KPS plans to receive approval for the Company Split Agreement by a resolution at the general meeting of shareholders to be implemented on September 16, 2025 (including a resolution in writing pursuant to the provision of Article 319, paragraph (1) of the Companies Act). The effective date will be October 1, 2025.

(ii) Rights and obligations taken over by the successor company and prospect of performance of such obligations

KPS is to take over from the Asset Manager the rights and obligations relating to the private fund business of the Asset Manager.

The Asset Manager is to continue the asset management business and other businesses relating to IIF and Japan Metropolitan Fund Investment Corporation after the Company Split.

(3) Profile of the parties to the Company Split (as of the date of this press release)

	Splitting company in the Company Split	Successor company in the Company Split
(1) Name	KJR Management	KJRM Private Solutions
(2) Address	Tokyo Building, 7-3, Marunouchi 2-chome, Chiyoda-ku, Tokyo	Tokyo Building, 7-3, Marunouchi 2-chome, Chiyoda-ku, Tokyo
(3) Name and official position of representative	Keita Araki, President & Representative Director	Satoshi Yamamura, Representative Director
(4) Business	Investment management business	Investment management business, etc.
(5) Capital	500	110
(6) Established	November 15, 2000	January 6, 2025
(7) Net assets	7,797 (as of December 31, 2024)	110 (as of January 6, 2025)
(8) Total assets	11,884 (as of December 31, 2024)	110 (as of January 6, 2025)
(9) Major shareholders and Shareholding ratio	KJRM Holdings (100%)	KJRM Holdings (100%)

(10) Relationships between IIF / Asset Manager and the other party		
	Capital relationship	There is no capital relationship required to be disclosed among IIF, the splitting company in the Company Split and the successor company in the Company Split.
	Personal relationship	There is no personal relationship required to be disclosed between IIF and the successor company in the Company Split. As of today, Naoki Suzuki, the Director, Chairman (part-time) of the splitting company in the Company Split, serves as a director of the successor company in the Company Split, and Hideaki Miyauchi, the Auditor (part-time) of the splitting company in the Company Split, serves as an auditor of the successor company in the Company Split, respectively.
	Business relationship	As of today, there is no business relationship between IIF, the splitting company in the Company Split and the successor company in the Company Split.
	Applicability to related parties	As of today, the successor company in the Company Split is a company with the same parent company as the splitting company in the Company Split, and therefore falls under a related party.

(millions of yen, unless otherwise noted)

(4) Overview of the business divisions to be split or succeeded

The Asset Manager will hand over the rights and obligations relating to the private fund business of the Asset Manager to KPS.

(5) Status of the asset manager after the Company Split (as of October 1, 2025)

(1)	Name	KJR Management
(2)	Address	Tokyo Building, 7-3, Marunouchi 2-chome, Chiyoda-ku, Tokyo
(3)	Name and position of representative	Keita Araki, President & Representative Director
(4)	Business	Investment management business
(5)	Capital	500 million yen
(6)	Net assets	TBD
(7)	Total assets	TBD

4. Future prospects

(1) Changes to the investment corporation's asset management agreement

As of today, there are no plans of any changes.

(2) Changes to the organization of the asset manager

In connection with the Company Split, the Private Solutions Division will be abolished, and the rules regarding preferential consideration rights for investment information and the responsibilities of each department etc. will be revised. Additionally, the Sustainability Committee of the Asset Manager will be abolished. Please refer to Attachment “Explanatory Materials” for details of the organization of the Asset Manager after the Company Split.

(3) Changes to the decision-making organization for investment management

As of today, there are no plans of any changes.

(4) Changes to the rules regarding compliance and stakeholders, etc.

As of today, there are no plans of any changes.

(5) Changes to the investment policy

As of today, there are no plans of any changes.

(6) Changes to the agreements with sponsors, etc.

As of today, there are no plans of any changes.

(7) Forecast for the continued listing of the investment corporation

IIF plans to remain listed.

(8) Future policies, etc.

Regarding the Company Split, the Asset Manager will follow procedures required under the Financial Instruments and Exchange Act (Act No. 25 of 1948, as amended), the Real Estate Brokerage Act (Act No. 176 of 1952, as amended) and other applicable laws and regulations.

(Attachment) Explanatory Materials

"Part 1. Fund Information, Item 1. Status of Fund, 1. Overview of the Investment Corporation, (4) Organization of the Investment Corporation, II Investment Management Structure of the Investment Corporation" set out in the securities report submitted on April 24, 2025 will be revised as of October 1, 2025. An overview of the revised statement is as follows.

Part 1, Fund Information

Item 1. Status of Fund

1. Overview of the Investment Corporation

(4) Organization of the Investment Corporation

II Investment Management Structure of the Investment Corporation

As described above, the management of the Investment Corporation's assets is entrusted to the Asset Manager.

The Asset Manager has been entrusted with the asset management business by the Investment Corporation and Japan Metropolitan Fund Investment Corporation ("JMF") (hereinafter collectively referred to as the "Investment Corporations that have consigned services to the Asset Manager"). Since JMF is an investment corporation investing in retail facilities, office buildings, residences, hotels and mixed-used properties for these purposes, as of the date hereof, its investment target differs from the Investment Corporation which invests in industrial real estate described in "2. Investment Policy (1) Investment Policy ① Basic Policy (A) Investment Target Assets" below.

The Asset Manager has placed the following management structure in order to prevent conflicts of interests among the Investment Corporations that have consigned services to the Asset Manager upon the asset management of the Investment Corporations that have consigned services to the Asset Manager.

a. Separation of Asset management Divisions

The Asset Manager has established two divisions, i.e., the Industrial Division which oversees the asset management business of the Investment Corporation and the Metropolitan Business Division which oversees the asset management business of Japan Metropolitan Fund Investment Corporation (which may be hereinafter referred to as the "Entrusted Investment Corporation Division(s) of Asset Manager" individually or collectively), in order to clarify the responsibilities for the asset management of the Investment Corporations that have consigned services to the Asset Manager.

b. Securing Independence in Investment Management Decision-Making

In the internal structure, making decisions on the asset management for the Investment Corporations that have consigned services to the Asset Manager requires confirmation from the Asset Manager's President & Representative Director and the Investment Committee's approval as described in "III Decision-Making Mechanism for Investment Management" and, in some cases, the approval of the Compliance Committee. Any decision by the President & Representative Director on whether to give confirmation and any decision by the Investment Committee and the Compliance Committee on whether to give approval is examined solely from the perspective of whether or not the decision is appropriate as a decision made by the respective Entrusted Investment Corporation Division of Asset Manager, without taking into consideration any situations of the other Entrusted Investment Corporation Division of Asset Manager.

c. Rules regarding Preferential Consideration Rights for Investment Information

The Asset Manager has been entrusted with the asset management business by the Investment Corporations that have consigned services to the Asset Manager. In addition, KJRM Private Solutions (hereinafter in this c. referred to as "KPS"), which belongs to the KJRM Group to which the Asset Manager belongs (meaning the corporate group consisting of KJRM Holdings (hereinafter in this c. referred to as "KJRMHD"), the Asset Manager and KPS), and each of the companies comprising such corporate group being referred to individually or collectively as the "KJRM Group Companies"; hereinafter the same), may be entrusted by real estate funds, etc. other than the Investment Corporation and JMF (including, but not limited to, a special purpose company which is an investment vehicle, other forms of a corporation or a partnership, or a trustee, etc.; hereinafter referred to as the "Private Funds" and collectively referred to

as the "Funds" together with the Investment Corporations that have consigned services to the Asset Manager; the Investment Corporations that have consigned services to the Asset Manager, or real estate funds, etc. may be referred to individually as the "Fund") with the discretionary investment business and the investment advisory business, etc. (hereinafter collectively referred to as the "AM Business" together with the business relating to the asset management entrusted by the Investment Corporations that have consigned services to the Asset Manager). As each KJRM Group Company may obtain investment information respectively in the KJRM Group, in light of the form of business of KJRM Group Companies, the KJRM Group has stipulated rules to determine which of the Fund Divisions, etc. of the KJRM Group Companies (meaning, individually or collectively, the Industrial Division of the Asset Manager, which oversees the asset management business for the Investment Corporation (hereinafter in this c. referred to as the "Industrial Division"), the Metropolitan Business Division of the Asset Manager, which oversees the asset management business for the JMF (hereinafter in this c. referred to as the "Metropolitan Business Division"), and KPS, which oversees the discretionary investment business and the investment advisory business, etc. for Private Funds; hereinafter the same) should have the right to preferentially consider Real Estate Sale Information obtained by the KJRM Group (i.e. information obtained by KJRM Group Companies regarding the search for potential purchasers of real estate or an asset backed by real estate that falls within the investment target of the Funds and that is sufficient for the Funds to consider whether or not to invest; hereinafter the same). The KJRM Group operates under these rules (hereinafter, any right of the Fund Division, etc. to consider Real Estate Sale Information obtained by KJRM Group Companies in preference to other Fund Divisions, etc. in accordance with the KJRM Group's Deal Review Meeting Rules shall be referred to as the "Preferential Consideration Right" for Real Estate Sale Information).

i. Preferential Consideration Right for Real Estate Sale Information obtained by KJRMHD

(i) Preferential Consideration Right for a Commercial Facility (Note 1), Office Building (Note 2), Residential Facility (Note 3) or Hotel (Note 4)

(a) For any Commercial Facility, Office Building, Residential Facility or Hotel (limited to Single Facilities (Note 5); hereinafter the same in this (i).), the First Preferential Consideration Right (meaning the Preferential Consideration Right that ranks first; hereinafter the same in this c.) shall be given to the Metropolitan Business Division.

(b) If the Metropolitan Business Division decides not to purchase the Commercial Facility, Office Building, Residential Facility or Hotel, or does not decide to purchase within the period of preferential consideration, the Second Preferential Consideration Right (meaning the Preferential Consideration Right that ranks second and is subordinated to the First Preferential Consideration Right; hereinafter the same in this c.) shall be given to KPS.

(Omitted)

(ii) Preferential Consideration Right for Industrial Real Estate

(a) For any Logistic Facility (Note 1), Factory and Research and Development Facility (Note 2) or Infrastructure Facility (Note 3) (collectively referred to as "Industrial Real Estate" in this c.) (limited to Single Facilities; hereinafter the same in this (ii).), the First Preferential Consideration Right shall be given to the Industrial Division.

(b) If the Industrial Division decides not to purchase the Industrial Real Estate, or does not decide to purchase within the period of preferential consideration, the Second Preferential Consideration Right shall be given to KPS.

(Omitted)

(iii) Preferential Consideration Right for a Single Facility Used for Other Purposes

For any Single Facility that neither falls under (i) nor (ii) above, the Compliance/Risk Managing Director of KJRMHD (hereinafter in this i. referred to simply as the "Compliance/Risk Managing Director") shall separately hold a meeting that is composed of the members of the KJRM Group's

Deal Review Meeting (Note) plus the President and Representative Director and the full-time directors of KJRMHD (hereinafter in this i. referred to simply as the "President and Full-time Directors") to determine through discussion which of the Industrial Division and the Metropolitan Business Division shall be given the First Preferential Consideration Right and which of them shall be given the Second Preferential Consideration Right (in such case, KPS shall always be given the Third Preferential Consideration Right (meaning the Preferential Consideration Right that ranks third and is subordinated to the First Preferential Consideration Right and the Second Preferential Consideration Right; hereinafter the same in this c.)). In such case, the Compliance/Risk Managing Director must invite a third party who is an expert and does not have any special interests in such determination to join the meeting as an observer and hear his/her opinion.

(Note) The KJRM Group's Deal Review Meeting is a meeting composed of the Compliance/Risk Managing Director, the head of Metropolitan Business Division, the head of Industrial Division, and the President of KPS (hereinafter referred to as the "KPS President"), and convened by the Compliance/Risk Managing Director as necessary. In the KJRM Group's Deal Review Meeting, the following matters related to Real Estate Sale Information shall be deliberated and resolved:

(1) Verification of conformity to the KJRM Group's Deal Review Meeting Rules and other internal rules regarding which of the Fund Divisions, etc. shall have the Preferential Consideration Right with respect to Real Estate Sale Information, and, in cases where multiple Preferential Consideration Rights are given, the determination of the ranking among them (hereinafter, a person who has been given the Preferential Consideration Right based on such determination is referred to as the "Preferential Consideration Right Holder");

(2) Verification of conformity to the KJRM Group's Deal Review Meeting Rules and other internal rules regarding the decision to terminate the preferential consideration by the Preferential Consideration Right Holder;

(3) Other matters incidental or related to (1) and (2) above.

Attendance by all members shall be required for holding the KJRM Group's Deal Review Meeting, and resolutions shall be adopted by the approval of not less than three-fourths of the attending members, including the Compliance/Risk Managing Director. In addition, the Compliance/Risk Managing Director (including any person who represents the Compliance/Risk Managing Director by proxy) shall have the right of veto with respect to the matters for deliberation. Hereinafter the same in this c.

(iv) Preferential Consideration Right for Real Estate Sale Information on a Complex Facility

(a)(1) For any Commercial Facility, Office Building, Residential Facility or Hotel which is a Complex Facility, the First Preferential Consideration Right shall be given to the Metropolitan Business Division. If the Metropolitan Business Division decides not to purchase the Commercial Facility, Office Building, Residential Facility or Hotel which is a Complex Facility, or does not decide to purchase within the period of preferential consideration, the Second Preferential Consideration Right shall be given to KPS.

(2) Notwithstanding the provision of (1) above, if any part of such Commercial Facility, Office Building, Residential Facility or Hotel which is a Complex Facility includes a portion used for Logistic Facility Use, Factory and Research and Development Facility Use or Infrastructure Facility Use ("Industrial Real Estate Use"), the Second Preferential Consideration Right shall be given to the Industrial Division, and the Third Preferential Consideration Right shall be given to KPS. Provided, however, that in such case, if it is deemed that the Preferential Consideration Right may not be given appropriately when we judge such Complex Facility as a Commercial Facility, Office Building, Residential Facility or Hotel based solely on floor area, the Compliance/Risk Managing Director shall separately hold a meeting that is composed of the members of the KJRM Group's Deal Review Meeting plus the President and Full-time Directors to determine through discussion which of the Industrial Division and the Metropolitan Business Division shall be given the First Preferential Consideration Right and which of them shall be given the Second Preferential Consideration Right (in such case, KPS shall always be given the Third Preferential Consideration Right). In such case, the Compliance/Risk Managing Director must invite a third party who is an expert and does not have any special interests in such determination to join the meeting as an observer and hear his/her opinion.

(b)(1) For any Industrial Real Estate which is a Complex Facility, the First Preferential Consideration Right shall be given to the Industrial Division. If the Industrial Division decides not to purchase the Industrial Real Estate which is a Complex Facility, or does not decide to purchase within the period of preferential consideration, the Second Preferential Consideration Right shall be given to KPS.

(2) Notwithstanding the provision of (1) above, if any part of such Industrial Real Estate which is a Complex Facility includes a portion used for Commercial Facility Use, office use, residential use or Hotel Use, the Second Preferential Consideration Right shall be given to the Metropolitan Business Division, and the Third Preferential Consideration Right shall be given to KPS. Provided, however, that in such case, if it is deemed that the Preferential Consideration Right may not be given appropriately when we judge such Complex Facility as an Industrial Real Estate based solely on floor area, the Compliance/Risk Managing Director shall separately hold a meeting that is composed of the members of the KJRM Group's Deal Review Meeting plus the President and Full-time Directors to determine through discussion which of the Industrial Division and the Metropolitan Business Division shall be given the First Preferential Consideration Right and which of them shall be given the Second Preferential Consideration Right (in such case, KPS shall always be given the Third Preferential Consideration Right). In such case, the Compliance/Risk Managing Director must invite a third party who is an expert and does not have any special interests in such determination to join the meeting as an observer and hear his/her opinion.

(c)(1) If a Complex Facility that neither falls under (a) nor (b) includes either a portion used for Commercial Facility Use, office use, residential use or Hotel Use, or, a portion used for Industrial Real Estate Use, the First Preferential Consideration Right of such Complex Facility shall be given to the Metropolitan Business Division and the Second Preferential Consideration Right shall be given to the Industrial Division in cases where a portion used for Commercial Facility Use, office use, residential use or Hotel Use is included, respectively, and the First Preferential Consideration Right of such Complex Facility shall be given to the Industrial Division and the Second Preferential Consideration Right shall be given to the Metropolitan Business Division in cases where a portion used for Industrial Real Estate Use is included, respectively (in such case, KPS shall always be given the Third Preferential Consideration Right).

(2) If a Complex Facility that neither falls under (a) nor (b) includes both a portion used for Commercial Facility Use, office use, residential use or Hotel Use and a portion used for Industrial Real Estate Use, the First Preferential Consideration Right shall be granted based on the floor area each use accounts for. In cases where the aggregate total floor area used for Commercial Facility Use, office use, residential use and Hotel Use is larger than that used for Industrial Real Estate Use, the First Preferential Consideration Right shall be given to the Metropolitan Business Division and the Second Preferential Consideration Right shall be given to the Industrial Division, respectively. In cases where the aggregate total floor area used for Industrial Real Estate Use is larger than that used for Commercial Facility Use, office use, residential use and Hotel Use, the First Preferential Consideration Right shall be given to the Industrial Division and the Second Preferential Consideration Right shall be given to the Metropolitan Business Division, respectively. In both cases, KPS shall always be given the Third Preferential Consideration Right; hereinafter the same shall apply in this (c)(2). Provided, however, that if it is deemed that the Preferential Consideration Right may not be given appropriately when deciding on the basis of the floor area each use accounts for, the Compliance/Risk Managing Director shall separately hold a meeting that is composed of the members of the KJRM Group's Deal Review Meeting plus the President and Full-time Directors to determine through discussion which of the Industrial Division and the Metropolitan

Business Division shall be given the First Preferential Consideration Right and which of them shall be given the Second Preferential Consideration Right. In the above case, the Compliance/Risk Managing Director must invite a third party who is an expert and does not have any special interests in such determination to join the meeting as an observer and hear his/her opinion.

(d) If no portion of a Complex Facility is used for Commercial Facility Use, office use, residential use or Hotel Use and no portion is used for Industrial Real Estate Use, the Compliance/Risk Managing Director shall separately hold a meeting that is composed of the members of the KJRM Group's Deal Review Meeting plus the President and Full-time Directors to determine through discussion which of the Industrial Division and the Metropolitan Business Division shall be given the First Preferential Consideration Right and which of them shall be given the Second Preferential Consideration Right (in such case, KPS shall always be given the Third Preferential Consideration Right). In such case, the Compliance/Risk Managing Director must invite a third party who is an expert and does not have any special interests in such determination to join the meeting as an observer and hear his/her opinion.

(e) The Fund Division, etc. that receives the Preferential Consideration Right may give the Joint Preferential Consideration Right (meaning the Preferential Consideration Rights that rank pari passu only for the purpose of joint investment by a Fund for which the Fund Division, etc. having the Preferential Consideration Right oversees the AM Business and a Fund for which the other Fund Division, etc. oversees the AM Business; hereinafter the same in this c.) to the other Fund Divisions, etc. that would be given the next or subsequent Preferential Consideration Right.

(v) Preferential Consideration Right for Real Estate Sale Information on Multiple Properties (Note)

(a) In considering Real Estate Sale Information on Multiple Properties, if it is possible to consider for each of the individual properties, the Preferential Consideration Right shall be given for each property in accordance with the provisions of (i) to (iv) above.

(b)(1) If it is impossible to consider for each of the individual properties (including en bloc sale in bulk sale) and if the Multiple Properties include any Commercial Facility, Office Building, Residential Facility, Hotel or Industrial Real Estate, the Preferential Consideration Right shall in principle be given in accordance with the provisions of A to C below. In any case, KPS shall always be given the Third Preferential Consideration Right.

A. If any or all of the Multiple Properties include any Commercial Facility, Office Building, Residential Facility or Hotel, the First Preferential Consideration Right shall be given to the Metropolitan Business Division, and the Second Preferential Consideration Right shall be given to the Industrial Division.

B. If any or all of the Multiple Properties include any Industrial Real Estate, the First Preferential Consideration Right shall be given to the Industrial Division, and the Second Preferential Consideration Right shall be given to the Metropolitan Business Division.

C. If any or all of the Multiple Properties include both a Commercial Facility, Office Building, Residential Facility or Hotel and an Industrial Real Estate, the First Preferential Consideration Right shall be granted based on the floor area each purpose of use accounts for. In cases where the aggregate total floor area used for Commercial Facility Use, office use, residential use and Hotel Use is larger than that used for Industrial Real Estate Use, the First Preferential Consideration Right shall be given to the Metropolitan Business Division and the Second Preferential Consideration Right shall be given to the Industrial Division, respectively. In cases where the aggregate total floor area used for Industrial Real Estate Use is larger than that used for Commercial Facility Use, office use, residential use and Hotel Use, the First Preferential Consideration Right shall be given to the Industrial Division and the Second Preferential Consideration Right shall be given to the Metropolitan Business Division, respectively.

(2) Notwithstanding the provision of (1) above, if it is deemed that the Preferential Consideration Right may not be given appropriately when considering on the basis of the floor area used, the Compliance/Risk Managing Director shall separately hold a meeting that is composed of the members of the KJRM Group's Deal Review Meeting plus the President and Full-time Directors to determine through discussion which of the Industrial Division and the Metropolitan Business Division shall be given the First Preferential Consideration Right and which of them shall be given the Second Preferential Consideration Right (in such case, KPS shall always be given the Third Preferential Consideration Right). In such case, the Compliance/Risk Managing Director must invite a third party who is an expert and does not have any special interests in such determination to join the meeting as an observer and hear his/her opinion.

(3) If it is impossible to consider for each of the individual properties (including en bloc sale in bulk sale) and if the Multiple Properties do not include any Commercial Facility, Office Building, Residential Facility, Hotel or Industrial Real Estate, the Compliance/Risk Managing Director shall separately hold a meeting that is composed of the members of the KJRM Group's Deal Review Meeting plus the President and Full-time Directors to determine through discussion which of the Industrial Division and the Metropolitan Business Division shall be given the First Preferential Consideration Right and which of them shall be given the Second Preferential Consideration Right (in such case, KPS shall always be given the Third Preferential Consideration Right). In such case, the Compliance/Risk Managing Director must invite a third party who is an expert and does not have any special interests in such determination to join the meeting as an observer and hear his/her opinion.

(4) The Fund Division, etc. that was given the Preferential Consideration Right may give the Joint Preferential Consideration Right to the other Fund Divisions, etc. that would be given the next or subsequent Preferential Consideration Right.

(Note) "Multiple Properties" means an assembly of Single Properties including an assembly of Single Facilities, an assembly of Complex Facilities and an assembly of Single Facilities and Complex Facilities. The same shall apply hereinafter in this c.

(vi) Preferential Consideration Right for Underlying Land (meaning land for which land leasehold interests are established; hereinafter the same)

(1) For any Underlying Land, the Preferential Consideration Right shall be given in accordance with the provisions of (i) to (iv) above on the basis of the use of any facility that is built on the Underlying Land and uses the land leasehold interests for the Underlying Land.

(2) If there is more than one facility that is built on the Underlying Land and uses the land leasehold interests for the Underlying Land, the Preferential Consideration Right shall be given by means equivalent to (v) above.

(vii) Preferential Consideration Right for Land for Development (meaning land for which land leasehold interests are not established; hereinafter the same in this c.)

(1) For any Land for Development, the Fund Division, etc. that obtained the Real Estate Sale Information for the Land for Development first (if the first party that obtained the Real Estate Sale Information for the Land for Development is not a Fund Division, etc., the Fund Division, etc. designated by the Compliance/Risk Managing Director) shall develop a plan of any facility that is considered to be the most appropriate for the Land for Development ("Development Plan") and the Preferential Consideration Right shall be given in accordance with the provisions of (i) to (iv) above on the basis of the use of the facility that is planned to be constructed on the Land for Development under the Development Plan ("Planned Facility").

(2) If there is more than one Planned Facility for the Land for Development, the Preferential Consideration Right shall be given by means equivalent to (v) above.

(3) Notwithstanding the provisions of (1) and (2) above, if it cannot be considered to be

objectively clear that the Development Plan developed in (1) above is suitable for the Land for Development in the context of the landform, plot, soil and geological features, etc. of the Land for Development, the land use status and economic conditions of the periphery of the Land for Development and other circumstances related to the Land for Development, the Compliance/Risk Managing Director shall separately hold a meeting that is composed of the members of the KJRM Group's Deal Review Meeting plus the President and Full-time Directors to determine through discussion the Development Plan. In such case, the Compliance/Risk Managing Director must invite a third party who is an expert and does not have any special interests in such determination to join the meeting as an observer and hear his/her opinion.

(viii) Preferential Consideration Rights related to when a Candidate Acquirer is Designated
Notwithstanding the provisions of (i) to (vii) above, the Preferential Consideration Right of a Real Estate Sale Information that meets any of the following conditions shall be given to the Fund Division, etc. related to the designated candidate acquirer. The Second Preferential Consideration Right shall be given to the Metropolitan Business Division when the Industrial Division receives the First Preferential Consideration Right and to the Industrial Division when the Metropolitan Business Division receives the First Preferential Consideration Right (in such case, KPS shall always be given the Third Preferential Consideration Right):

(1) The seller of the property (including, if the seller is a fund, the investors and related parties thereof) or the intermediary company (including the securities company or bank that made referral to such seller) designates any candidate acquirer of the property;

(2) The property is warehoused pursuant to a memorandum, etc. and any candidate acquirer of the property is designated; or

(3) The contractual preferential negotiation right or future opportunity to consider acquisition is attached to the property and any candidate acquirer of the property is designated.

(ix) Steps of Determination of Preferential Consideration Right Holders

(1) The Compliance/Risk Managing Director shall examine the elements related to the information and determine the Preferential Consideration Right Holder of individual properties.

(2) Upon determination of a Preferential Consideration Right Holder, the Compliance/Risk Managing Director shall promptly report the information, the Preferential Consideration Right Holder for the information and other relevant matters to the KJRM Group's Deal Review Meeting.

(3) Any member of the KJRM Group's Deal Review Meeting may make an objection if the member deems that the determination of the Compliance/Risk Managing Director does not conform to the KJRM Group's Deal Review Meeting Rules and other internal rules. If such objection is made, the Compliance/Risk Managing Director shall separately hold a meeting that is composed of the members of the KJRM Group's Deal Review Meeting plus the President and Full-time Directors. In such case, a third party who is an expert and does not have any special interests in such determination must be invited to join the meeting as an observer and hear his/her opinion and the Compliance/Risk Managing Director (including any person who represents the Compliance/Risk Managing Director by proxy) shall have neither voting right nor veto on any matter being deliberated at the meeting.

(4) If the modification of the determination of the Compliance/Risk Managing Director is approved as a result of the examination by the meeting of (3) above, the Compliance/Risk Managing Director shall redetermine the Preferential Consideration Right Holder in accordance thereto.

(x) Summary of Preferential Consideration Right

(1) The period of preferential consideration of Real Estate Sale Information under a Preferential Consideration Right shall in principle be ten business days from the date the Preferential Consideration Right was given; provided, however, that the Compliance/Risk

Managing Director may extend or shorten such period in determining the Preferential Consideration Right Holder if considered to be appropriate in the context of the nature of the Real Estate Sale Information.

(2) After the Preferential Consideration Right Holder is determined, the head of Industrial Division or the head of Metropolitan Business Division or the KPS President who oversees the Fund Division, etc. which became the Preferential Consideration Right Holder shall express in the KJRM Group's Deal Review Meeting the intention as to whether or not to continue the consideration of acquisition by the end of the period of preferential consideration.

(3) In expressing the intention as to whether or not to continue the consideration of acquisition, the head of Industrial Division or the head of Metropolitan Business Division or the KPS President who oversees the Fund Division, etc. which became the Preferential Consideration Right Holder must clarify the reasonable grounds therefor.

(4) If the intention to continue the consideration of acquisition is expressed by the head of Industrial Division or the head of Metropolitan Business Division or the KPS President who oversees the Fund Division, etc. or reported by the administrative office in the KJRM Group's Deal Review Meeting, the period of preferential consideration shall in principle be extended automatically to the end of the consideration of acquisition; provided, however, that, if it is considered that there are no reasonable grounds as a result of the examination in the KJRM Group's Deal Review Meeting, the period of preferential consideration shall not be extended.

(5) If the intention not to continue the consideration of acquisition is expressed or no intention is expressed in the KJRM Group's Deal Review Meeting by the end of the period of preferential consideration, the Preferential Consideration Right of the Preferential Consideration Right Holder shall expire, and the Preferential Consideration Right for the Real Estate Sale Information shall be transferred to the successive Preferential Consideration Right Holder. In such case, the period of preferential consideration of Real Estate Sale Information under the successive Preferential Consideration Right shall be as provided in (1) above.

(6) Even if the head of Industrial Division or the head of Metropolitan Business Division or the KPS President who oversees the Fund Division, etc. which became the Preferential Consideration Right Holder has once expressed in the KJRM Group's Deal Review Meeting the intention to continue the consideration of acquisition in relation to the Real Estate Sale Information, if such head thereafter determines not to continue the consideration of acquisition in relation to the Real Estate Sale Information, the head of Metropolitan Business Division or the head of Industrial Division or the KPS President must promptly express to the KJRM Group's Deal Review Meeting the intention not to continue the consideration of acquisition in light of the fact that there is the successive Preferential Consideration Right Holder.

ii. Preferential Consideration Right for Real Estate Sale Information Obtained by the Asset Manager or KPS

(i) With respect to Real Estate Sale Information independently obtained by the Asset Manager or KPS without going through KJRMHD, the provisions of i. above shall not apply.

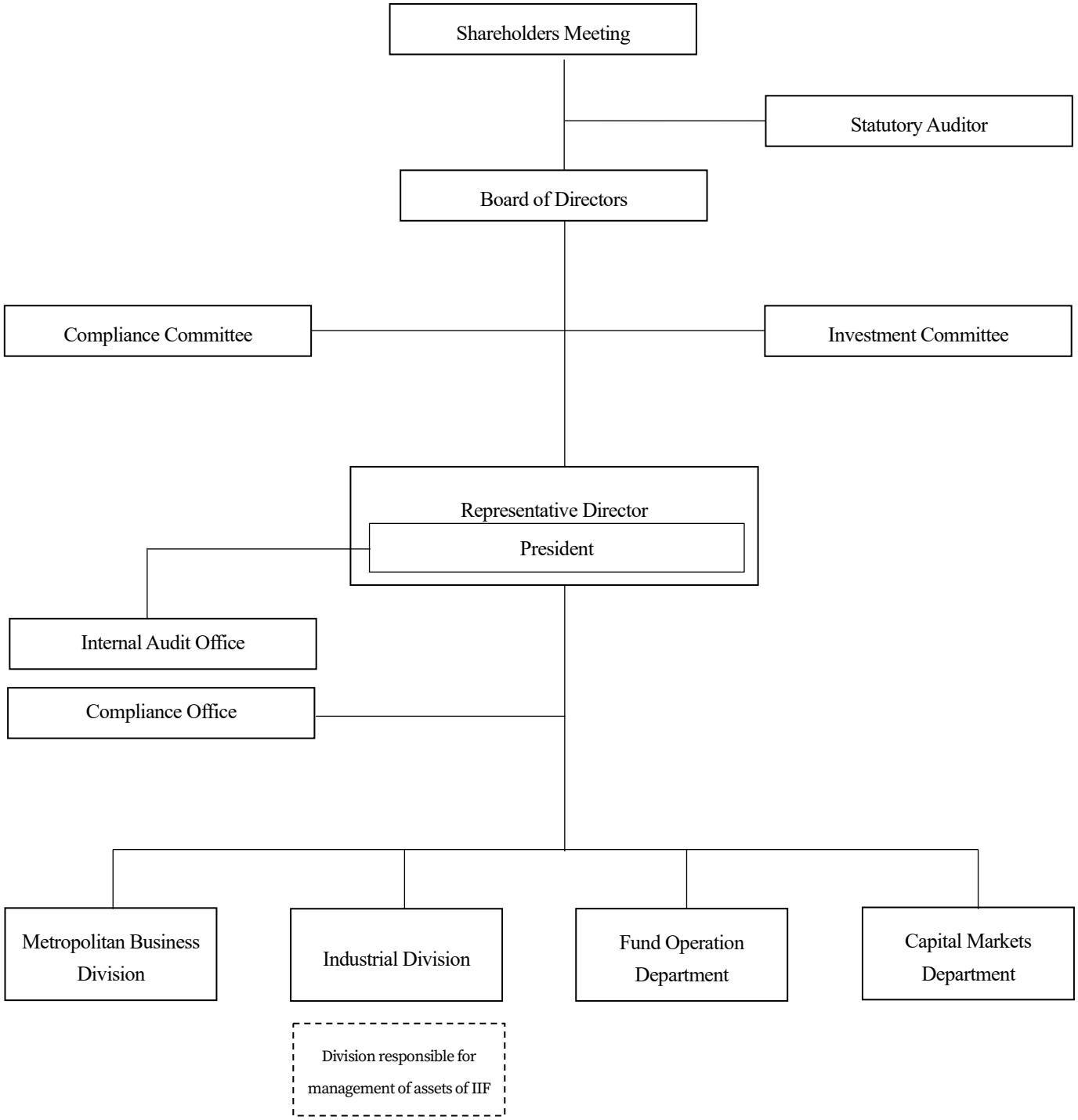
(ii) With respect to Real Estate Sale Information independently obtained by the Asset Manager as prescribed in (i) above, the Industrial Division or the Metropolitan Business Division shall hold the Preferential Consideration Right, and which of the Industrial Division and the Metropolitan Business Division shall have priority shall be determined in the Asset Manager's Deal Review Meeting composed of the head of Compliance Office of the Asset Manager, the head of Industrial Division and the head of Metropolitan Business Division, by applying i. above mutatis mutandis (provided, however, that the part concerning the Preferential Consideration Right for KPS shall not apply). If it is deemed that the Preferential Consideration Right may not be given appropriately by applying i. above

mutatis mutandis, the head of Compliance Office of the Asset Manager shall separately hold a meeting that is composed of the members of the Asset Manager's Deal Review Meeting plus the President and Representative Director and the full-time directors of the Asset Manager to determine through discussion which of the Industrial Division or the Metropolitan Business Division shall be given the First Preferential Consideration Right and which of them shall be given the Second Preferential Consideration Right. In this case, it shall not preclude introduction to KPS of cases among the relevant Real Estate Sale Information which neither the Industrial Division nor the Metropolitan Business Division will consider, and such introduced information shall apply (iii) below mutatis mutandis.

(iii) With respect to Real Estate Sale Information independently obtained by KPS as prescribed in (i) above, KPS shall hold the Preferential Consideration Right. In this case, it shall not preclude introduction to the Asset Manager of cases among the relevant Real Estate Sale Information which KPS will not consider, and such introduced information shall apply (ii) above mutatis mutandis.

(A) Management Structure

The organizational structure for the Asset Manager's business management is as follows:



(B) System for business division

Asset Manager's system for business division of the Industrial Division, the Fund Operation Department, the Capital Markets Department, the Compliance Office and the Internal Audit Office is as follows:

Organization		Outline of business
Industrial Division		
	Business relating to real estate investment and management	i. Matters relating to development of investment strategies ii. Matters relating to establishment and management of investment criteria iii. Matters relating to appraisal and selection of investment target assets iv. Matters relating to determination of terms and conditions of contracts concerning acquisition of investment target assets v. Matters relating to determination of disposition of assets under management vi. Matters relating to development of investment management plans for assets under management vii. Matters relating to property management, repair, and maintenance (including re-construction and major reforming, etc. as a part of asset management) for assets under management viii. Matters relating to tenants, terms and conditions of lease contracts of assets under management ix. Matters relating to selection of property managers for assets under management x. Matters relating to risk management related to the above respective items xi. Matters relating to government agencies with jurisdiction over the industry on matters related to the above respective items xii. Preparation and maintenance of internal rules and regulations related to the above respective items xiii. Other matters related to the above respective items
	Business relating to administration of the Investment Corporation	i. Matters relating to budgets, profit forecasts, monitoring performance and variance analysis of the Investment Corporation ii. Matters relating to formulation of financial strategies, administration and raising of funds for the Investment Corporation iii. Preparation and submission of the securities registration statements/prospectus and the documents concerning new issuances of the units of the Investment Corporation iv. Matters relating to preparation and administration of important documents of the Investment Corporation (including the general operations outsourcing service contract, the asset administration service contract, the investment units administration outsourcing contract, the asset management contract, the articles of incorporation of the Investment Corporation, plans for asset management, etc.) v. Liaison with the general operations administrator regarding organizational management of the Investment Corporation vi. Liaison with the Investment Corporation's external service providers including trust banks (excluding Item v. above and the investment units administration agent) vii. Matters relating to public announcement of the Investment Corporation viii. Matters relating to portfolio management for the Investment Corporation ix. Matters relating to engineering of the investment target assets and the assets under management x. Matters relating to analysis of data regarding the real estate market, industry, and economic and financial affairs

Organization		Outline of business	
		xi.	Matters relating to risk management related to the above respective items
		xii.	Matters relating to government agencies with jurisdiction over the industry on matters related to the above respective items
		xiii.	Preparation and maintenance of internal rules and regulations related to the above respective items
		xiv.	Other matters related to the above respective items
	Investment Division	i.	Matters relating to analysis and investigation of development of investment strategies
		ii.	Matters relating to analysis and investigation of the establishment and management of investment criteria
		iii.	Matters relating to the searching of investment target assets
		iv.	Matters relating to the management and allocation of information concerning investment target assets
		v.	Matters relating to analysis and investigation of appraisal and selection of investment target assets
		vi.	Matters relating to implementation of negotiation, arrangement and documentation, etc. (including structuring) in relation to the acquisition of investment target assets
		vii.	Matters relating to external negotiations at the time of disposition of assets under management
		viii.	Matters relating to the development and maintenance of information on real estate market and transaction activities (including confidential information)
		ix.	Matters relating to risk management related to the above respective items
		x.	Matters relating to government agencies with jurisdiction over the industry on matters related to the above respective items
		xi.	Preparation and maintenance of internal rules and regulations related to the above respective items
		xii.	Other matters related to the above respective items
Fund Operation Department			
	Business relating to business management	i.	Matters relating to accounting, account settlement and tax affairs of the Investment Corporation
		ii.	Management of the budget, revenue forecast, performance management and variance analysis of the Investment Corporation
		iii.	Administration of real estate investment, management, and operation of the Investment Corporation
		iv.	Liaison relating to accounting audit of the Investment Corporation
		v.	Matters relating to the formulation and management of Accounting Rules and accounting procedures
		vi.	Matters relating to the payment instructions of the Investment Corporation
		vii.	Matters relating to the preparation, arrangement and submission of the Investment Corporation's asset management reports, annual securities reports and other continuous disclosure documents
		viii.	Liaison with Japan Investment Trust Association("JITA") (monthly financial reports)
		ix.	Other matters relating to disclosure of information to relevant authorities and organizations
		x.	Matters relating to risk management related to the above respective items
		xi.	Matters relating to government agencies with jurisdiction over the industry on matters related to the above respective items
		xii.	Preparation and maintenance of internal rules and regulations related to the above respective items

Organization		Outline of business	
		xiii.	Other matters related to the above respective items
Capital Markets Department			
	Business relating to capital markets	i.	Establishment of financial policy of the Investment Corporation
		ii.	Planning and proposals concerning the method of financing for the Investment Corporation
		iii.	Liaison with financial institutions for the Investment Corporation
		iv.	Presentation of business results to credit rating agencies
		v.	Matters relating to risk management related to the above respective items
		vi.	Matters relating to government agencies related to the above respective items
		vii.	Preparation and maintenance of internal rules and regulations related to the above respective items
		viii.	Other matters related to above respective items
	Business relating to Investment Corporation's IR matters	i.	Matters relating to maintaining/strengthening the relationship with unitholders of the Investment Corporation
		ii.	Matters relating to responding to inquiries from the Investment Corporation's investors, including analysts
		iii.	Business support related to financial results reporting at financial results briefings and individual IR meetings of the Investment Corporation
		iv.	Matters relating to reports and press releases by the Investment Corporation as required by the disclosure rules of the Tokyo Stock Exchange, the U.S. Securities & Exchange Commission and other relevant bodies
		v.	Matters relating to disclosure of information on the Investment Corporation's website, etc.
		vi.	Liaison with the investment units administration agent
		vii.	Matters relating to document disclosure for unitholders
		viii.	Matters relating to the preparation and submission of the required documents to Japan Securities Depository Center, Inc. (hereinafter referred to as "JASDEC")
		ix.	Matters relating to risk management related to the above respective items
		x.	Matters relating to government agencies related to the above respective items
		xi.	Preparation and maintenance of internal rules and regulations related to the above respective items
		xii.	Other matters related to above respective items
Compliance Office			
	Business relating to compliance management	i.	Matters relating to verification and proposal of compliance with laws and regulations and other rules and internal rules, amendment thereof, and inspection of enforcement status of the new rules
		ii.	Matters relating to accumulation of information on establishment and amendment of laws and regulations and dissemination thereof to officers and employees
		iii.	Matters relating to control of insider trading, etc.
		iv.	Matters relating to management of personal information
		v.	Document review of material agreements
		vi.	Document review set forth in the Regulation Concerning Promotion and Document Review
		vii.	Matters relating to verification and proposal of compliance with corporate ethics and employee code of conduct, etc.
		viii.	Matters relating to compliance education for officers and employees
		ix.	Matters relating to Compliance Rules
		x.	Matters relating to Compliance Committee
		xi.	Matters relating to preparation and implementation of compliance programs

Organization		Outline of business
		xii. Matters relating to dealing with antisocial forces (including supervising of measures for eliminating relationships with antisocial forces and establishment of a centralized management system for preventing damages caused by antisocial forces) xiii. Matters relating to handling of complaints and disputes xiv. Response to and action on employee's inquiries and whistleblowing xv. Confirmation and investigation of the details of non-compliance cases and guidance on how to deal with them xvi. Review and proposal of internal rules systems xvii. Liaison with FSA, MLIT, and member investigation departments of JITA and for various notifications, etc. xviii. Matters relating to risk management related to the above respective items xix. Matters relating to government agencies with jurisdiction over the industry on matters related to the above respective items xx. Preparation and maintenance of internal rules and regulations related to the above respective items xxi. Other matters related to the above respective items
	Business relating to risk management	i. Matters relating to risk management of the Asset Manager ii. Matters relating to management of business partners iii. Matters relating to the verification of the appropriateness of evaluations and analyses of investment target assets iv. Matters relating to risk management related to the above respective items v. Matters relating to government agencies with jurisdiction over the industry on matters related to the above respective items vi. Preparation and maintenance of internal rules and regulations related to the above vii. Other matters related to the above respective items
Internal Audit Office		i. Matters relating to the implementation of audits of the status of organizational management and business execution, accounting procedures, and compliance with laws, regulations, and other rules at each division, department, office, and committee ii. Matters relating to the formulation of internal audit policies and plans, and the reporting of audit results iii. Matters relating to the audit of matters specifically prescribed iv. Matters relating to internal control under the FIEA (J-SOX) (including reporting to major shareholders) v. Liaison for business audit by major shareholders vi. Response to and action on employee's inquiries and whistleblowing vii. Matters relating to evaluation of the effectiveness of internal controls viii. Matters relating to risk management related to the above respective items ix. Matters relating to government agencies with jurisdiction over the industry on matters related to the above respective items x. Preparation and maintenance of internal rules and regulations related to the above respective items xi. Other matters related to the above respective items

(C) Outline of Committees

The Asset Manager has two committees: the Investment Committee and the Compliance Committee. However, no committee is established for each investment corporation, and each committee deliberates on matters relating not only to the Investment Corporation but also to the Japan Metropolitan Fund Investment Corporation. However, in order to ensure the independence of decision making, the following restrictions are placed on the participants in each committee. That is, in the Investment Committee, committee members with a special interest in the resolution are not allowed to participate in the vote. In the Compliance Committee, the chairperson can decide whether or not to allow interested officers and employees to participate in the committee.

An outline of each committee (the Investment Committee and the Compliance Committee) relating to the management system of the Investment Corporation is as described below.

a. Investment Committee

(Omitted)

Committee Members	The President shall be the Chairman of the Committee and full-time directors, executive officers in charge of the divisions overseeing the asset management business for the investment corporations, the head of Compliance Office, external real estate appraiser and other persons appointed by the Chairman shall serve as members. Provided, however, a member who has a special interest in the resolution may not participate in the vote. If the President is unable to attend a Committee meeting due to accident or other reason, one of the other members shall act as the Chairman of the Committee in such an order as prescribed by a resolution of the Committee in advance. If an executive officer is unable to attend a Committee meeting in person due to accident or other reason, that executive officer may appoint the head of division or office to which he/she belongs as his/her proxy and have the proxy attend the meeting. If the head of Compliance Office is unable to attend a Committee meeting in person due to accident or other reason, he/she may appoint a proxy and have the proxy attend the meeting. Statutory Auditors may attend Committee meetings and express their opinions. The Chairman may invite internal and external experts and professional advisors to Committee meetings as observers as necessary.
Deliberated Matters	v. Others (Omitted) (iii) Matters relating to the commencement and settlement of mediation or litigation (excluding minor matters) (Omitted)

b. Compliance Committee

(Omitted)

Committee Members	The Compliance Committee shall be chaired by the head of Compliance Office and comprises the President, head of Industrial Division, head of Metropolitan Business Division, external experts (hereinafter referred to as "external professionals" in this "b. Compliance Committee") and other persons nominated as committee members by the chairperson. The chairperson can decide whether or not to allow interested officers and employees to participate in the committee. If the head of Compliance Office is unable to attend a Committee meeting due to accident or other reasons or if his/her proxy attends the meeting, the President shall serve as the chairperson. If both of the head of the Compliance Office and the President are unable to attend a committee meeting due to accident or other reasons or if both of his/her proxy attend the meeting, another committee member will act as the chairperson in the order predetermined by a resolution of the Committee. Each committee member may nominate a delegate and send such delegate to a committee meeting when such committee member cannot participate in the Committee meeting due to an accident or for any other reason. The chairperson may invite internal and external experts and professionals to serve as observers as needed. The auditor and head of Internal Audit Office may also attend Committee meetings to express his/ her opinion.
Deliberated Matters	i. Matters concerning transactions between stakeholders and the Investment Corporation in the asset management business entrusted by the Investment Corporation (excluding minor transactions as defined in "III Decision-Making Mechanism for Investment Management" below) (Omitted) iii. Matters concerning the handling and settlement of lawsuits (including serious cases that may result in litigation) (excluding minor matters) (Omitted)

(Omitted)

*"(D) Deal Review Meeting" and "(E) Sustainability Committee" shall be deleted in their entirety.