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For immediate release

Real Estate Investment Trust Securities Issuer:
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Notice Concerning the Borrowing of Funds

ITOCHU Advance Logistics Investment Corporation (“IAL”) hereby announces that it decided today to conduct a borrowing of funds (the “Borrowings”), as follows.

1. Overview of the Borrowings

Category (Note 1)	Lender	Borrowing Amount (Millions of yen)	Interest Rate	Borrowing Date	Borrowing Method	Repayment Date	Repayment Method	Collateral
Short-term	Loan syndicate with Sumitomo Mitsui Banking Corporation as arranger	433	Base interest rate + 0.150% (Note 2)	April 1, 2021	Loan agreement executed on March 30, 2021 with lenders shown at left	March 31, 2022	Bullet repayment	Unsecured and non- guaranteed
	Subtotal	433	-	-	-	-	-	-
Long-term	Sumitomo Mitsui Banking Corporation	730	Base interest rate + 0.150% (Note 2)	November 20, 2020	Loan agreement executed on November 18, 2020 with lenders shown at left	November 22, 2021	Bullet repayment	Unsecured and non- guaranteed
	Loan syndicate with Sumitomo Mitsui Banking Corporation as arranger	4,183	Base interest rate + 0.215% (Note 3) (Note 4)	April 1, 2021	Loan agreement executed on March 30, 2021 with lenders shown at left	September 30, 2025		
		5,000	Base interest rate + 0.315% (Note 3) (Note 4)	April 1, 2021		September 30, 2027		
		2,570	Base interest rate + 0.390% (Note 3) (Note 4)	April 1, 2021		March 30, 2029		
	Subtotal	12,483	-	-	-	-	-	-
Total		12,916	-	-	-	-	-	-

(Note 1) “Short-term” refers to a borrowing period of no more than one year from the borrowing date to the repayment date, and “long-term” refers to a borrowing period of more than one year from the borrowing date to the repayment date. The same applies hereinafter.

(Note 2) The base interest rate is the one-month Japanese yen TIBOR (calculated on a 365-day basis) announced by the TIBOR Administration of the Japan Bankers Association (JBA). The Japanese yen TIBOR can be checked on the TIBOR Administration’s website (<http://www.jbatibor.or.jp/english/>).

Note: This press release is intended to disclose to the public the borrowing of funds by IAL, and is not an offer to sell or a solicitation of any offer to buy the securities of IAL in the United States or elsewhere. Any investment decision should be made based upon your own judgement.
This press release does not constitute an offer of securities in the United States of America. The investment units have not been, and will not be, registered under the United States Securities Act of 1933 (the “Securities Act”). The investment units may not be offered or sold in the United States absent registration or an exemption from registration under the Securities Act. The investment units referred to above will not be offered, publicly or otherwise, in the United States.



(Note 3) The base interest rate is the one-month Japanese yen TIBOR (calculated on a 365-day basis) or three-month Japanese yen TIBOR (calculated on a 365-day basis) announced by the TIBOR Administration of the Japan Bankers Association (JBA). The Japanese yen TIBOR can be checked on the TIBOR Administration's website (<http://www.jbatibor.or.jp/english/>).

(Note 4) An interest rate swap agreement (the "Interest Rate Swap Agreement") is scheduled to be concluded in order to fix the interest rate. The details of the Interest Rate Swap Agreement will be separately announced once it is determined.

(Note 5) For the borrowings above, loan agreements have not been concluded as of today. Therefore, it is not guaranteed the borrowings will be made, and the amount of borrowings, etc. may also change.

2. Reason for Borrowings

The Borrowings will be used to finance the acquisition of assets to be acquired, as stated in the press release published today entitled "Notice Concerning the Acquisition and Leasing of Domestic Real Estate Trust Beneficiary Interests," as well as expenses incidental thereto.

3. Amount, Purpose, and Expenditure Date of Funds to Be Procured

(1) Amount to be procured

¥12,916 million in total

The amount to be procured on November 20, 2020: ¥730 million

The amount to be procured on April 1, 2021: ¥12,186 million

(2) Specific use of proceeds and expenditure date

(i) Funds to be procured on November 20, 2020

On November 20, 2020, to finance the acquisition cost of the above-mentioned assets for acquisition (i.e., i Missions Park Kashiwa 2 (30% quasi-co-ownership interest) and i Missions Park Inzai 2), as well as expenses incidental thereto

(ii) Funds to be procured on April 1, 2021

On April 1, 2021, to finance the acquisition cost of the above-mentioned assets for acquisition (i.e., i Missions Park Tokyo-Adachi and i Missions Park Miyoshi), as well as expenses incidental thereto

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4. Outstanding Loan Balance after the Borrowings

(Millions of yen)

	Before the Borrowings	After the Borrowings (As of April 1, 2021)	Increase/Decrease
Short-term debt	-	433	433
Long-term debt	33,140	45,623 (Note)	12,483 (Note)
Total amount of debt	33,140	46,056	12,916
Investment corporation bonds	1,500	1,500	-
Total amount of debt and investment corporation bonds	34,640	47,556	12,916
Other interest-bearing debt	-	-	-
Total interest-bearing debt	34,640	47,556	12,916

(Note) After the execution of this loan (as of April 1, 2021), part of the long-term loans payable will be long-term loans payable within one year.

5. Impact of the Borrowings on Financial Indicators

	Not considering the Borrowings (Note 1)	Considering the Borrowings (Note 2)	Increase/Decrease
Average remaining term of loans (Note 3)	4.4 years	4.7 years	0.3 years
Ratio of loans with fixed interest rate (Note 4)	100%	97.6 %	(2.4 point)

(Note 1) The figures are estimated on the assumption that all the Borrowings are not executed as of April 1, 2021 in order to show the impact of the Borrowings solely.

(Note 2) The figures are estimated on the assumption that all the Borrowings are executed as of April 1, 2021 in order to show the impact of the Borrowings solely and calculated on the assumption that the Interest Rate Swap Agreement will be concluded in order to fix the interest rate by the time.

(Note 3) The figures are calculated as weighted average of the remaining terms of the interest-bearing debt based on the amount of debt. All figures have been rounded to one decimal place.

(Note 4) The figures are calculated by the following formula: (Amount of outstanding interest-bearing debt with fixed interest rate) ÷ (Total amount of outstanding interest-bearing debts) × 100. All figures have been rounded to one decimal place.

6. Other Matters

With respect to the risks associated with the Borrowings, there are no material revisions to the matters set forth in “Part II (Reference Information), II. (Supplementary Information for Reference Documents), 3. (Investment Risks)” of the Securities Registration Statement filed on November 9, 2020 (available in Japanese only).

End

The original Japanese version of this announcement is being distributed to the Kabuto Club, the Ministry of Land, Infrastructure, Transport and Tourism Press Club, and the Ministry of Land, Infrastructure, and Transport and Tourism Construction Specialty Publication Press Club.

IAL's corporate website: <https://www.ial-reit.com/en/>

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