



August 1, 2018

For immediate release

Real Estate Investment Trust Securities Issuer:  
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(Securities Code: 3493)

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### Notice Concerning Issuance of New Investment Units and Secondary Offering

ITOCHU Advance Logistics Investment Corporation (“IAL”) announced today that a resolution was passed at its Board of Directors meeting held today, August 1, 2018, to newly issue investment units and to conduct a secondary offering of additional investment units upon the listing of the investment units of IAL (“IAL Investment Units”) on the Tokyo Stock Exchange, Inc. (“TSE”). Details are as follows.

#### 1. Issuance of new investment units through public offering (primary offering)

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| (1) Number of investment units to be offered | 356,143 units  |
| (2) Issue price per unit                     | To be determined<br>The issue price per unit shall be determined at the Board of Directors meeting to be held on Thursday, August 30, 2018 (“Offering Price Determination Date”).  |
| (3) Total issue amount                       | To be determined   |
| (4) Offering price per unit                  | To be determined<br>The offering price per unit will be determined on the Offering Price Determination Date based on the book-building method as defined in Article 1210 of the Enforcement Rules for Securities Listing Regulations set forth by the TSE. This method is used to determine the offering price and related matters in consideration of demand from investors after presenting the indicative price range of the offering price per unit when inviting investors to acquire IAL Investment Units. |
| (5) Total offering amount                    | To be determined   |
| (6) Offering method                          | New investment units are to be offered through the primary offering, underwritten by the following five (5) underwriters (collectively, the “Underwriters”), the three (3) of which are also joint lead managers (collectively, the “Lead Managers”).  |

Underwriters and Lead Managers:  
SMBC Nikko Securities Inc.  
Mitsubishi UFJ Morgan Stanley Securities Co., Ltd.  
Daiwa Securities Co., Ltd.

Underwriters:  
Mizuho Securities Co., Ltd.  
Nomura Securities Co., Ltd.

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| (7) Underwriting agreement | The Underwriters shall pay to IAL the total issue amount for this offering on the date stated in (11) below, and the difference between the total issue amount and the total offering amount shall be the proceeds received by the Underwriters. IAL will not pay |
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**Disclaimer:** This press release is a document for making a public announcement concerning IAL’s issuance of new investment units and secondary offering, and has not been prepared for the purpose of solicitation for investment. Investors are asked to ensure that they read the prospectus for the issuance of new investment units and secondary distribution of investment units, as well as the amendments thereto, prepared by IAL before they invest and that they make decisions on investment at their own discretion.



- an underwriting commission to the Underwriters.
- (8) Book-building period Thursday, August 23, 2018 to Wednesday, August 29, 2018
- (9) Offering unit One (1) unit or more in multiples of one (1) unit
- (10) Offering period Friday, August 31, 2018 to Wednesday, September 5, 2018
- (11) Payment date Thursday, September 6, 2018
- (12) Delivery and settlement date Friday, September 7, 2018
- (13) The issue amount, offering price, and other matters necessary for the issuance of new investment units will be determined at the Board of Director's meeting to be held hereafter. However, the determination of the indicative price range of the offering price per unit will be left to the discretion of IAL's executive director.
- (14) The aforementioned items are subject to the effectiveness of the filing of Securities Registration Statement in accordance with the Financial Instruments and Exchange Act.
2. Secondary offering of investment units through over-allotment (More details provided below under Reference, "2. Secondary offering by over-allotment and other matters")
- (1) Number of units to be offered 15,857 units
- The number of investment units to be offered above is the maximum number that may be offered in the secondary offering through over-allotment, which SMBC Nikko Securities Inc., the lead administrative manager of the primary offering, may carry out separately from the primary offering after taking into consideration market demand and other factors from the primary offering. The number may be reduced or the offering through over-allotment itself may be cancelled depending on market demand and other factors concerning the primary offering. After taking these factors into account, the Board of Directors will decide on the number of investment units to be offered at its meeting held on the Offering Price Determination Date.
- (2) Seller SMBC Nikko Securities Inc.
- (3) Offering price To be determined
- The offering price per unit will be determined at the Board of Directors' meeting held on the Offering Price Determination Date, and will be the same as the offering price per unit for the primary offering.
- (4) Total offering amount To be determined
- (5) Offering method Separate from the primary offering, SMBC Nikko Securities Inc., the lead administrative manager, will carry out the secondary offering of the IAL Investment Units borrowed from ITOCHU Corporation, the maximum number of which shall be 15,857, after taking into account of market demand conditions and other factors concerning the primary offering. The borrowing of these units, however, is subject to the condition that 16,857 units of the total amount of IAL Investment Units in the primary offering are sold to ITOCHU Corporation (details are provided below under Reference "5. Designated Purchaser of New Investment Units").
- (6) Offering unit One (1) unit or more in multiples of one (1) unit
- (7) Offering period Friday, August 31, 2018 to Wednesday, September 5, 2018
- (8) Delivery and settlement date Friday, September 7, 2018
- (9) The offering price and other matters necessary for the secondary offering of investment units will be determined at the Board of Directors' meeting to be held hereafter.
- (10) The aforementioned items are subject to the effectiveness of the filing of Securities Registration Statement in accordance with the Financial Instruments and Exchange Act.

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3. Issuance of new investment units through a third-party allotment (More details provided below under Reference, “2. Secondary offering by over-allotment and other matters”)

(1) Total number of units to be offered

15,857 units

(2) Issue price per unit

To be determined

The issue price per unit will be determined at the Board of Directors’ meeting held on the Offering Price Determination Date, and will be the same as the issue price per unit in the primary offering.

(3) Total issue amount

To be determined

(4) Allottee and allotted investment units

SMBC Nikko Securities Inc., 15,857 units

(5) Offering unit

One (1) unit or more in multiples of one (1) unit

(6) Final date of offering

Wednesday, October 10, 2018

(7) Payment date

Thursday, October 11, 2018

(8) If no applications for the investment units are received by the final date of offering noted in (6) above, the issuance of such investment units shall be cancelled.

(9) The issue price and other matters necessary for the issuance of investment units through the third-party allotment will be decided at the Board of Directors’ meeting to be held hereafter.

Reference

1. IAL Investment Units are scheduled to be listed on the TSE on Friday, September 7, 2018.

2. Secondary offering by over-allotment and other matters

Separate from the primary offering, SMBC Nikko Securities Inc., the lead administrative manager, has the option of carrying out the secondary offering of the IAL Investment Units borrowed from ITOCHU Corporation, the maximum number of which shall be 15,857, after taking into account of market demand conditions and other factors concerning the primary offering. The borrowing of these units, however, is subject to the condition that 16,857 units of the total amount of IAL Investment Units in the primary offering are sold to ITOCHU Corporation. The number of investment units to be offered in the secondary offering through over-allotment has been capped at 15,857; however, this number may be reduced or the offering through over-allotment itself may be cancelled depending on market demand and other related factors.

To allow SMBC Nikko Securities Inc. to acquire the investment units necessary to repay the units borrowed from ITOCHU Corporation in connection with the secondary offering through over-allotment, IAL’s Board of Directors resolved in a meeting held today, Wednesday, August 1, 2018, to designate SMBC Nikko Securities Inc. as the allottee of 15,857 of IAL Investment Units issuable through third-party allotment (“Third-Party Allotment”), and set Thursday, October 11, 2018, as the payment date.

In addition, SMBC Nikko Securities Inc. may, during the period from the date of the listing (commencement of trading) until Friday, October 5, 2018 (“syndicate cover transaction period”), purchase up to the maximum number of IAL Investment Units offered on the TSE in the secondary offering through over-allotment (“syndicate cover transaction”) for the purpose of repaying the borrowed investment units. All IAL Investment Units purchased by SMBC Nikko Securities Inc. through the syndicate cover transactions will be allocated to repay the borrowed investment units. During the syndicate cover transaction period, SMBC Nikko Securities Inc. may, at its discretion, choose not to make any syndicate cover transactions or to terminate such transactions prior to reaching the maximum number of units issuable in the secondary offering through over-allotment.

SMBC Nikko Securities Inc. plans to apply for Third-Party Allotment to cover any shortfall in the number of investment units procured through the above syndicate cover transactions against those investment units in the secondary offering through over-allotment.

Therefore, there may be no applications for all or part of the investment units issued by Third-Party Allotment, and as a result, the final maximum number of investment units by third-party allotment may decrease due to the forfeiture

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of subscription rights, or the issue may be cancelled altogether.

Decisions on whether or not to execute the secondary offering through over-allotment and the final number of units to be offered will be made on the Offering Price Determination Date. If secondary offering through over-allotment is not exercised, SMBC Nikko Securities Inc. will not borrow IAL Investment Units from ITOCHU Corporation. Accordingly, SMBC Nikko Securities Inc. would not respond to or apply for Third-Party Allotment, subscription rights will be forfeited, and the issuance of new units by third-party allotment will not take place at all. Similarly, syndicate cover transactions on the TSE would not be exercised.

SMBC Nikko Securities Inc. will consult with Mitsubishi UFJ Morgan Stanley Securities Co., Ltd., and Daiwa Securities Co., Ltd., before executing any syndicate cover transactions above.

### 3. Total number of investment units issued and outstanding

Number of investment units outstanding at present	1,000 units	
New investment units issued through the primary offering	356,143 units	
Total number of investment units outstanding after primary offering	357,143 units	
Maximum number of investment units issued through Third-Party Allotment	15,857 units	(Note)
Total number of investment units outstanding after Third-Party Allotment	373,000 units	(Note)

(Note) These figures represent the number of investment units when application is made by SMBC Nikko Securities Inc. for the entire investment units offered in the Third-Party Allotment and they are issued.

### 4. Total amount to be procured, use of proceeds, and scheduled outlay period

#### (1) Total amount to be procured (approximate net proceeds)

¥37,200,000,000 (maximum)

(Note) The above figure represents the sum of ¥35,614,300,000 in net proceeds from the primary offering and up to ¥1,585,700,000 in net proceeds from the issuance of new investment units through Third-Party Allotment. The above-mentioned amounts are estimated as of today, August 1, 2018.

#### (2) Specific use of proceeds and scheduled outlay period

The net proceeds from the primary offering will be used as a portion of the total amount of funds required for purchasing new specified assets (as defined in Article 2, paragraph (1) of the Act on Investment Trusts and Investment Corporations, hereinafter the same applies) that IAL has been planning to acquire (collectively, “assets planned for acquisition”). In addition, IAL will use all of the net proceeds from the Third-Party Allotment to be settled on the same date of the primary offering for either the repayment of loans made for the purpose of purchasing the assets planned for acquisition, or for a portion of the total funds designated for purchasing new specified assets in the future.

(Note) Funds to be procured will be deposited in a financial institution until they are used.

### 5. Designated purchaser of the investment units

The Underwriters plan on selling 16,857 investment units in the primary offering to ITOCHU Corporation, which has been specified as the designated purchaser by IAL.

### 6. Forecast of operating results

Please refer to the news release titled “Notice Concerning the Forecast of Operating Results for the Fiscal Period Ending January 2019 and the Fiscal Period Ending July 2019” also released today.

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7. Status of equity finance executed previously

Date	Amount of issuance (thousands of yen)	Total equity after issuance (thousands of yen)	Remarks
May 1, 2018	100,000	100,000	Private placement for incorporation

(Note) IAL was established on May 1, 2018. ITOCHU Corporation was a subscriber of investment units at the incorporation.

8. Restrictions on sale and additional issuance

- (1) In relation to the primary offering, the Lead Managers plan to request ITOCHU Corporation to promise not, without prior written consent of the Lead Managers, to sell its IAL Investment Units over a period from the Offering Price Determination Date to the date after which 180 days have passed since the delivery and settlement date of the primary offering.

Assuming the above agreement is reached, the Lead Managers will reserve the right to either shorten this period or remove this condition in whole or in part at their discretion.

- (2) In relation to the primary offering, IAL will reach an agreement with the Lead Managers to refrain from issuing additional investment units (excluding the issuance of investment units through the Third-Party Allotment or an investment unit split) over a period from the Offering Price Determination Date to the date after which 90 days have passed since the delivery and settlement date of the primary offering without the prior written consent of the Lead Managers.

Assuming the above agreement is reached, the Lead Managers will reserve the right to either shorten this period or remove this condition in whole or in part at their discretion.

- (3) In addition to the restrictions stated in (1) above, ITOCHU Corporation has promised IAL that upon the listing of IAL Investment Units on the TSE and in accordance with the rules and regulations of the TSE, it will continually hold IAL Investment Units owned as of today, August 1, 2018, for a period of at least one (1) year commencing from May 1, 2018.

This document is released to media organizations through the Kabuto Club (the press club of the Tokyo Stock Exchange), the Ministry of Land, Infrastructure and Transport Press Club, and the Press Club for the Ministry of Land, Infrastructure and Transport Construction Paper.

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