Canadian Solar Infrastructure Fund, Inc.
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Yoho National Park, Canada

Asset Management Report for the 5th FP

From July 1, 2019 to December 31, 2019

Contents

To Our Investors

On behalf of the Canadian Solar Infrastructure Fund, Inc. (hereinafter referred to as "CSIF"), I would like to express sincere appreciation to all unitholders for their continued patronage and support.

In the previous fiscal year, CSIF acquired one property with cash on hand on March 1, 2019 and one property with using loan and cash on hand on March 29, in total two properties (total panel output 3.3 MW, total acquisition price 1.32 billion yen). As a result of the acquisition of photovoltaic power generation facilities, as of the end of the previous fiscal period, we have had a portfolio of 20 properties (total panel output 108.9MW, total evaluation price ¥ 50 billion) and been the largest listed infrastructure fund.
In the 5th fiscal period, operating revenue was 2,088 million yen, operating income was 696 million yen, and ordinary income was 534 million yen. During the fiscal period under review, we acquired an additional property (panel output of 10.8MW, acquisition price of 4.569 billion yen) on November 29, 2019, using loan and cash on hand. As a result, as of the end of the fiscal period under review, the total panel output was 119.8 MW and the total evaluation price was 51.4 billion yen, CSIF was continuously the largest listed infrastructure fund. In the fiscal period actual power generation fell short of the forecast at the beginning of the fiscal period and this resulted in lower sales and profits. In addition, financial expenses associated with the acquisition of asset in November 2019 had an additional effect on ordinary income. However, regarding the distribution per unit, there is no change from the revised forecast as of November 26, 2019 as 3,650 yen by utilizing distributions in excess of earnings and the breakdown is profit distribution of 2,310 yen and distribution in excess of earnings of 1,340 yen.

Expected distribution per unit for the 6th period (January 1, 2020 to June 30, 2020), the 7th period (July 1, 2020 to December 31, 2020) and the 8th period (January 1, 2021 to June 30, 2021) are 3,700 yen, 3,700 yen and 3,700 yen respectively.

CSIF is determined to maximize unitholder value by making efforts to achieve efficient investment, taking advantage of the vertical integration model of the Canadian Solar Group and external growth through the acquisition of facilities mainly from the sponsor pipeline to provide stable distribution.

In pursuit of these initiatives, we expect the continued understanding and support of all unitholders.

Executive Director
Canadian Solar Infrastructure Fund, Inc.

CEO and Representative Director
Canadian Solar Asset Management K.K.

Tetsuya Nakamura

DPU for the 5th FP

JPY 3,650

Forecasted DPU for the 6th FP	Forecasted DPU for the 7th FP	Forecasted DPU for the 8th FP
JPY 3,700	JPY 3,700	JPY 3,700

➢ Canadian Solar Group

History and Accomplishment of the Group

2001	Founded in Ontario, Canada, as a solar panel manufacturer
2006	Listed on NASDAQ (CSIQ) 13,000 employees globally as of today
2009	Entered into the Japan market for sales of PV modules (by Canadian Solar Japan K.K.)
2013	Started development business of solar power plant in Japan (by Canadian Solar Project K.K.)
2016	Established Canadian Solar Asset Management K.K., the asset management of the fund, as 100% subsidiary of Canadian Solar Project K.K.
2017	Listed Canadian Solar Infrastructure Fund, Inc. on Tokyo Stock Exchange.

Accumulated shipment of PV module
38GW+

Developed projects
5.5GW+
in total globally

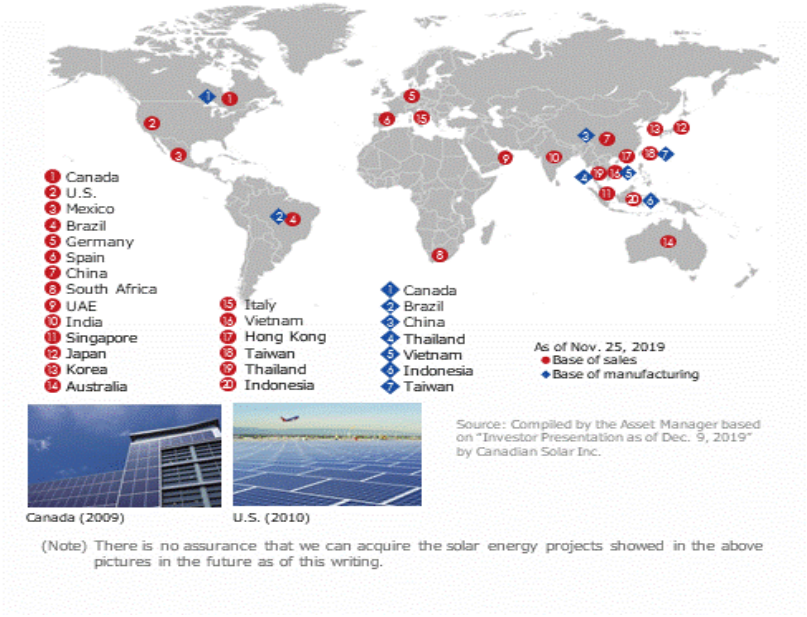
Systems sold in 2018
750MW

Installed to
120,000
houses in Japan in total

Operating
871MW
solar power plants globally

Total
13.4GW
projects under construction or development

Canadian Solar Group's Global Operations



(Note) There is no assurance that we can acquire the solar energy projects showed in the above pictures in the future as of this writing.

➢ Unique Aspects of the Fund

Advantageous Operation Based on the Vertically-Integrated Model of the Group

Prominent knowledge acquired by the Group as the total solution provider of solar power generation is fully utilized for the operation of CSIF. The uniqueness of the vertically integrated model of the group is shown as below.

The image of the value chain of renewable energy business at Canadian Solar Group

Stable Bank Formation

CSIF has successfully achieved to obtain debt financing from Shinsei Bank, Ltd. (as the main bank), 3 mega banks and other financial institutions. This is because the credibility and operational stability of CSIF are healthy enough for them to provide with the debt finances and we believe additional finance for future acquisitions of new assets can be obtained in stable manner.

Global Offering

CSIF issues about the half of new units in the overseas market through the public offering process. By having foreign unitholders, Canadian Solar Asset Management K.K., the asset manager of CSIF, operates the fund in a way such foreign investors can support.in line with the global standard of infrastructure fund management. Also, the base of the candidate investors can be broaden so that the liquidity of the units is heighten and future public offerings are conducted stably.

➢ Financial Highlights

Distribution Per Unit for the 5th FP
JPY 3,650

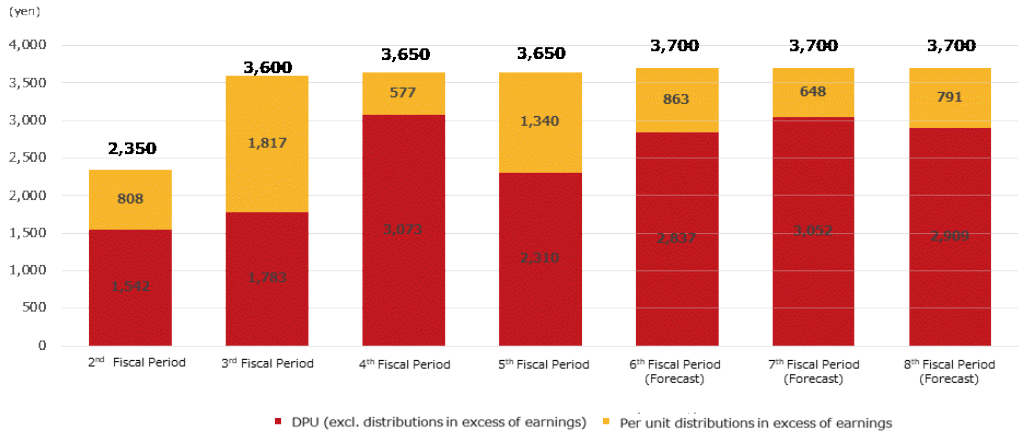
Operational Revenue for the 5th FP
JPY 2,088mln

Operating Income for the 5th FP
JPY 696mln

Net Income for the 5th FP
JPY 534mln

Forecasted DPU for the 6th FP	Forecasted DPU for the 7th FP	Forecasted DPU for the 8th FP
JPY 3,700	JPY 3,700	JPY 3,700

Historical Distribution and Forecast



➢ Management Interview

Aim to broaden the renewable energy business in order to achieve the sustainable development of the economy

Executive Director
Canadian Solar Infrastructure Fund, Inc.

CEO and Representative Director
Canadian Solar Asset Management K.K.

Tetsuya Nakamura

Q1: It seems that there has been a decline in the pace of acquisition of power plants in 2019 compared to 2017/2018. How do you see the outlook in the future?

In 2019, we acquired 2 properties in the 4th period and 1 property in the 5th period from the sponsor pipeline by cash on hand and loans from financial institutions and achieved portfolio growth. On the other hand, the total acquisition amount was about 6 billion yen, which was a smaller amount compared to 2017 and 2018 as a single year. However, the main reason for the decrease is just the timing of the completion of individual sponsor-developed properties, and it does not mean that the scale of development is shrinking. As of the end of December 2019, the total number of assets in operation, construction and development is 30 properties with the total panel output of 361.2 MW, which has increased from the end of the previous fiscal period, and most of the assets have a FIT price of 32 yen or more. In addition, even though the FIT price has fallen, the sponsor continues to develop with a vigorous motivation, such as continuing to participate in the bidding process.

As the main driver of the growth is acquisition of solar power generation facilities developed by Canadian Solar Group, which conducts solar power generation business from upstream of module (solar panel) manufacturing to downstream of solar power generation facility development and operation, the growth of CSIF's portfolio will be affected by the status of development at the sponsors. However, in this way, the pipeline is enhanced further and the development stage is in progress. CSIF's medium-term goal is to aim for an asset size of 100 billion yen within two years. From the 6th fiscal period onward, we will continue to focus on acquiring properties from the sponsor pipeline as the main source.

Q2: What is the update and the outlook for the output curtailment in Kyushu?

In the 5th fiscal period, the ratio of assumed lost variable rent income due to output curtailment by Kyushu EPCO to the expected rent income was 0.17%. It was 0.21% for the same period last year (3rd period: from July 1, 2018 to December 31,2018) (for reference: 1.54% (4th period)) due to high electricity demand in the summer season and regulatory inspection conducted to their nuclear power plants and there was no output curtailment for the period from May 13, 2019 to October 12, and the impact on the result of CSIF was taken as limited. In the 6th fiscal period, construction of anti-terrorism facilities is scheduled to be carried out at the two nuclear power plants in Kyushu EPCO's area, and it is expected that the operation of nuclear power plants will decline and the output curtailment operation by Kyushu EPCO will be limited.

To prepare for future situation, CSIF plans to proceed building works for the online curtailment control by Kyushu EPCO at CS Mashiki-machi Power Plant, which has the largest panel output in CSIF's portfolio and accounts for more than 70% of the nine solar power plants owned by CSIF in the Kyushu area. With this building work, it is possible to shift from full-day control to hourly control centered around peak hours while maintaining the upper limit of 30 days at the power plant to which the 30-day rule is applied. This building works is scheduled in the 6th fiscal period.

Q3: There seemed to be various discussions regarding changes in the regulatory system related to the revised FIT Law such as the basic charges on the power generation side. What kind of stance is CSIF taking on these discussions?

The institutional changes that may have impacts on the Investment Corporation in the future are mainly 1) basic charges on the power generation side and 2) accumulation of funds for removal costs, and discussions were held by the governing ministries, related committees and working groups. For an overview of these two systems and the status of discussions, please refer to "Recent System Trends" on page 19 of the corporate presentation for the 5th fiscal period on the website of CSIF. Canadian Solar Asset Management K.K., the asset management company of CSIF, has promptly grasped the progress of these discussions, while cooperating with other solar power generation companies and renewable energy funds, and petitioning to industry groups, authorities, various committees and working group members, etc. to protect the interests of CSIF. In addition, on the premise that a positive change in the system related to renewable energy will have a positive impact on the environment surrounding infrastructure investment corporations including CSIF in the future, and eventually lead to profits for unitholders, CSIF would like to contribute to these discussions.

CSIF will continue to maintain and improve the unitholders' value by keeping track of the trends in various related systems and by actively participating in discussions as much as possible.

Q4: CSIF issued the first investment corporation bond by a listed infrastructure fund in this fiscal period. What is the positioning of investment corporation bonds and what is the outlook for future issuance?

Investment corporation bonds have been firmly established as a means of raising funds in J-REIT for many years, and there has been many deals of issuance and firm demands. On the other hand, for infrastructure investment corporations, there has been investigation on how much demand there are because it is a new investment product for institutional investors, but in the latter half of 2019, it was found that there were certain demands. This time, in the environment of low interest rates, CSIF decided the issuance of the investment corporation bonds because there would be many merits to refinance the existing floating-interest-rate debt by the issuance of infrastructure investment corporation bonds with fixed interest rate and a term exceeding the remaining term of the debt. CSIF, which holds the largest portfolio among the listed infrastructure investment corporations, has realized unprecedented means to raise funds and shown the possibility of new method of fund raising, which will further stimulate demand in the entire market.

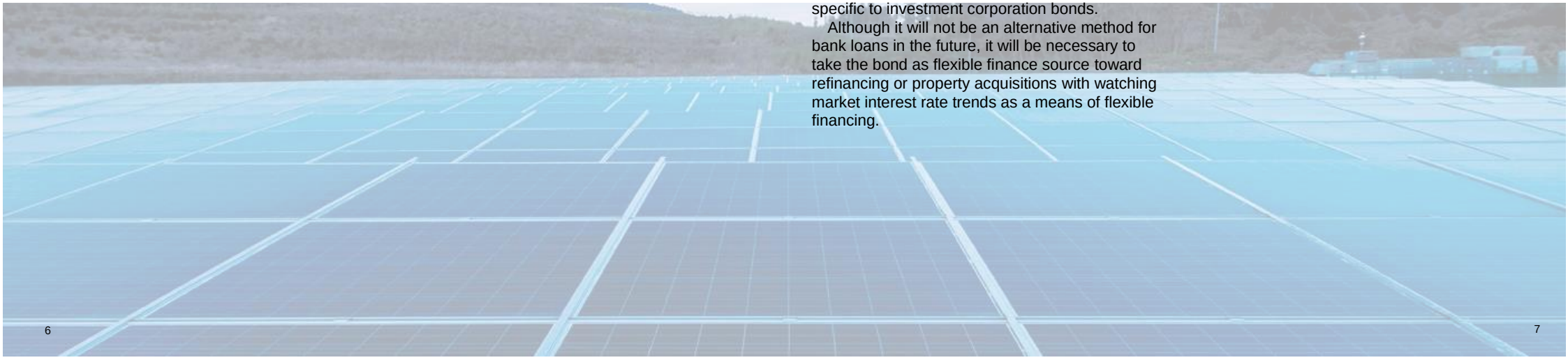
Investment corporation bonds have the same aspect as bank loan that they are both debts, but investment corporation bonds can also be transferred among investors, and in general, they are bullet redemptions at maturity without partial repayment. Since the bond has different characters from that of bank loans, it is positioned as a means of financing that CSIF can access to the different investor universe who are specific to investment corporation bonds.

Although it will not be an alternative method for bank loans in the future, it will be necessary to take the bond as flexible finance source toward refinancing or property acquisitions with watching market interest rate trends as a means of flexible financing.

Q5: It seems that trading of solar power plant is active in the secondary market. What is outlook on acquiring properties from the secondary market?

Since there are no statistics that comprehensively supplement purchase and sale in the secondary market, it is just an impression by Canadian Solar Asset Management K.K., the asset management company of CSIF, through sourcing activities in the secondary market, that inquiries for candidate power plants are becoming more active. The sellers are also diversifying, such as the corporation owning the solar power plant and the SPC owning by the project finance method, which are to sell its equity interest. In addition, the attributes of those who want to purchase solar power plants are not limited to domestic and overseas players for investment purposes, but to companies that are active in using renewable energy and renewable energy companies including solar power generator also participate in the transaction. Some rise in transaction prices are observed.

While CSIF has long been focused on the acquisition of properties from the sponsor pipeline, it has been talking about acquisition properties from various channels in the secondary market and has continued to see many potential deals. Since the final acquisition decision is definitively based on if there will be contributions to the unitholders' value increase. Therefore, though the difficulty of acquisition in the secondary market has increased in recent circumstances, CSIF will continue to study diligently to meet the expectations of unitholders.



Portfolio

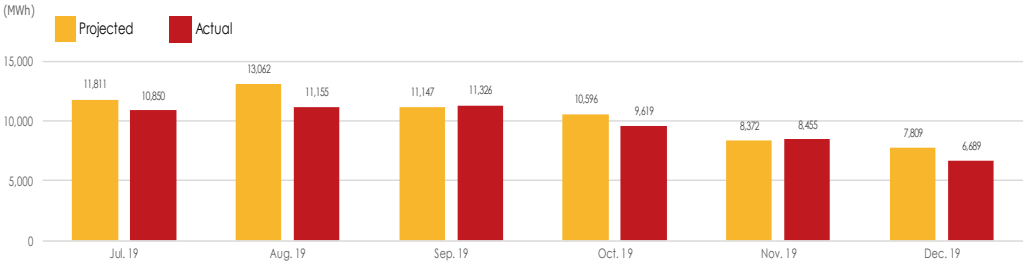
Portfolio Highlight

# of Projects	Total Acquisition Price	Panel Output of AUM
21 PV Facilities	JPY 48.85bln	119.8 MW

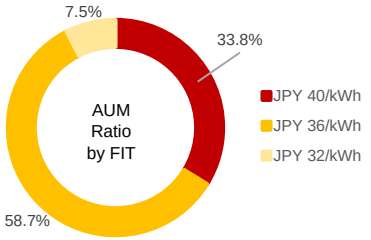
(Note) "Total Acquisition Price" is total of the purchase prices based on the sales and purchase agreement for each project.

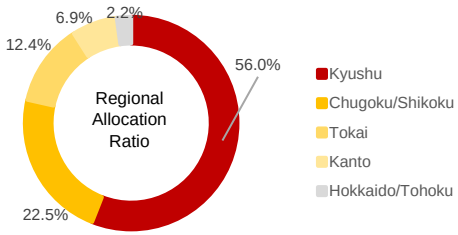
Total Energy Output for the Period

5th FP Actual Energy Output / 5th FP Projected Energy Output = 92.51%

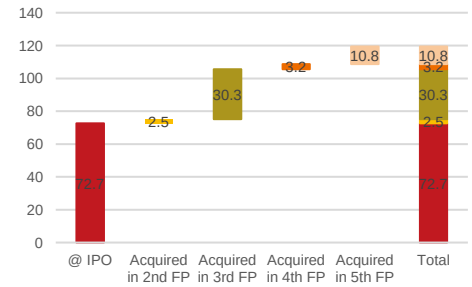


FIT Price Range and Regional Allocation

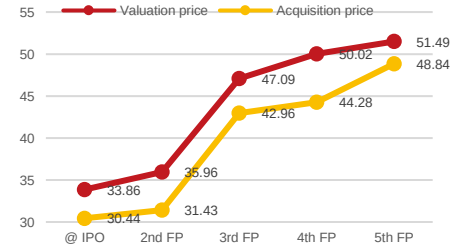




Historical Total Solar Panel Output



Historical Total Acquisition Price/Valuation



List of Power Plant Assets

No.	Project name	Location	Acquisition price (yen millions)	Price (yen millions)	Investment ratio (%)	Panel output (kW)
S-01	CS Shibushi-shi PP	Shibushi-shi, Kagoshima	540	563	1.09	1,224.00
S-02	CS Isa-shi PP	Isa-shi, Kagoshima	372	368	0.72	931.77
S-03	CS Kasama-shi PP	Kasama-shi, Ibaraki	907	1,044	2.03	2,127.84
S-04	CS Isa-shi Dai-ni PP	Isa-shi, Kagoshima	778	766	1.49	2,013.99
S-05	CS Yusui-cho PP	Aira-gun, Kagoshima	670	660	1.28	1,749.30
S-06	CS Isa-shi Dai-san PP	Isa-shi, Kagoshima	949	943	1.83	2,225.08
S-07	CS Kasama-shi Dai-ni PP	Kasama-shi, Ibaraki	850	889	1.73	2,103.75
S-08	CS Hiji-machi PP	Hayami-gun, Oita	1,029	1,012	1.97	2,574.99
S-09	CS Ashikita-machi PP	Ashikita-gun, Kumamoto	989	991	1.93	2,347.80
S-10	CS Minamishimabara-shi PP (East & West)	Shimabara-shi, Nagasaki	1,733	1,800	3.50	3,928.86
S-11	CS Minano-machi PP	Chichibu-gun, Saitama	1,018	1,137	2.21	2,448.60
S-12	CS Kannami-cho PP	Tagata-gun, Shizuoka	514	571	1.11	1,336.32
S-13	CS Mashiki-machi PP	Kamimashiki-gun, Kumamoto	20,084	21,732	42.20	47,692.62
S-14	CS Koriyama-shi PP	Koriyama-shi, Fukushima	246	262	0.51	636.00
S-15	CS Tsuyama-shi PP	Tsuyama-shi, Okayama	746	796	1.55	1,963.00
S-16	CS Ena-shi PP	Ena-shi, Gifu	757	834	1.62	2,124.20
S-17	CS Daisen-cho PP (A)(B)	Saihaku-gun, Tottori	10,447	10,809	20.99	27,302.40
S-18	CS Takayama-shi PP	Takayama-shi, Gifu	326	342	0.66	962.28
S-19	CS Misato-machi PP	Kodama-gun, Saitama	470	478	0.93	1,082.00
S-20	CS Marumori-machi PP	Igu-gun, Miyagi	850	848	1.65	2,194.50
S-21	CS Izu-shi PP	Izu-shi, Shizuoka	4,569	4,647	9.02	10,776.80
Total			48,844	51,498	100.00	119,746.10

➢ Portfolio Overview

*as of the end of the 5th FP

S-21 / CS Izu-shi PP *NEW*

Panel Output / 10,776.80kW
FIT Price / JPY36/kWh
End of FIT Period / November 29, 2038

S-01 / CS Shibushi-shi PP

Panel Output / 1,224.00kW
FIT Price / JPY 40/kWh
End of FIT Period / September 16, 2034

S-02 / CS Isa-shi PP

Panel Output / 931.77kW
FIT Price / JPY 40/kWh
End of FIT Period / June 8, 2035

S-03 / Kasama-shi PP

Panel Output / 2,127.84kW
FIT Price / JPY 40/kWh
End of FIT Period / June 25, 2035

S-04 / CS Isa-shi Dai-ni PP

Panel Output / 2,013.99kW
FIT Price / JPY 36/kWh
End of FIY Period / June 28, 2035

S-05 / CS Yusui-cho PP

Panel Output / 1,749.30kW
FIT Price / JPY 36/kWh
End of FIT Period / August 20, 2035

S-06 / CS Isa-shi Dai-san PP

Panel Output / 2,225.08kW
FIT Price / JPY 40/kWh
End of FIT Period / September 15, 2035

S-07 / CS Kasama-shi Dai-ni PP

Panel Output / 2,103.75kW
FIT Price / JPY 40/kWh
End of FIT Period / September 23, 2035

S-08 / CS Hiji-machi PP

Panel Output / 2,574.99kW
FIT Price / JPY 36/kWh
End of FIT Period / October 12, 2035

S-09 / CS Ashikita-machi PP

Panel Output / 2,347.80kW
FIT Price / JPY 40/kWh
End of FIT Period / December 10, 2035

S-10 / Minamishimabara-shi PP (East & West)

Panel Output / 3,928.86kW
FIT Price / JPY 40/kWh
End of FIT Period December 24, 2035 (E) January 28, 2036 (W)

S-11 / Minano-machi PP

Panel Output / 2,448.60kW
FIT Price / JPY 32/kWh
End of FIT Period / December 6, 2036

S-12 / Kannami-cho PP

Panel Output / 1,336.32kW
FIT Price / JPY 36/kWh
End of FIT Period / March 2, 2037

S-13 / Mashiki-machi PP

Panel Output / 47,692.62kW
FIT Price / JPY 36/kWh
End of FIT Period / June 1, 2037

S-14 / Koriyama-shi PP

Panel Output / 636.00kW
FIT Price / JPY 32/kWh
End of FIT Period / September 15, 2036

S-15 / Tsuyama-shi PP

Panel Output / 1,963.00kW
FIT Price / JPY 32/kWh
End of FIT Period / June 29, 2037

S-16 / CS Ena-shi PP

Panel Output / 2,124.20kW
FIT Price / JPY 32/kWh
End of FIT Period / September 12, 2037

S-17 / CS Daisen-cho PP (A)/(B)

Panel Output / 20,885.76kW (A) 6,416.64kW (B)
FIT Price / JPY 40/kWh
End of FIT Period / August 9, 2037

S-18 / CS Takayama-shi PP

Panel Output / 962.28kW
FIT Price / JPY 32/kWh
End of FIT Period / October 9, 2037

S-19 / CS Misato-machi PP

Panel Output / 1,082.00kW
FIT Price / JPY 32/kWh
End of FIT Period / March 26, 2037

S-20 / CS Marumori-machi PP

Panel Output / 2,194.50kW
FIT Price / JPY 36/kWh
End of FIT Period / July 12, 2038

➢ Sponsor Pipeline

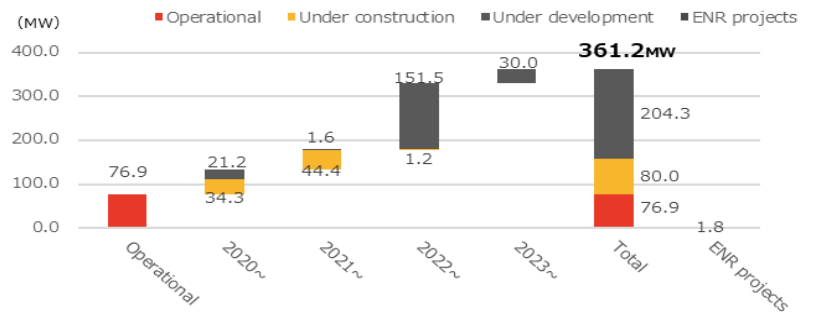
Targeting to achieve JPY100bn in asset size over the medium term by mainly acquiring from the sponsor pipeline.

Operational and under construction	+	Under development	=	Total sponsor portfolio
15projects, **156.9**MW		**15**projects, **204.3**MW		**30**projects, **361.2**MW

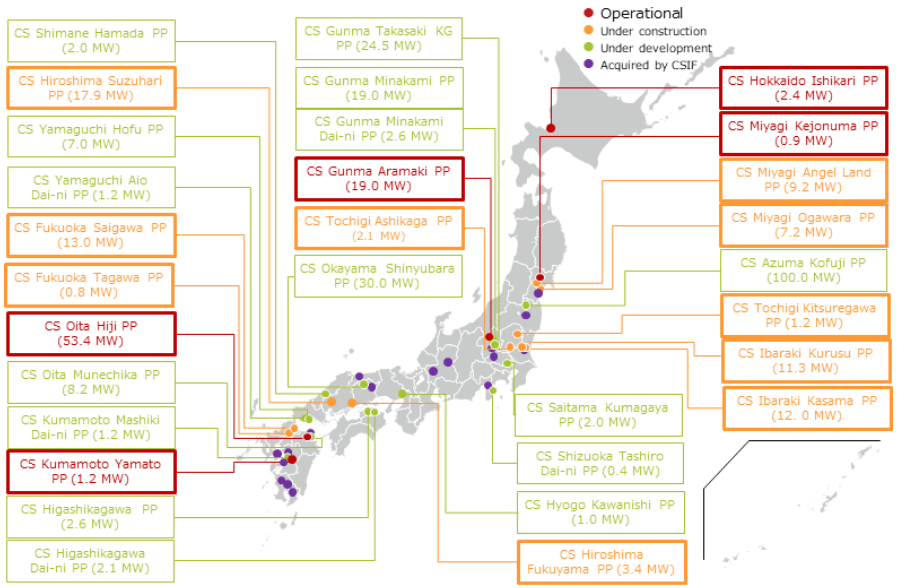
ENR projects (Note) **1.8**MW

The expected schedule of COD for the sponsor pipeline.

(as of December 31, 2019)



Sponsor portfolio map



➢ Effort in ESG

On August 13, 2019, Canadian Solar Asset Management K.K (“The Company”)., the asset management company of CSIF, announced that it signed the United Nations Principles of Responsible Investment (UN PRI). The Company has been actively making ESG efforts in the Canadian Solar Group and the operation of CSIF, and with the declaration of this signature, it will work on the operation of CSIF, taking ESG (Environmental, Social and Governance) issues into consideration.

Major ESG-related efforts made thus far in the Canadian Solar Group and the operation of CSIF are as follows.

Environmental (environmental considerations)

- CSIF is contributing to the dissemination of renewable energy through its listing on the infrastructure fund market and by raising funds from this market.
- CSIF emphasizes environmentally conscious operation in the surrounding areas, including the use of non-chemical panel cleaning fluid at its power generation facilities.
- The Company avoids excessive land development by the sponsor, achieving for the installation of power generation facilities that take advantage of the original land form.

Social (social contributions)

- Canadian Solar Project K.K. (“CSP”), the sponsor of the CSIF, constructed the Daisen Canadian Garden and donated it to the Daisen-cho Town Government in commemoration of the completion of S-17 CS Daisen-cho Power Plant as part of its contribution to local communities under the concept of an ambitious attempt for harmony between nature and large-scale solar power plant. In addition, it repaired the Hima Jinja Shrine in the same town and donated an incense holder made of white granite to the Shimpukuji Temple.
- CSP and the Company offered consolatory donations to the Marumori-machi Town Government. The town was severely hit by Typhoon Hagibis in October 2019.

Governance (corporate governance)

- The Company is working to strengthen governance by taking measures against the conflicts of interest and adopting an operation system that secures the third-party nature.
- Operations are conducted under an appropriate check function among departments and persons in charge due to the enhancement of the organizational structure, which has been advocated since the second half of 2018.

➢

Financial Summary

Financial soundness attributed to fixed interest rate conversion / LTV level is under stable controls

Fixed-to variable interest rate ratio (as at end of December 2019)	LTV (as at end of December 2019)
80.48 %	53.74 %

(Note) "Fixed-to-variable interest rate ratio" refers to the ratio of fixed interest rate liabilities to total interest-bearing liabilities at that time. Variable interest rate liabilities that were converted to fixed interest rate liabilities through interest rate swap agreements were deemed as fixed interest rate liabilities. "LTV" are calculated without consumption tax bridge loan.

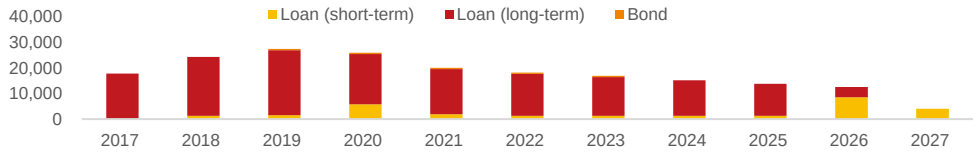
Debt profile

Category	Type	Initial amount (yen millions)	Outstanding (yen millions)	Interest rate	Interest rate type	Drawdown date	Maturity
Loan	Long-term	15,700	14,004	Base rate plus 0.45% (fixed at 0.845% upon executing interest rate swap)	Fixed	31-Oct-2017	10 years from drawdown date *JCR Green Finance Evaluation*
	Long-term	8,000	7,408	Base rate plus 0.45% (fixed at 1.042% upon executing interest rate swap)	Fixed	6-Sep-2018	10 years from drawdown date
	Long-term	700	662	Base rate plus 0.45%	Variable	29-Mar-2019	3 years from drawdown date
	Long-term	4,500	4,500	Base rate plus 0.45%	Variable	29-Nov-2019	2 years from drawdown date
	Long-term	300	300	Base rate plus 0.20%	Variable	29-Nov-2019	Earlier of (i) November 29, 2021 or (ii) first interest payment date after the consumption tax refund date
Sub total of Loan		29,200	26,873				
Bond	Long-term	1,100	1,100	0.71%	Fixed	6-Nov-2019	5 years from issuance date
Sub total of Bond		1,100	1,100				
Total		30,300	27,973				

Credit rating

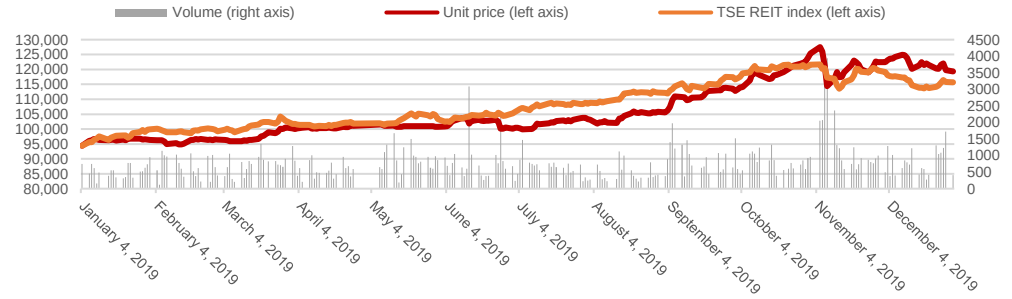
Rating Agency	Subject to Rating	Rating Date	Rating	Outlook
Japan Credit Rating Agency, Ltd.	Long-term Issuer Rating	Sep. 6, 2019	A-	Stable
	The 1st Unsecured Investment Corporation Bond (only for Qualified Institutional Investors)	Nov. 6, 2019	A-	-

Historical balance of interest-bearing debt



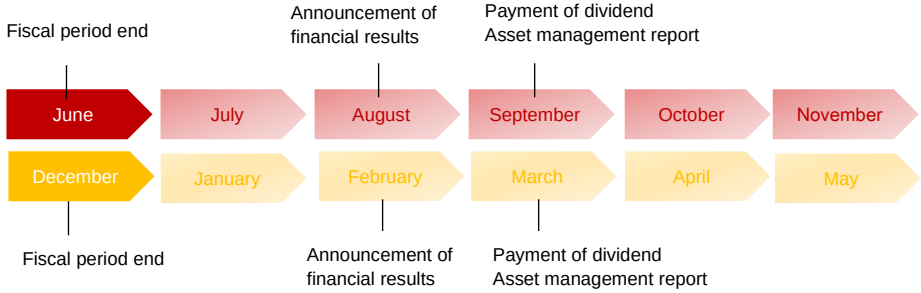
➢ Information for Unitholders

Unit price performance



Status of unitholders

IR calendar



Memorandum for unitholders

End of fiscal period	June 30 and December 31
Dividend payment record date	June 30 and December 31 (payment is to be made within 3 months after the date)
Listed financial instruments exchange:	Tokyo Stock Exchange (securities code: 9284)
Unitholders' meeting:	Once a every 2 years
Public announcement newspaper	Nihon Keizai Shimbun (Nikkei)
Administrator of unitholder list etc.	Sumitomo Mitsui Trust Bank, Limited
[Contact information]	Izumi 2-8-4, Suginami-ku, Tokyo 168-0063 Sumitomo Mitsui Trust Bank, Limited TEL: 0120-782-031

1. Overview of Fund Operation

(1) Historical Operating Result of the Fund

Fiscal Period	1st FP	2nd FP	3rd FP	4th FP	5th FP
	Fr. May 18, 2017 To Sep. 30, 2017	Fr. Oct. 1, 2017 To Jun. 30, 2018	Fr. Jul. 1, 2018 To Dec. 31, 2018	Fr. Jan. 1, 2019 To Jun. 30, 2019	Fr. Jul. 1, 2019 To Dec. 31, 2019
Operating Revenue (in JPY mln)	-	2,023	1,785	2,185	2,088
(Rental revenue of renewable energy power plants, out of operating revenue) (in JPY mln)	-	2,023	1,785	2,185	2,088
Operating Expense (in JPY mln)	5	1,178	1,140	1,368	1,391
(Expense for rental of renewable energy power plants, out of operating expense) (in JPY mln)	-	1,066	1,035	1,234	1,261
Operating Income / Loss (-) (in JPY mln)	(5)	845	644	817	696
Ordinary Income / Loss (-) (in JPY mln)	(49)	331	413	711	534
Net Income / Loss (-) (in JPY mln)	(49)	330	412	710	534
Unitholders' Capital (net) (Note 6) (in JPY mln)	150	17,315	21,902	21,482	21,349
Total number of units issued (unit)	1,500	182,190	231,190	231,190	231,190
Total Assets (in JPY mln)	101	35,841	46,773	45,981	50,069
(vs prior FP) (%)	-	35,386.1	30.5	(1.7)	8.9
Total Net Assets (in JPY mln)	100	17,596	22,315	22,193	21,883
(vs prior FP) (%)	-	17,496.0	26.8	(0.5)	(1.4)
Interest-bearing Liabilities (in JPY mln)	-	18,103	24,297	23,513	27,973
Net Asset Value per Unit (Base price) (in JPY)	67,065	96,583	96,523	95,996	94,656
Total Distribution (in JPY mln)	-	428	832	843	843
Distribution per Unit (in JPY)	-	2,350	3,600	3,650	3,650
(DPU excl. distribution in excess of earnings, in JPY)	-	1,542	1,783	3,073	2,310
(Distribution in excess of earnings per unit, in JPY)	-	808	1,817	577	1,340
Return on Assets (Note4) (%)	(39.3)	1.8	1.0	1.5	1.1
(annualized ratio) (Note5) (%)	(105.4)	2.8	2.0	3.1	2.2
Return on Capital (Note4) (%)	(39.4)	3.7	2.1	3.2	2.4
(annualized ratio) (Note5) (%)	(105.8)	5.6	4.1	6.4	4.8
Capital Ratio (Note4) (%)	99.4	49.1	47.7	48.3	43.7
(vs prior FP) (%)	-	(50.3)	(1.4)	0.6	(4.6)
Distribution Payout Ratio (Note4) (%)	-	76.9	100.0	100.0	100.0
[Other Information]					
Number of Days for FP (days)	136	244	184	181	184
Number of Invested Asset as of End of FP	-	15	18	20	21
Depreciation Expenses (in JPY mln)	-	743	713	813	839
CAPEX (in JPY mln)	-	-	27	54	6
Rental NOI (Note4) (in JPY mln)	-	1,700	1,462	1,764	1,665
FFO (Funds from Operation) (Note4) (in JPY mln)	(49)	1,074	1,125	1,523	1,374
FFO per Unit (Note4) (in JPY)	(32,934)	5,895	4,869	6,591	5,943
Interest-bearing Liabilities Ratio (Note4) (%)	-	50.5	51.9	51.1	55.9

(Note 1) Fiscal periods of the fund are six months for January 1 to June 30 and July 1 to December 31 every year. The 1st FP was from May 18, 2017 to September 30, 2017 and the 2nd FP was from October 1, 2017 to June 30, 2018. Although the number of days for the 2nd FP was 273 days, the substantive operating period was from October 30, 2017 to June 30, 2018 (244 days).

(Note 2) Consumption taxes are not included in the operating revenue etc.

(Note 3) Unless otherwise described, the numbers are rounded down and the ratio are rounded up or down.

(Note 4) The calculation methods are as below.

Return on Assets	Ordinary Income / { (Total Assets at Beginning of FP + Total Assets at End of FP) / 2 } x 100
Return on Capital	Net Income / { (Net Assets at Beginning of FP + Net Assets at End of FP) / 2 } x 100
Capital Ratio	Net Assets at End of FP / Total Assets at End of FP x 100
Distribution Payout Ratio	DPU excl. distribution in excess of earnings / Net Income x 100
Rental NOI	Rental Revenue for renewable energy power generation facilities – Rental Expenses for renewable energy power generation facilities + Depreciation Expenses
FFO	Net Income + Depreciation Expenses + Profit from sales of renewable energy power generation facilities
FFO per unit	FFO / The number of total issued units
Interest-bearing Liabilities Ratio	Interest-bearing Liabilities / Total Assets x 100

(Note 5) For the 1st FP, the actual days for the period is used for annualization. For the 2nd FP, the days for the substantive operating period (244 days) is used for annualization instead of the actual number of days (273 days).

(Note 6) Deductible amount for unitholders' capital is deducted from the gross amount of unitholders' capital.

(2) Overview of the Fiscal Period under Review

a. Brief History of Canadian Solar Infrastructure Fund

Canadian Solar Infrastructure Fund, Inc. (hereinafter referred to as "CSIF") was established on May 18, 2017 with money invested of 150 million yen (1,500 units) by Canadian Solar Asset Management K.K. (hereafter referred to as the "Asset Manager") as the founder under the Act on Investment Trusts and Investment Corporations (Act No. 198 of 1951 including subsequent amendments; hereinafter referred to as the "Investment Trusts Act"). Registration with the Kanto Local Finance Bureau was completed on June 9, 2017 (registration number 127, filed with the Director of the Kanto Local Finance Bureau).

CSIF issued additional investment units (177,800 units) through a public offering on October 27, 2017, listed its investment units on Tokyo Stock Exchange Inc.'s (hereinafter referred to as the "Tokyo Stock Exchange") Infrastructure Fund Market on October 30, 2017 (security code: 9284), and issued new investment units (2,890 units) through third-party allotment on November 28, 2017.

In addition, CSIF issued new investment units (46,667 units) through public offering on September 6, 2018 and issued new investment units (2,333 units) through third-party allotment on October 4, 2018. As a result, the total units issued at the end of the fiscal period under review (as of December 31, 2018) were 231,190 units.

b. Investment Environment

During the fiscal period under review, the Japanese economy remained steady in the first half, partly because last-minute demand before the consumption tax hike gave a boost to consumer spending and capital investment, which underpinned domestic demand. In the second half, pushed lower by decline in reaction to the last-minute rise in demand before the consumption tax increase and impact of Typhoon No. 19 (Hagibis), the industrial production index, which is strongly linked to the business cycle, also showed larger quarter-over-quarter decreases, and Japan's real GDP dropped for the first time in five quarters.

The stock market in Japan was buffeted by the twists and turns of U.S.-China trade tensions. In September, the U.S. announced the delay of increases on existing Chinese tariffs to October 15 and the Japanese stock market rallied, only to fall again amid concerns over a resurgence in US-China trade hostilities as the US Government considered a block on all American investments in China. In October, stocks rose sharply on speculation that the U.S. and China were reaching agreement on some issues in trade talks and on expectation that Japanese companies' earnings would bottom out. In November, stocks continued to rise, responding positively to mounting expectations of a U.S.-China deal and a weakening yen and, after the U.S. reached a partial trade deal with China in trade talks on December 13, the Nikkei average reached its highest level of the year.

Meanwhile, the Infrastructure Fund Market responded positively to continued quantitative easing in Japan and changes in the quantitative easing strategies of the U.S. and Europe, with demand among investors aware of the relatively high yields of the Infrastructure Fund Market remaining strong, and the Infrastructure Fund Market

firmed up from July. Through to mid-November, risk appetite increased amid expectation of progress in U.S.-China trade talks and rising domestic interest rates led to market downturn. However, the increasing tensions in Hong Kong put a halt to the rise in domestic interest rates and the Infrastructure Fund Market recovered. On December 13, the U.S. and China reached a phase one trade deal in trade talks, directing capital flows towards Japanese stocks and leading to a temporary slump on the Infrastructure Fund Market. However, since then, the Infrastructure Fund Market has remained steady, partly due to purchases by yield-oriented investors.

In the environment surrounding renewable energy power generation facilities (stipulated in Article 2, Paragraph 3 of the Act on Special Measures Concerning Procurement of Electricity from Renewable Energy Sources by Electricity Utilities [Act No. 108 of 2011, including subsequent amendments; hereinafter referred to as the “Act on Renewal Energy Special Measures”] [excluding those that fall under real estate]; hereinafter referred to as “renewable energy power generation facilities”) held by CSIF, the output curtailment implemented by Kyushu Electric Power Co., Inc. (hereinafter referred to as “Kyushu Electric Power”), which requires renewable energy operators to temporarily suspend power generation through photovoltaic power generation facilities and wind power generation facilities (Note), was resumed for the first time since May 13, 2019 across Kyushu Mainland from October 13, and was implemented for two days including weekdays in October, 10 days in November and one day in December. The level of renewable energy control in the fiscal period under review was small compared to the level of output control during the previous fiscal period, ranging from 2% to 15% of the renewable energy connection capacity. This may reflect the start of regular inspections of the Genkai Nuclear Power Station Unit No.3 of Kyushu Electric Power on May 13, 2019 and the start of regular inspections of Genkai Nuclear Power Station Unit No.4 of Kyushu Electric Power on August 16.

Some system changes that will affect power generation using renewable energy power generation facilities are currently being considered. The main changes being considered are as described below.

Firstly, the introduction of a reserve system to secure the funds for costs of decommissioning solar power facilities is being considered. The interim report of the Working Group for Securing Funds for Decommissioning Solar Power Facilities of the Energy Conservation and New Energy Subcommittee of the General Resources and Energy Investigating Committee of the Ministry of Economy, Trade and Industry published on December 10, 2019 states that a scheme requiring all commercial solar power of 10kW or more certified under the Act on Renewable Energy Special Measures to reserve an amount calculated based on the decommissioning costs assumed in the calculation of procurement prices over the last 10 years of the procurement period will start from an appropriate timing by July 2022. Projects will be required in general to secure the funds through an “external reserve method," where the funds for decommissioning costs are to be deducted from income and reserved by a third-party organization, but projects deemed capable of assuming responsibility for long-term stable power generation will be allowed, if certain requirements are satisfied, to opt for an "internal reserve method," where they reserve such funds by themselves.

Next, the introduction of so-called power producer-side base charges is being considered. Power producer-side base charges is a system for ensuring that the producer side, which uses power grids, also bears a portion of the transmission and distribution-related expenses, previously borne by retail electricity business operators (the demand side) through wheeling charges, and the System Design Working Group of the Electricity and Gas Market Surveillance Commission is currently examining the detailed design of the system, aiming for introduction in FY2023. Alongside the introduction of power producer-side base charges, the adoption of relief measures i.e. raising the cap on the amount to be borne by general electricity transmission and distribution business operators (general fees) when connecting renewable energy-sourced facilities to the grid and reducing initial costs of power producers are also being considered. Since power producer-side base charges will also be imposed on power producers who sell electricity under the Feed-in Tariff scheme (hereinafter referred to as “FIT scheme”) for renewable energy based on the Act on Renewal Energy Special Measures (hereinafter referred to as “FIT power producers”), the Procurement Price Calculation Committee is currently considering relief measures for FIT power producers and the 53rd meeting of the Procurement Price Calculation Committee held on December 27, 2019 indicated that it will introduce additional electricity sales prices separate from procurement prices. However, the relief measures may not be applied at all to commercial solar power projects that had obtained a FIT approval during the profit incentive period (in other words, projects with a procurement price of between ¥29 per kwH + tax and ¥40 per kwH + tax) and long-term non-operational projects. What is more, when it comes to photovoltaic power and wind power which have reduced capacity factors, although the abovementioned relief measures are unlikely to be commensurate with the additional costs resulting from introduction of power producer-side base charges, there is no telling whether additional relief measures through FIT scheme surcharges will be implemented to address this.

In addition, a fundamental revision of the Act on Renewable Energy Special Measures, which, in accordance with Article 3 of the Supplementary Provisions of the Act on Renewable Energy Special Measures, is supposed to be completed by March 31, 2021, is also being discussed. The draft interim report of the Subcommittee to Reform System for Using Renewable Energy as Main Power Source (hereinafter referred to as the “Interim Report of the Subcommittee to Reform System for Using Renewable Energy as Main Power Source”) of the Strategic Policy Committee of the General Resources and Energy Investigating Committee published on December 26, 2019 discussed the development of a support system that fits in with the characteristics of power sources, promotion of community-based renewables, the formation of a next-generation power network for using renewable energy as a main power source and other points.

Especially in regard to the development of a support system that fits in with the characteristics of power sources, the report divided power sources into competitive power sources (large-scale commercial photovoltaic power generation, wind power generation, etc.) and community-based power sources (small-scale power generation) and then, with respect to competitive power sources, proposed accelerating costs reductions through an auction system, shifting from the FIT scheme to the FIP scheme, and integrating renewable energy with the power market. When renewable energy power producers sell the electricity they have produced on the wholesale electricity market or in negotiated bilateral electricity transactions (OTC trading), the FIP scheme adds a premium (fixed for a given period, sliding in the long term) i.e. the difference between the basic tariff (FIP price) (fixed) and a tariff based on market prices (reference tariff) (fixed for a given period, sliding in the long term) on top. The Interim Report of the Subcommittee to Reform System for Using Renewable Energy as Main Power Source proposed the creation of a system that would ensure both investment incentive (foreseeability of investment return) and power generation activity based on an awareness of market prices. With regard to market integration, the report also proposes examination of incentives for renewable energy power producers to prevent any imbalance and the adoption of a framework under which renewable energy power producers will sell environmental value themselves through OTC trading or auction.

However, the photovoltaic power generation facilities, etc. owned by CSIF have already started selling electricity under the FIT scheme and, under transitional measures, these facilities, etc. are likely to be able to continue selling electricity based on current procurement prices under the existing FIT scheme framework.

(Note) “Photovoltaic power generation facilities” shall refer to renewable energy power generation facilities that generate power by using sunlight, among other sources, as energy, while “Wind power generation facilities” refer to renewable power generation facilities that generate power by using wind power, among other sources, as energy. The same shall apply hereunder.

c. Management Performance

During the previous fiscal period, CSIF acquired one facility on March 1, 2019 with cash on hand and another facility on March 29, 2019 using borrowings and cash on hand, or a total of two photovoltaic power generation facilities, etc. (Note 3) (a total panel output (Note 1) of 3.3MW and a total acquisition price (Note 2) of ¥1,320 million). As a result, CSIF held a portfolio consisting of 20 facilities (a total panel output of 108.9MW and a total price (Note 4) of ¥50,000 million) as of the end of the fiscal period under review, making CSIF the largest operator among listed infrastructure funds in terms of assets scale.

During the fiscal period under review, CSIF acquired an additional facility, etc. on November 29, 2019 (a total panel output of 10.8MW and a total acquisition price of ¥4,569 million (Note 2)) using borrowings and cash on hand. As a result, CSIF held a portfolio consisting of a total panel output of 119.8MW and a total price of ¥51,400 million as of the end of the fiscal period under review and continued to be the largest operator among listed infrastructure funds.

(Note 1) “Panel output” shall mean output calculated by multiplying rated output per solar cell module (meaning the maximum output stated in specifications of solar cell module) used in each solar energy facility by the total number of panels. The same shall apply hereunder.

(Note 2) “Acquisition price” shall mean the sale and purchase price (excluding outsourcing service fees and other acquisition expenses related to the acquisition of assets, property-related taxes, urban planning taxes, consumption taxes and other fees and charges) described in the sale and purchase agreement pertaining to each asset acquired. It shall be rounded down to the nearest one million yen. The same shall apply hereunder.

(Note 3) “Renewable energy power generation facilities, etc.” shall collectively refer to renewable energy power generation facilities as well as real estate and the right of lease (including the right of sublease) of real estate or the surface right (hereinafter referred to as “Site, etc.”) to install, maintain and operate the renewable energy power generation facilities. In addition, “photovoltaic power generation facilities, etc.” shall collectively refer to photovoltaic power generation facilities (of renewable energy power generation facilities, photovoltaic power generation facilities shall specifically refer to renewable energy power generation facilities that generate power using solar light as the source of energy; the same shall apply hereunder) as well as real estate and the right of lease (including the right of sublease) of real estate or the surface right to install, maintain and operate photovoltaic power generation facilities. The same shall apply hereunder.

(Note 4) “Price” shall mean the intermediate value calculated by CSIF using the appraisal value of each power plant as of June 30, 2019 for the previous fiscal period and as of December 31, 2019 for the fiscal period under review as stated in valuation reports obtained from PricewaterhouseCoopers Sustainability LLC or Ernst & Young Transaction Advisory Services Co., Ltd.. The same shall apply hereunder.

d. Overview of Financing

In the fiscal period under review, CSIF undertook the issuance of ¥1,100 million yen of private investment corporation bonds and the borrowing of funds amounting to a total of ¥4,800 million in November 2019. On the other hand, CSIF made a repayment of bank loan before maturity of ¥820 million yen and a contractual repayment at the end of the fiscal period under review, and the amount of borrowings as of the end of the fiscal period under review came to ¥26,873 million. Consequently, the ratio of interest-bearing debt to total assets (ratio of interest-bearing debt to total assets at the end of fiscal period) was 55.9%.

On September 13, 2019, CSIF was awarded credit rating by the credit rating agency shown below and was awarded a bond rating for its First Series of Unsecured Investment Corporation Bonds on October 29, 2019.

CSIF’s Credit Rating and Bond Rating

Rating Agency	Rating Subject	Rating	Rating Outlook
Japan Credit Rating Agency, Ltd. (JCR)	Long-term Issuer Rating	A-	Stable
	The 1st Unsecured Investment Corporation Bond	A-	-

e. Overview of Business Performance and Distributions

As a result of the management described above, the business performance in the fiscal period under review recorded operating revenue of ¥2,088 million, operating income of ¥696 million (mainly due to the impact of unseasonable weather), ordinary income of ¥534 million and net income of ¥534 million.

Pursuant to the cash distribution policy set forth in Article 47, Paragraph 1 of its Articles of Incorporation, CSIF shall distribute an amount in excess of the amount equivalent to 90% of its distributable earnings as defined in Article 67-15 of the Act on Special Measures Concerning Taxation.

In addition, distributions in excess of earnings are calculated on the premise that such distributions will generally be made in accordance with the cash distribution policy prescribed in CSIF’s Articles of Incorporation and the Asset Manager’s asset management guidelines formulated as part of its internal regulations.

CSIF intends to make cash distributions to its unitholders for each fiscal period from free cash flow (hereinafter referred to as “FCF”) generated by its renewable energy power generation facilities, in amounts determined in the following manner. The amount available for distribution shall be calculated by multiplying FCF, that is net cash flow (hereinafter referred to as “NCF”; CSIF shall incorporate the total amount of NCF remaining after deducting distributions for the preceding fiscal periods in calculating NCF) to be vested to equity investors after deducting FCF payable to debt investors, by a certain ratio (hereinafter referred to as “payout ratio”; The payout ratio for the 5th fiscal period is 82.0%.) determined by CSIF in light of the amount of NCF for each fiscal period.

At the same time, CSIF intends to maintain a stable level of distributions for the time being. In determining the payout ratio described above, CSIF will consider the forecast NCF for each fiscal period to realize that level of distributions.

In addition to a cash distribution within the range of profit, CSIF intends to make distributions in excess of earnings for each fiscal period on a continuous basis in order to realize this policy.

In developing its performance forecast (including any revisions thereof) for each fiscal period, in the case where NCF calculated from actual energy output in a fiscal period (hereinafter referred to as “actual NCF”; CSIF shall incorporate the total amount of NCF remaining after deducting distributions for the preceding fiscal periods in calculating actual NCF) exceeds NCF projected for the fiscal period (hereinafter referred to as “projected NCF”; CSIF shall incorporate the total amount of NCF remaining after deducting distributions for the preceding fiscal periods in calculating projected NCF) on the basis of an energy output value projected by professional specialists (P50) which forms the foundation for the calculation of rents with regard to the renewable energy power generation facilities, CSIF intends to limit the cash distribution to the amount of projected NCF multiplied by the payout ratio for said fiscal period.

On the other hand, in the case where actual NCF is equal to or below projected NCF, CSIF intends to make a cash distribution for the fiscal period at the amount of actual NCF multiplied by the payout ratio.

Based on the above policy, CSIF determined to make a distribution for the fiscal period under review of ¥843,843,500, equivalent to 82.0% of projected NCF for the period (¥1,029,345,000). As a result, distribution in excess of earnings is ¥309,794,600, after deducting dividends for the period of ¥534,048,900. Dividend per investment unit is ¥3,650 for the fiscal period under review.

(3) Summary of Public Offering etc.

Date	Event	Total number of investment units issued and outstanding (units)		Total amount of unitholders' capital (Note 1) (million yen)		Remarks
		Change	Balance	Change	Balance	
May 18, 2017	Establishment upon private placement	1,500	1,500	150	150	(Note 2)
October 27, 2017	Capital increase by public offering	177,800	179,300	16,891	17,041	(Note 3)
November 28, 2017	Capital increase by third-party allotment	2,890	182,190	274	17,315	(Note 4)
September 5, 2018	Capital increase by public offering	46,667	228,857	4,509	21,824	(Note 5)
September 14, 2018	Cash distribution in excess of earnings (refund of investment)	-	228,857	(147)	21,677	(Note 6)
October 4, 2018	Capital increase by third-party allotment	2,333	231,190	225	21,902	(Note 7)
March 14, 2019	Cash distribution in excess of earnings (refund of investment)	-	231,190	(420)	21,482	(Note 8)
September 17, 2019	Cash distribution in excess of earnings (refund of investment)	-	231,190	(133)	21,349	(Note 9)

(Note 1) The amount of deduction of total amount of unitholders’ capital is deducted.

(Note 2) In the establishment of the CSIF, the investment units were issued at an issue price of ¥100,000 per unit. The party who applied for subscription of investment units upon the establishment is Canadian Solar Projects K.K.

(Note 3) New investment units were issued by public offering for the purpose of raising funds for the acquisition of specified assets at an issue price of ¥100,000 (issue value of ¥95,000) per unit.

(Note 4) New investment units were issued to Mizuho Securities Co., Ltd. by third-party allotment at an issue value of ¥95,000 per unit for the purpose of appropriation to a part of the funds for acquisition of specified assets or part of repayment of borrowings.

(Note 5) New investment units were issued by public offering for the purpose of raising funds for the acquisition of specified assets at an issue price of ¥102,180 (issue value of ¥96,625) per unit.

(Note 6) CSIF decided, at a meeting of its Board of Directors held on August 14, 2018, to pay a cash distribution in excess

of earnings (refund of investment) in an amount of ¥808 per unit for the second fiscal period (ended June 30, 2018), and began to pay it from September 14, 2018.

(Note 7) New investment units were issued to Mizuho Securities Co., Ltd. by third-party allotment at an issue price of ¥96,625 per unit for the purpose of appropriation to a part of the funds for acquisition of specified assets or a part of the funds for repayment of borrowings.

(Note 8) CSIF decided, at a meeting of its Board of Directors held on February 15, 2019, to pay a cash distribution in excess of earnings (refund of investment) in an amount of ¥1,817 per unit for the third fiscal period (ended December 31, 2018), and began to pay it from March 14, 2019.

(Note 9) CSIF decided, at a meeting of its Board of Directors held on August 13, 2019, to pay a cash distribution in excess of earnings (refund of investment) in an amount of ¥577 per unit for the third fiscal period (ended June 30, 2019), and began to pay it from September 17, 2019.

(4) Historical Distributions

Based on the unappropriated earnings of JPY 534mln for the 5th FP, after a rounding down for the amount below JPY 1mln, JPY 534mln is the distribution for profit. Together with JPY 309mln of distribution in excess of earnings, as the result, JPY 3,650 is the DPU for the period.

l Period	1st FP Fr. May 18, 2017 To Sep. 30, 2017	2nd FP Fr. Oct. 1, 2017 To Jun. 30, 2018	3rd FP Fr. Jul. 1, 2018 To Dec. 31, 2018	4th FP Fr. Jan. 1, 2019 To Jun. 30, 2019	5th FP Fr. Jul. 1, 2019 To Dec. 31, 2019
Unappropriated Earnings or Undisposed Losses (in JPY thousand)	(49,402)	281,047	412,298	710,506	534,065
Retained Earnings (in JPY thousand)	(49,402)	110	86	59	16
Total Distribution (in JPY thousand)	-	428,146	832,284	843,843	843,843
(DPU, in JPY)	(-)	(2,350)	(3,600)	(3,650)	(3,650)
Distribution for Profit (in JPY thousand)	-	280,936	412,211	710,446	534,048
(Distribution for Profit per Unit, in JPY)	(-)	(1,542)	(1,783)	(3,073)	(2,310)
Distribution in Excess of Earnings (in JPY thousand)	-	147,209	420,072	133,396	309,794
(Distribution in Excess of Earnings per Unit, in JPY)	(-)	(808)	(1,817)	(577)	(1,340)
Distribution from Allowance for Adjustment for Temporary Difference out of Distribution in Excess of Earnings (in JPY thousand)	-	-	-	-	-
(Distribution from Allowance for Adjustment for Temporary Difference per Unit out of Distribution in Excess of Earnings per Unit, in JPY)	(-)	(-)	(-)	(-)	(-)
Distribution as Redemption of Capital based on Tax Law (in JPY thousand)	-	147,209	420,072	133,396	309,794
(Distribution as Redemption of Capital based on Tax Law, in JPY)	(-)	(808)	(1,817)	(577)	(1,340)

(Note) The fund makes distribution in excess of earnings every FP based on its article 47.2. Based on this policy, JPY 309mln which is 36.9% of the depreciation expenses, JPY 840mln, is to be distributed as the distribution in excess of earnings. As a result, JPY 3,650 is DPU for the 5th FP.

(5) Operational Policy and Agendas in the Future

a. Outlook for the Future Management

Although Japan's real GDP turned negative in the October-December 2019 quarter, the economy is expected to grow slightly by an annualized 0.4% in the January-March 2020 quarter, when the impact of the reactionary decline and natural disasters weakens. Growth will then accelerate through the July-September quarter when the Tokyo Olympics are held. It has been pointed out that, after the Olympics, from the second half of FY2020 through the first half of FY2021, the economy may start to stagnate again as the positive economic impact of the Olympics wears off and this is a point that requires attention. U.S. economic and monetary policy is expected to continue to be heavily influenced by President Trump's trade policies especially his policy on trade between the US and China. However, consumer spending will continue to drive growth and the nation's GDP growth is expected to slow down gradually. Meanwhile, the eurozone faces a long period of weak economic growth. Although downward pressure from foreign demand and inventory adjustments is expected to ease, a slowdown in capital spending and consumer spending is forecast. The political situation in major economies will remain turbulent in 2020, thwarting international cooperation, and this is likely to be a factor that hampers economic activity.

With respect to the environment surrounding photovoltaic power generation facilities that are included in renewable energy power generation facilities, as stated in "(2). Overview of the Fiscal Period under Review b. Investment Environment" above, the output curtailment that requires renewable energy operators to temporarily suspend power generation through photovoltaic power generation facilities, etc. was resumed in areas under the jurisdiction of Kyushu Electric Power from October 2019. However, if renewable energy adoption continues to expand in the future, output curtailment may also be implemented in other regions besides the Kyushu region such as the Tohoku region and the Chugoku region.

Meanwhile, Kyushu Electric Power has announced plans to shut down No.1 and 2 reactors at the Sendai Nuclear Power Plant (Satsumasendai, Kagoshima Prefecture) from March 2020 and to phase them back into operation from December. According to the announcement, Kyushu Electric Power will move forward the regular inspection of the No. 1 reactor planned for November 2020, shutting down the reactor for around 9 months from March 16, 2020 to December 26, 2020. It will also shut down the No. 2 reactor for around 8 months from May 20, 2020 to January 26, 2021, which includes the regular inspection that was planned from late April 2021.

The reserve system to secure the funds for costs of decommissioning solar power facilities is supposed to start from an appropriate timing by July 2022, with any legislative relief measures taking shape in the course of the fundamental revision of the Act on Renewable Energy Special Measures which is supposed to be completed by March 31, 2021.

As for the introduction of power producer-side base charges, the government will apparently examine the detailed design including the details necessary for system development in FY2019, spend around two years from FY2020 developing the system, complete the tariff revision process (examination of wheeling charges, revision of existing bilateral contracts between power producers and retailers) in FY2022 and then aims to introduce power producer-side base charges in FY2023. However, the timing of introduction may be revised where necessary for alignment with progress of related system reforms, including the Agency for Natural Resources and Energy's wheeling charge system reforms and other revisions and discussions, and the introduction timing is not definite.

In accordance with Article 3 of the Supplementary Provisions of the Act on Renewable Energy Special Measures, the fundamental revision of the Act on Renewable Energy Special Measures is supposed to be completed by March 31, 2021, and a bill including the draft amendments to the Act on Renewable Energy Special Measures is expected to be submitted to the Diet during 2020.

b. Future Management Policy

(i) External Growth Strategy

The Canadian Solar Group (Note 2), which is the Sponsor Group (Note 1) of CSIF, adopts the vertical integration model that has developed mainly in the photovoltaic power generation market in Europe and America and applies this model in the global market, including Japan. CSIF considers that mutual cooperation between the Group and CSIF (engaging in investment in and management of photovoltaic power generation facilities) through the Sponsor Group based on the vertical integration model for the construction of the value chain with the aim of creating mutual value should lead to the enhancement of value for unitholders.

Specifically, CSIF intends to increase assets by utilizing the preferential trading negotiation right granted by the Sponsor Group and acquiring photovoltaic power generation facilities, etc. whose value is high from the pipelines of the Sponsor. In addition, CSIF will aim to acquire photovoltaic power generation facilities, etc. held by persons other than the Sponsor Group by utilizing the Sponsor Group's networks of brokers and power producers.

(Note 1) The "Sponsor Group" collectively refer to (i) the Sponsor (Canadian Solar Projects K.K.), (ii) special purpose

companies (they may be hereinafter referred to as “SPCs”), partnerships or other funds with which the Sponsor has entered into the asset management service agreement, (iii) Canadian Solar O&M Japan K.K. (it may be hereinafter referred to as “CSOM Japan”) and (iv) special purpose companies, partnerships or other funds in which the Sponsor or its subsidiary own a majority interest. The same will apply below.

(Note 2) The “Canadian Solar Group” refers to the consolidated corporate group with Canadian Solar Inc. (headquartered in Canada) at the top to which the Sponsor (Canadian Solar Projects K.K.) belongs.

(ii) Internal Growth Strategy

CSIF will contract out O&M (Note) to CSOM Japan, which is a wholly owned subsidiary of the Sponsor and provides O&M services in Japan, in principle, for the availability of homogeneous O&M services to the extent that CSIF considers essential. CSIF aims to thereby reduce the operational risk and operating costs by utilizing the services of CSOM Japan and placing a blanket order, respectively.

By making the most of the strong operation and management abilities realized by utilizing the global monitoring platform of the Sponsor Group in the early discovery and repair of failures of power generation facilities, CSIF will aim to reduce the loss of power generation. In addition, CSIF will implement the appropriate repair and facilities replacement of assets under management to maintain and enhance the value of assets from the medium- to long-term perspective, thereby securing stable revenue in the medium to long term.

(Note) “O&M” is an abbreviation of Operation & Maintenance. The same will apply below.

(iii) Financial Strategy

To secure stable revenue and ensure the growth of the managed assets of CSIF, CSIF will consider financing by public offering, borrowings and other means in the acquisition of new assets, while watching changes in the financing environment closely.

(6) Subsequent Event

Not applicable.

2. Overview of Fund Corporation

(1) Summary of Invested Capital

Fiscal Period	1st FP	2nd FP	3rd FP	4th FP	5th FP
	Sep. 30, 2017	Jun. 30, 2018	Dec. 31, 2018	Jun. 30, 2019	Dec. 31, 2019
The Number of Units Allowed for Issuance	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000
Total Number of Units Issued	1,500	182,190	231,190	231,190	231,190
Unitholders’ Capital (net) (Note) (in JPY mln)	150	17,315	21,902	21,482	21,349
The Number of Unitholders	1	5,753	9,815	11,143	11,400

(Note) Deductible amount for unitholders’ capital is deducted from the gross amount of unitholders’ capital.

(2) Major Unitholders List

Major unitholders as of December 31, 2019 are as follows.

Name	The Number of Units Held	Ratio vs Total Number of Units Issued (%)
Canadian Solar Project K.K.	33,895	14.66
SSBTC CLIENT OMNIBUS ACCOUNT	11,944	5.16
The Bank of Fukuoka, Ltd.	3,430	1.48
GOLDMAN SACHS INTERNATIONAL	3,165	1.36
Individual	3,042	1.31
CITIBANK INTERNATIONAL PLC AS TRUSTEE FOR STANDARD LIFE WEALTH PHOENIX FUND	2,437	1.05
THE BANK OF NEW YORK	2,420	1.04
Individual	2,041	0.88
Individual	2,020	0.87
Individual	2,000	0.86
Total	66,394	28.71

(Note) The ratio is rounded down to two decimal places.

(3) Summary of Executives

a. Executive Director, Supervisory Director and Accounting Auditor

Position	Name	Concurrent Post	Compensation (in JPY thousand)
Executive Director (Note 2)	Tetsuya Nakamura	Representative director of Canadian Solar Asset Management K.K.	-
Supervisory Director	Takashi Handa	Mazars WB Audit Corporation (Corporate representative) Mazars Sarl (Partner) Mazars FAS K.K. (Representative Director) Zuken Inc. (Audit and Supervisory board member)	2,400
	Eriko Ishii (Note 3)	Shin Saiwai Law Office (Partner, Attorney at law) Itochu REIT Management Co., Ltd. (Member of the compliance committee)	
Accounting Auditor	Grant Thornton Taiyo LLC	-	8,500

(Note) The executive directors and the supervisory director don’t hold the fund’s unit. Although the supervisory directors may be in a position of executive officer of any corporations other than stated above, there is no conflict of interest related to the fund.

b. The policy on decision of removal / not-to-reappoint of accounting auditor

Decision of removal is made based on Investment Trust Law and not-to-reappoint is made by unitholders' meeting.

(4) Asset Manager, Asset Custodian and Administrator

Asset manager, asset custodian and administrator as of December 31, 2019 are as follows.

Delegated Position	Name
Asset Manager	Canadian Solar Asset Management K.K.
Asset Custodian	Sumitomo Mitsui Trust Bank, Ltd.
Administrator (Institutional Operation)	Sumitomo Mitsui Trust Bank, Ltd.
Administrator (Custodian of List of Unitholders)	Sumitomo Mitsui Trust Bank, Ltd.
Administrator (Accounting)	Ernst & Young Tax Co.
Administrator (Administration of Bond)	Mizuho Bank, Ltd.

Overview of Assets under Management

(1) Composition of Assets and Regional Diversification

		4th FP		5th FP	
		As of Jun. 30, 2019		As of Dec. 31, 2019	
Type of asset	Region (Note 1)	Total Asset-Under-Management (AUM) ('000yen)(Note 2)	% of total AUM (Note 3)	Total Asset-Under-Management (AUM) ('000yen)(Note 2)	% of total AUM (Note 3)
Solar energy facility	Hokkaido/Tohoku	1,040,655	2.3	1,019,428	2.0
	Kanto	2,461,223	5.4	2,405,428	4.8
	Tokai	1,418,596	3.1	5,761,989	11.5
	Chugoku/Shikoku	10,484,457	22.8	10,257,651	20.5
	Kyushu	22,292,578	48.5	21,806,516	43.6
Subtotal		37,697,511	82.0	41,251,014	82.4
Land	Hokkaido/Tohoku	48,970	0.1	48,970	0.1
	Kanto	647,430	1.4	648,591	1.3
	Tokai	63,309	0.1	63,309	0.1
	Chugoku/Shikoku	522,185	1.1	523,905	1.0
	Kyushu	3,184,875	6.9	3,184,875	6.4
Subtotal		4,466,771	9.7	4,469,653	8.9
Land lease	Hokkaido/Tohoku	17,924	0.0	17,924	0.0
	Kanto	59,197	0.1	59,197	0.1
	Tokai	41,423	0.1	282,151	0.6
	Chugoku/Shikoku	3,415	0.0	3,415	0.0
	Kyushu	390,450	0.8	390,450	0.8
Subtotal		512,411	1.1	753,139	1.5
Solar energy facility etc.	Hokkaido/Tohoku	1,107,550	2.4	1,086,322	2.2
	Kanto	3,167,851	6.9	3,113,218	6.2
	Tokai	1,523,330	3.3	6,107,450	12.2
	Chugoku/Shikoku	11,010,058	23.9	10,784,972	21.5
	Kyushu	25,867,904	56.3	25,381,842	50.7
Subtotal		42,676,695	92.8	46,473,806	92.8
Solar energy facility etc. total		42,676,695	92.8	46,473,806	92.8
Saving/other assets		3,304,406	7.2	3,595,994	7.2
Asset total (2)		45,981,101	100.0	50,069,801	1000.0

(2) Major Assets List

The summary of the top 10 assets as of December 31, 2019 is as follows.

Name of Infrastructure Asset	Rental Revenue Earned by Infrastructure Asset (in JPY thousand)	Book Value (in JPY mln)
CS Mashiki-machi Power Plant	921,249	18,820
CS Daisen-cho Power Plant (A) and (B)	507,780	10,023
CS Izu-shi Power Plant	26,582	4,613
CS Minamishimabara-shi Power Plant	86,303	1,608
CS Minano-machi Power Plant	33,410	991
CS Hiji-machi Power Plant	48,426	951
CS Ashikita-machi Power Plant	48,484	917
CS Isa-shi Dai-san Power Plant	46,579	882
CS Kasama-shi Power Plant	40,242	860
CS Marumori-machi Power Plant	35,025	843
Total	1,794,080	40,508

(3) Details of Assets

a. Details of Power Generation Facilities

(i) Summary

Type of Asset		Beginning Balance	Increase in the FP	Decrease in the FP	Ending Balance	Accumulated Depreciation / Amortization		Net Ending Balance	Abstract
							For this FP		
Property and Equipment	Structures	835	205	-	1,040	63	18	977	(Note)
	Machinery and Equipment	38,610	4,116	-	42,726	3,002	810	39,724	(Note)
	Tools, Furniture and Fixtures	521	71	-	592	43	10	548	(Note)
	Land	4,466	2	-	4,469	-	-	4,469	(Note)
	Total	44,433	4,396	-	48,829	3,109	839	45,720	
Intangible Assets	Leasehold Rights	512	240	-	753	-	-	753	(Note)
	Software	3	-	-	3	1	0	2	
	Total	516	240	-	757	1	0	755	

(Note) The increases for the 5th FP are related to the acquisition of the power plants on November 29, 2019.

(ii) Details of Power Generation Facilities

Asset #	Category	Project Name	Location	Site Area (m^2) (Note 1)	PPA Purchase Price (yen/kwh) (Note 2)	Certification Date (Note 3)	FIT Term End (Note 4)
S-01	Solar Plant etc.	CS Shibushi-shi Power Plant	Shibushi-shi, Kagoshima	19,861	40	February 26, 2013	September 16, 2034
S-02	Solar Plant etc.	CS Isa-shi Power Plant	Isa-shi, Kagoshima	22,223	40	February 26, 2013	June 8, 2035
S-03	Solar Plant etc.	CS Kasama-shi Power Plant	Kasama-shi, Ibaraki	42,666 (Note 5)	40	January 25, 2013	June 25, 2035
S-04	Solar Plant etc.	CS Isa-shi Dai-ni Power Plant	Isa-shi, Kagoshima	31,818	36	October 2, 2013	June 28, 2035
S-05	Solar Plant etc.	CS Yusui-cho Power Plant	Aira-gun, Kagoshima	25,274	36	March 14, 2014	August 20, 2035
S-06	Solar Plant etc.	CS Isa-shi Dai-san Power Plant	Isa-shi, Kagoshima	40,736	40	February 26, 2013	September 15, 2035
S-07	Solar Plant etc.	CS Kasama-shi Dai-ni Power Plant	Kasama-shi, Ibaraki	53,275	40	January 25, 2013	September 23, 2035
S-08	Solar Plant etc.	CS Hiji-machi Power Plant	Hayami-gun, Oita	30,246	36	July 16, 2013	October 12, 2035
S-09	Solar Plant etc.	CS Ashikita-machi Power Plant	Ashikita-gun, Kumamoto	45,740	40	February 26, 2013	December 10, 2035
S-10	Solar Plant etc.	CS Minamishimabara-shi Power Plant (East) / CS Minamishimabara-shi Power Plant (West)	Minamishimabara-shi, Nagasaki	56,066	40	February 26, 2013 (East) February 26, 2013 (West)	December 24, 2035 (East) January 28, 2036 (West)
S-11	Solar Plant etc.	CS Minano-machi Power Plant	Chichibu-gun, Saitama	44,904	32	December 11, 2014	December 6, 2036
S-12	Solar Plant etc.	CS Kannami-cho Power Plant	Tagata-gun, Shizuoka	41,339	36	March 31, 2014	March 2, 2037
S-13	Solar Plant etc.	CS Mashiki-machi Power Plant	Kamimashiki-gun, Kumamoto	638,552 (Note 6)	36	October 24, 2013	June 1, 2037
S-14	Solar Plant etc.	CS Koriyama-shi Power Plan	Koriyama-shi, Fukushima	30,376 (Note 5)	32	February 27, 2015	September 15, 2036
S-15	Solar Plant etc.	CS Tsuyama-shi Power Plant	Tsuyama-shi, Okayama	31,059	32	September 26, 2014	June 29, 2037
S-16	Solar Plant etc.	CS Ena-shi Power Plant	Aza Ochise, Kusumi, Osashima-cho, Ena-shi, Gifu	37,373	32	February 24, 2015	September 12, 2037
S-17	Solar Plant etc.	CS Daisen-cho Power Plant (A) and (B)	Aza Magoese, Toyofusa, Daisen-cho, Saihaku-gun, Tottori (A) Aza Kamikawara, Toyofusa, Daisen-cho, Saihaku-gun, Tottori (B)	452,760 (Note 7)	40	February 22, 2013 (A) February 28, 2013 (B)	August 9, 2037
S-18	Solar Plant etc.	CS Takayama-shi Power Plant	Shingumachi, Takayama-shi, Gifu	16,278 (Note 5)	32	January 30, 2015	October 9, 2037
S-19	Solar Plant etc.	CS Misato-machi Power Plant	Misato-machi, Kodama-gun, Saitama	25,315	32	January 6, 2015	March 26, 2037
S-20	Solar Plant etc.	CS Marumori-machi Power Plant	Marumori-machi, Igu-gun, Miyagi	65,306 (Note 8)	36	February 28, 2014	July 12, 2038
S-21	Solar Plant etc.	CS Izu-shi Power Plant	Ono Aza Okubo, Izu-shi, Shizuoka	337,160	36	March 31, 2014	November 29, 2038

(Note 1) The numbers for “Site Area” are not equal to the real situation but based on the ground register.

(Note 2) “PPA Purchase Price” are the FIT price for each power plant (excluding consumption tax amount).

(Note 3) “Certification Date” denotes the date each power plant is certified under the article 6.1 of Revision Renewable Energy Special Measures Law. Each power plant is deemed being certified on April 1, 2017 based on the article 9.3 of Revision Renewable Energy Special Measures Law.

(Note 4) “FIT Term End” denotes the date 20-year FIT term ends for each power plant.

(Note 5) The number for the site area is only for the power plant’s land ownership rights and doesn’t include easement.

(Note 6) The number for the site area is only for the power plant’s and self-employed line’s land ownership rights and doesn’t include easement.

(Note 7) The number for the site area is only for the power plant’s and self-employed line’s surface right and doesn’t include leasehold right and easement.

(Note 8) The number for the site area is only for the power plant’s, self-employed line’s and access road’s surface right and doesn’t include easement.

Asset #	Project name	Certified Operator	PPA company	Acquisition Price (million yen) (Note 1)	Fiscal period end valuation (million yen) (Note 2)	Appraisal value of solar plants (million yen)(Note 3) (upper：solar energy facility) (lower：land)	Fiscal period end book value (million yen) (Note 4)
S-01	CS Shibushi-shi Power Plant	Tida Power 01 G.K	Kyushu Electric Power Co., Inc	540	563	421 142	511
S-02	CS Isa-shi Power Plant	Tida Power01 G.K.	Kyushu Electric Power Co., Inc	372	368	344 23	347
S-03	CS Kasama-shi Power Plant	Tida Power01 G.K.	TEPCO Energy Partner, Incorporated	907	1,044	785 259	860
S-04	CS Isa-shi Dai-ni Power Plant	Tida Power01 G.K.	Kyushu Electric Power Co., Inc	778	766	723 42	720
S-05	CS Yusui-cho Power Plant	Tida Power01 G.K.	Kyushu Electric Power Co., Inc	670	660	628 31	622
S-06	CS Isa-shi Dai-san Power Plant	Tida Power01 G.K..	Kyushu Electric Power Co., Inc	949	943	883 59	882
S-07	CS Kasama-shi Dai-ni Power Plant	Tida Power01 G.K..	TEPCO Energy Partner, Incorporated	850	889	846 43	783
S-08	CS Hiji-machi Power Plant	Tida Power01 G.K.	Kyushu Electric Power Co., Inc	1,029	1,012	972 40	951
S-09	CS Ashikita-machi Power Plant	Tida Power01 G.K..	Kyushu Electric Power Co., Inc	989	991	951 39	917
S-10	CS Minamishimabara-shi Power Plant (East) / CS Minamishimabara-shi	Tida Power 01 G.K.	Kyushu Electric Power Co., Inc	1,733	1,800	1,719	1,608

	Power Plant (West)					80	
S-11	CS Minano-machi Power Plant	Tida Power01 G.K.	TEPCO Energy Partner, Incorporated	1,018	1,137	868 269	991
S-12	CS Kannami-cho Power Plant	Tida Power01 G.K..	TEPCO Energy Partner, Incorporated	514	571	526 45	481
S-13	CS Mashiki-machi Power Plan	Tida Power01 G.K.	Kyushu Electric Power Co., Inc.	20,084	21,732	18,242 3,490	18,820
S-14	CS Koriyama-shi Power Plan	Tida Power01 G.K..	Tohoku Electric Power Co., Inc.	246	262	210 52	242
S-15	CS Tsuyama-shi Power Plan	Tida Power01 G.K..	The Chugoku Electric Power Co., Inc.	746	796	656 140	761
S-16	CS Ena-shi Power Plant	Tida Power01 G.K..	The Chubu Electric Power Co., Inc.	757	834	797 37	688
S-17	CS Daisen-cho Power Plant (A) and (B)	Tida Power01 G.K.. (Note 5)	The Chugoku Electric Power Co., Inc.	10,447	10,809	10,437 372	10,023
S-18	CS Takayama-shi Power Plant	Tida Power01 G.K.	The Chubu Electric Power Co., Inc.	326	342	280 61	323
S-19	CS Misato-machi Power Plant	Univergy 01 G.K. (Note 5)	TEPCO Energy Partner, Incorporated	470	478 (Note 6)	347 131	477
S-20	CS Marumori-machi Power Plant	CLEAN ENERGIES SOLUTIONS K.K. (Note 5)	Tohoku Electric Power Co., Inc.	850	848 (Note 6)	830 18	843
S-21	CS Izu-shi Power Plant	LOHAS CLEAN ENERGIES WORLD K.K.	TEPCO Power Grid, Incorporated	4,569	4,647 (Note 6)	4,408 239	4,613
Total				48,850	51,498	45,881 5,617	46,473

(Note 1) Acquisition price is based on acquisition price as described in the purchase agreements (excluding acquisition expenses related to the payment of outsourcing service fees, property-related taxes, taxes on depreciable assets, urban planning taxes, consumption taxes and other fees).

(Note 2) Median project valuation report amount is the median amount that we calculated based on the estimated values as of June 30, 2019 provided to us by PricewaterhouseCoopers Sustainability LLC or Ernst & Young Transaction Advisory Services Co., Ltd. in its project valuation report. Based on the appraised value in the range stated in the valuation report with the date of the value opinion on June 30, 2019, which was obtained from PricewaterhouseCoopers Sustainability LLC or Ernst & Young Transaction Advisory Services Co., Ltd., the Investment Corporation calculated the total sum of the intermediate values according to Article 41, paragraph 1 of the CSIF's Articles of Incorporation, and the said sum is used in the statement.

(Note 3) On the upper row of the appraisal value of solar plants, an assumed appraisal value of solar energy projects that is obtained by deducting the real estate appraisal value calculated by Daiwa Real Estate Appraisal Co., Ltd. from the appraised value at the end of the period in (Note 2) above is stated, and on the lower row, an amount stated in the real estate appraisal report prepared by Daiwa Real Estate Appraisal Co., Ltd. is stated. Real estate includes its superficies right.

(Note 4) Fiscal period end book value is the book value of solar energy as of June 30, 2019.

(Note 5) Former certified operator, CLEAN ENERGIES XXI G.K., was merged into Tida Powe01 G.K. as of March 19, 2019.

(Note 6) The amounts are based on the valuation by Ernst & Young Transaction Advisory Services Co., Ltd. and rounded down at JPY million.

(iii) Operational Results of Each Power Generation Facilities (in JPY thousand)

S-01 CS Shibushi-shi Power Plant

Accounting Item	1st FP Fr. May 18, 2017 To Sep. 30, 2017	2nd FP Fr. Oct. 1, 2017 To Jun. 30, 2018	3rd FP Fr. Jul. 1, 2018 To Dec. 31, 2018	4th FP Fr. Jan. 1, 2019 To Jun. 30, 2019	5th FP Fr. Jul. 1, 2019 To Dec. 31, 2019
Rental revenue of renewable energy power plant					
Basic rent	-	24,112	19,235	18,727	19,137
Variable rent linked to actual output	-	12,197	7,474	6,605	6,288
Incidental income	-	-	-	-	–
Total of rental revenue of renewable energy power plant (A)	-	36,310	26,710	25,332	25,426
Expense for rental of renewable energy power plant					
Tax and public dues	-	2,665	2,664	2,254	2,254
(Property tax)	-	2,665	2,664	2,254	2,254
(Other and public dues)	-	-	-	-	-
Other expenses	-	2,573	1,912	1,907	2,296
(Management entrustment expenses)	-	2,376	1,745	1,701	2,073
(Repair and maintenance costs)	-	-	-	-	-
(Utilities expenses)	-	-	-	-	-
(Insurance expenses)	-	197	166	205	223
(Land rent)	-	-	-	-	-
(Other rental expense)	-	-	-	-	-
Depreciation expenses	-	12,608	9,456	9,459	9,472
(Structures)	-	593	445	447	457
(Machinery and equipment)	-	11,959	8,969	8,970	8,973
(Tools, furniture and fixtures)	-	55	41	41	41
Total of expense for rental of renewable energy power plant (B)	-	17,847	14,032	13,621	14,023
Income from rental of renewable energy power plant (A-B)	-	18,463	12,677	11,711	11,402

S-02 CS Isa-shi Power Plant

Accounting Item	1st FP Fr. May 18, 2017 To Sep. 30, 2017	2nd FP Fr. Oct. 1, 2017 To Jun. 30, 2018	3rd FP Fr. Jul. 1, 2018 To Dec. 31, 2018	4th FP Fr. Jan. 1, 2019 To Jun. 30, 2019	5th FP Fr. Jul. 1, 2019 To Dec. 31, 2019
Rental revenue of renewable energy power plant					
Basic rent	-	18,190	14,244	14,313	14,171
Variable rent linked to actual output	-	9,608	7,166	5,648	5,230
Incidental income	-	-	-	-	-
Total of rental revenue of renewable energy power plant (A)	-	27,799	21,411	19,961	19,402
Expense for rental of renewable energy power plant					
Tax and public dues	-	1,349	1,346	1,699	1,698
(Property tax)	-	1,349	1,346	1,699	1,698
(Other and public dues)	-	-	-	-	-
Other expenses	-	3,034	2,248	2,261	2,635
(Management entrustment expenses)	-	1,808	1,328	1,299	1,655
(Repair and maintenance costs)	-	-	-	-	-
(Utilities expenses)	-	-	-	-	-
(Insurance expenses)	-	170	141	168	182
(Land rent)	-	1,055	778	794	797
(Other rental expense)	-	-	-	-	-
Depreciation expenses	-	10,445	7,833	7,835	7,837
(Structures)	-	341	256	256	256
(Machinery and equipment)	-	10,079	7,559	7,561	7,563
(Tools, furniture and fixtures)	-	23	17	17	17
Total of expense for rental of renewable energy power plant (B)	-	14,829	11,428	11,796	12,170
Income from rental of renewable energy power plant (A-B)	-	12,969	9,982	8,165	7,232

S-03 CS Kasama-shi Power Plant

Accounting Item	1st FP Fr. May 18, 2017 To Sep. 30, 2017	2nd FP Fr. Oct. 1, 2017 To Jun. 30, 2018	3rd FP Fr. Jul. 1, 2018 To Dec. 31, 2018	4th FP Fr. Jan. 1, 2019 To Jun. 30, 2019	5th FP Fr. Jul. 1, 2019 To Dec. 31, 2019
Rental revenue of renewable energy power plant					
Basic rent	-	43,712	29,549	35,327	29,399
Variable rent linked to actual output	-	17,154	11,846	17,266	10,669
Incidental income	-	-	110	202	173
Total of rental revenue of renewable energy power plant (A)	-	60,866	41,506	52,796	40,242
Expense for rental of renewable energy power plant					
Tax and public dues	-	3,050	3,050	3,791	3,792
(Property tax)	-	3,050	3,050	3,791	3,792
(Other and public dues)	-	-	-	-	-
Other expenses	-	4,665	4,359	3,277	3,255
(Management entrustment expenses)	-	4,296	3,033	2,931	2,879
(Repair and maintenance costs)	-	-	1,025	-	-
(Utilities expenses)	-	-	-	-	-
(Insurance expenses)	-	368	299	346	375
(Land rent)	-	-	-	-	-
(Other rental expense)	-	-	-	-	-
Depreciation expenses	-	19,283	14,462	14,462	14,462
(Structures)	-	433	324	324	324
(Machinery and equipment)	-	18,805	14,104	14,104	14,104
(Tools, furniture and fixtures)	-	45	33	33	33
Total of expense for rental of renewable energy power plant (B)	-	26,999	21,872	21,532	21,510
Income from rental of renewable energy power plant (A-B)	-	33,866	19,634	31,264	18,731

S-04 CS Isa-shi Dai-ni Power Plant

Accounting Item	1st FP Fr. May 18, 2017 To Sep. 30, 2017	2nd FP Fr. Oct. 1, 2017 To Jun. 30, 2018	3rd FP Fr. Jul. 1, 2018 To Dec. 31, 2018	4th FP Fr. Jan. 1, 2019 To Jun. 30, 2019	5th FP Fr. Jul. 1, 2019 To Dec. 31, 2019
Rental revenue of renewable energy power plant					
Basic rent	-	37,574	29,412	29,510	29,263
Variable rent linked to actual output	-	16,481	11,590	10,641	9,522
Incidental income	-	-	-	-	-
Total of rental revenue of renewable energy power plant (A)	-	54,056	41,003	40,152	38,785
Expense for rental of renewable energy power plant					
Tax and public dues	-	2,962	2,964	3,768	3,768
(Property tax)	-	2,962	2,964	3,768	3,768
(Other and public dues)	-	-	-	–	–
Other expenses	-	6,360	5,150	5,236	4,695
(Management entrustment expenses)	-	3,909	2,871	2,866	2,756
(Repair and maintenance costs)	-	-	418	458	-
(Utilities expenses)	-	-	-	-	-
(Insurance expenses)	-	326	269	320	347
(Land rent)	-	2,124	1,590	1,590	1,590
(Other rental expense)	-	-	-	-	-
Depreciation expenses	-	21,926	16,445	16,449	16,457
(Structures)	-	408	306	306	306
(Machinery and equipment)	-	21,463	16,097	16,101	16,109
(Tools, furniture and fixtures)	-	55	41	41	41
Total of expense for rental of renewable energy power plant (B)	-	31,249	24,559	25,454	24,920
Income from rental of renewable energy power plant (A-B)	-	22,807	16,443	14,697	13,864

S-05 CS Yusui-cho Power Plant

Accounting Item	1st FP Fr. May 18, 2017 To Sep. 30, 2017	2nd FP Fr. Oct. 1, 2017 To Jun. 30, 2018	3rd FP Fr. Jul. 1, 2018 To Dec. 31, 2018	4th FP Fr. Jan. 1, 2019 To Jun. 30, 2019	5th FP Fr. Jul. 1, 2019 To Dec. 31, 2019
Rental revenue of renewable energy power plant					
Basic rent	-	33,203	23,595	26,827	23,476
Variable rent linked to actual output	-	11,831	10,410	5,533	8,425
Incidental income	-	-	-	-	-
Total of rental revenue of renewable energy power plant (A)	-	45,034	34,006	32,361	31,901
Expense for rental of renewable energy power plant					
Tax and public dues	-	2,635	2,634	3,277	3,274
(Property tax)	-	2,635	2,634	3,277	3,274
(Other and public dues)	-	-	-	-	-
Other expenses	-	5,389	4,010	3,987	4,438
(Management entrustment expenses)	-	3,396	2,494	2,425	2,850
(Repair and maintenance costs)	-	-	-	-	-
(Utilities expenses)	-	-	-	-	-
(Insurance expenses)	-	305	252	298	324
(Land rent)	-	1,687	1,263	1,263	1,263
(Other rental expense)	-	-	-	-	-
Depreciation expenses	-	18,972	14,229	14,242	14,260
(Structures)	-	761	571	582	595
(Machinery and equipment)	-	17,897	13,423	13,425	13,429
(Tools, furniture and fixtures)	-	313	235	235	235
Total of expense for rental of renewable energy power plant (B)	-	26,997	20,873	21,507	21,972
Income from rental of renewable energy power plant (A-B)	-	18,036	13,132	10,853	9,928

S-06 CS Isa-shi Dai-san Power Plant

Accounting Item	1st FP Fr. May 18, 2017 To Sep. 30, 2017	2nd FP Fr. Oct. 1, 2017 To Jun. 30, 2018	3rd FP Fr. Jul. 1, 2018 To Dec. 31, 2018	4th FP Fr. Jan. 1, 2019 To Jun. 30, 2019	5th FP Fr. Jul. 1, 2019 To Dec. 31, 2019
Rental revenue of renewable energy power plant					
Basic rent	-	45,112	35,028	35,695	34,851
Variable rent linked to actual output	-	19,799	15,056	12,165	11,728
Incidental income	-	-	-	-	-
Total of rental revenue of renewable energy power plant (A)	-	64,912	50,085	47,860	46,579
Expense for rental of renewable energy power plant					
Tax and public dues	-	3,525	3,526	4,494	4,494
(Property tax)	-	3,525	3,526	4,494	4,494
(Other and public dues)	-	-	-	-	-
Other expenses	-	7,387	5,500	5,551	5,459
(Management entrustment expenses)	-	4,319	3,172	3,080	3,042
(Repair and maintenance costs)	-	-	-	84	-
(Utilities expenses)	-	-	-	-	-
(Insurance expenses)	-	348	290	349	379
(Land rent)	-	2,719	2,036	2,036	2,036
(Other rental expense)	-	-	-	-	-
Depreciation expenses	-	26,377	19,783	19,784	19,799
(Structures)	-	386	290	290	290
(Machinery and equipment)	-	25,922	19,441	19,443	19,458
(Tools, furniture and fixtures)	-	68	51	51	51
Total of expense for rental of renewable energy power plant (B)	-	37,290	28,809	29,830	29,753
Income from rental of renewable energy power plant (A-B)	-	27,621	21,275	18,030	16,826

S-07 CS Kasama-shi Dai-ni Power Plant

Accounting Item	1st FP Fr. May 18, 2017 To Sep. 30, 2017	2nd FP Fr. Oct. 1, 2017 To Jun. 30, 2018	3rd FP Fr. Jul. 1, 2018 To Dec. 31, 2018	4th FP Fr. Jan. 1, 2019 To Jun. 30, 2019	5th FP Fr. Jul. 1, 2019 To Dec. 31, 2019
Rental revenue of renewable energy power plant					
Basic rent	-	43,063	29,161	34,897	29,013
Variable rent linked to actual output	-	16,959	12,354	16,386	9,415
Incidental income	-	-	-	-	-
Total of rental revenue of renewable energy power plant (A)	-	60,023	41,516	51,284	38,429
Expense for rental of renewable energy power plant					
Tax and public dues	-	3,371	3,370	4,304	4,304
(Property tax)	-	3,371	3,370	4,304	4,304
(Other and public dues)	-	-	-	-	-
Other expenses	-	7,526	6,000	6,964	5,606
(Management entrustment expenses)	-	4,084	3,318	3,532	2,847
(Repair and maintenance costs)	-	-	-	700	-
(Utilities expenses)	-	-	-	-	-
(Insurance expenses)	-	346	285	335	362
(Land rent)	-	3,095	2,396	2,396	2,396
(Other rental expense)	-	-	-	-	-
Depreciation expenses	-	23,453	17,604	17,604	17,604
(Structures)	-	310	247	247	247
(Machinery and equipment)	-	23,085	17,314	17,314	17,314
(Tools, furniture and fixtures)	-	57	42	42	42
Total of expense for rental of renewable energy power plant (B)	-	34,350	26,975	28,873	27,514
Income from rental of renewable energy power plant (A-B)	-	25,672	14,541	22,410	10,914

S-08 CS Hiji-machi Power Plant

Accounting Item	1st FP Fr. May 18, 2017 To Sep. 30, 2017	2nd FP Fr. Oct. 1, 2017 To Jun. 30, 2018	3rd FP Fr. Jul. 1, 2018 To Dec. 31, 2018	4th FP Fr. Jan. 1, 2019 To Jun. 30, 2019	5th FP Fr. Jul. 1, 2019 To Dec. 31, 2019
Rental revenue of renewable energy power plant					
Basic rent	-	48,091	37,673	37,949	37,482
Variable rent linked to actual output	-	26,458	17,650	15,805	10,943
Incidental income	-	-	-	-	-
Total of rental revenue of renewable energy power plant (A)	-	74,549	55,323	53,755	48,426
Expense for rental of renewable energy power plant					
Tax and public dues	-	4,113	4,112	5,167	5,166
(Property tax)	-	4,113	4,112	5,167	5,166
(Other and public dues)	-	-	-	-	-
Other expenses	-	8,278	5,682	5,622	5,547
(Management entrustment expenses)	-	5,064	3,733	3,562	3,578
(Repair and maintenance costs)	-	-	75	-	-
(Utilities expenses)	-	-	-	-	-
(Insurance expenses)	-	442	361	419	456
(Land rent)	-	2,771	1,512	1,639	1,512
(Other rental expense)	-	-	-	-	-
Depreciation expenses	-	29,419	22,064	22,066	22,070
(Structures)	-	1,113	835	835	835
(Machinery and equipment)	-	28,153	21,114	21,116	21,120
(Tools, furniture and fixtures)	-	152	114	114	114
Total of expense for rental of renewable energy power plant (B)	-	41,810	31,858	32,855	32,783
Income from rental of renewable energy power plant (A-B)	-	32,738	23,464	20,899	15,643

S-09 CS Ashikita-machiPower Plant

Accounting Item	1st FP Fr. May 18, 2017 To Sep. 30, 2017	2nd FP Fr. Oct. 1, 2017 To Jun. 30, 2018	3rd FP Fr. Jul. 1, 2018 To Dec. 31, 2018	4th FP Fr. Jan. 1, 2019 To Jun. 30, 2019	5th FP Fr. Jul. 1, 2019 To Dec. 31, 2019
Rental revenue of renewable energy power plant					
Basic rent	-	44,791	37,301	35,753	37,113
Variable rent linked to actual output	-	21,114	15,543	12,815	11,371
Incidental income	-	-	-	-	-
Total of rental revenue of renewable energy power plant (A)	-	65,906	52,845	48,568	48,484
Expense for rental of renewable energy power plant					
Tax and public dues	-	3,973	3,972	4,879	4,876
(Property tax)	-	3,973	3,972	4,879	4,876
(Other and public dues)	-	-	-	-	-
Other expenses	-	7,205	5,431	5,337	5,880
(Management entrustment expenses)	-	4,557	3,347	3,249	3,758
(Repair and maintenance costs)	-	-	66	-	-
(Utilities expenses)	-	-	-	-	-
(Insurance expenses)	-	402	336	406	440
(Land rent)	-	2,245	1,681	1,681	1,681
(Other rental expense)	-	-	-	-	-
Depreciation expenses	-	26,937	20,203	20,207	20,216
(Structures)	-	1,921	1,441	1,441	1,441
(Machinery and equipment)	-	24,679	18,509	18,514	18,523
(Tools, furniture and fixtures)	-	336	252	252	252
Total of expense for rental of renewable energy power plant (B)	-	38,116	29,606	30,424	30,973
Income from rental of renewable energy power plant (A-B)	-	27,789	23,238	18,144	17,511

S-10 CS Minamishimabara-shi Power Plant (East and West)

Accounting Item	1st FP Fr. May 18, 2017 To Sep. 30, 2017	2nd FP Fr. Oct. 1, 2017 To Jun. 30, 2018	3rd FP Fr. Jul. 1, 2018 To Dec. 31, 2018	4th FP Fr. Jan. 1, 2019 To Jun. 30, 2019	5th FP Fr. Jul. 1, 2019 To Dec. 31, 2019
Rental revenue of renewable energy power plant					
Basic rent	-	80,847	65,854	63,488	65,521
Variable rent linked to actual output	-	42,444	30,406	27,370	20,782
Incidental income	-	-	-	-	-
Total of rental revenue of renewable energy power plant (A)	-	123,291	96,260	90,859	86,303
Expense for rental of renewable energy power plant					
Tax and public dues	-	6,747	6,744	8,533	8,530
(Property tax)	-	6,747	6,744	8,533	8,530
(Other and public dues)	-	-	-	-	-
Other expenses	-	13,894	10,331	11,314	10,188
(Management entrustment expenses)	-	7,627	5,601	6,502	5,317
(Repair and maintenance costs)	-	-	-	-	-
(Utilities expenses)	-	-	-	-	-
(Insurance expenses)	-	571	469	551	611
(Land rent)	-	5,696	4,260	4,260	4,260
(Other rental expense)	-	-	-	-	-
Depreciation expenses	-	46,965	35,224	35,224	35,224
(Structures)	-	985	739	739	739
(Machinery and equipment)	-	45,647	34,235	34,235	34,235
(Tools, furniture and fixtures)	-	331	248	248	248
Total of expense for rental of renewable energy power plant (B)	-	67,607	52,299	55,071	53,943
Income from rental of renewable energy power plant (A-B)	-	55,683	43,960	35,787	32,360

S-11 CS Minano-machi Power Plant

Accounting Item	1st FP Fr. May 18, 2017 To Sep. 30, 2017	2nd FP Fr. Oct. 1, 2017 To Jun. 30, 2018	3rd FP Fr. Jul. 1, 2018 To Dec. 31, 2018	4th FP Fr. Jan. 1, 2019 To Jun. 30, 2019	5th FP Fr. Jul. 1, 2019 To Dec. 31, 2019
Rental revenue of renewable energy power plant					
Basic rent	-	45,753	30,843	35,519	30,688
Variable rent linked to actual output	-	17,427	9,769	15,005	2,722
Incidental income	-	6	1	-	-
Total of rental revenue of renewable energy power plant (A)	-	63,187	40,614	50,525	33,410
Expense for rental of renewable energy power plant					
Tax and public dues	-	4,907	4,904	4,412	4,410
(Property tax)	-	4,907	4,904	4,412	4,410
(Other and public dues)	-	-	-	-	-
Other expenses	-	5,128	4,143	3,953	3,750
(Management entrustment expenses)	-	4,753	3,491	3,372	3,313
(Repair and maintenance costs)	-	-	330	178	-
(Utilities expenses)	-	-	-	-	-
(Insurance expenses)	-	374	321	402	436
(Land rent)	-	-	-	-	-
(Other rental expense)	-	-	-	-	-
Depreciation expenses	-	20,819	15,798	16,132	16,132
(Structures)	-	1,021	766	766	766
(Machinery and equipment)	-	19,798	15,031	15,366	15,366
(Tools, furniture and fixtures)	-	-	-	-	-
Total of expense for rental of renewable energy power plant (B)	-	30,855	24,845	24,499	24,293
Income from rental of renewable energy power plant (A-B)	-	32,331	15,769	26,025	9,117

S-12 CS Kannami-cho Power Plant

Accounting Item	1st FP Fr. May 18, 2017 To Sep. 30, 2017	2nd FP Fr. Oct. 1, 2017 To Jun. 30, 2018	3rd FP Fr. Jul. 1, 2018 To Dec. 31, 2018	4th FP Fr. Jan. 1, 2019 To Jun. 30, 2019	5th FP Fr. Jul. 1, 2019 To Dec. 31, 2019
Rental revenue of renewable energy power plant					
Basic rent	-	24,748	18,550	19,644	18,456
Variable rent linked to actual output	-	11,233	5,241	9,060	5,304
Incidental income	-	-	-	-	-
Total of rental revenue of renewable energy power plant (A)	-	35,982	23,791	28,705	23,760
Expense for rental of renewable energy power plant					
Tax and public dues	-	2,772	2,770	2,398	2,398
(Property tax)	-	2,772	2,770	2,398	2,398
(Other and public dues)	-	-	-	-	-
Other expenses	-	4,539	3,978	3,735	3,976
(Management entrustment expenses)	-	2,594	1,905	1,840	2,108
(Repair and maintenance costs)	-	-	-	42	-
(Utilities expenses)	-	-	-	-	-
(Insurance expenses)	-	119	125	198	213
(Land rent)	-	1,826	1,947	1,653	1,654
(Other rental expense)	-	-	-	-	-
Depreciation expenses	-	12,837	9,639	9,662	9,662
(Structures)	-	461	357	380	380
(Machinery and equipment)	-	12,302	9,226	9,226	9,226
(Tools, furniture and fixtures)	-	73	55	55	55
Total of expense for rental of renewable energy power plant (B)	-	20,149	16,388	15,796	16,036
Income from rental of renewable energy power plant (A-B)	-	15,832	7,402	12,908	7,724

S-13 CS Mashiki-machi Power Plant

Accounting Item	1st FP Fr. May 18, 2017 To Sep. 30, 2017	2nd FP Fr. Oct. 1, 2017 To Jun. 30, 2018	3rd FP Fr. Jul. 1, 2018 To Dec. 31, 2018	4th FP Fr. Jan. 1, 2019 To Jun. 30, 2019	5th FP Fr. Jul. 1, 2019 To Dec. 31, 2019
Rental revenue of renewable energy power plant					
Basic rent	-	852,054	691,759	664,560	688,283
Variable rent linked to actual output	-	412,102	254,450	247,774	232,965
Incidental income	-	-	12	-	-
Total of rental revenue of renewable energy power plant (A)	-	1,264,157	946,222	912,334	921,249
Expense for rental of renewable energy power plant					
Tax and public dues	-	112,207	112,206	96,650	96,650
(Property tax)	-	112,207	112,206	96,650	96,650
(Other and public dues)	-	-	-	-	-
Other expenses	-	89,590	67,638	68,918	69,026
(Management entrustment expenses)	-	81,898	61,168	61,168	60,428
(Repair and maintenance costs)	-	-	-	-	176
(Utilities expenses)	-	-	-	-	-
(Insurance expenses)	-	7,659	6,397	7,703	8,356
(Land rent)	-	32	71	45	65
(Other rental expense)	-	-	-	-	-
Depreciation expenses	-	459,030	344,335	344,340	344,350
(Structures)	-	4,625	3,531	3,531	3,531
(Machinery and equipment)	-	443,887	332,915	332,915	332,916
(Tools, furniture and fixtures)	-	10,518	7,888	7,893	7,902
Total of expense for rental of renewable energy power plant (B)	-	660,827	524,180	509,908	510,027
Income from rental of renewable energy power plant (A-B)	-	603,329	422,042	402,426	411,221

S-14 CS Koriyama-shi Power Plant

Accounting Item	1st FP Fr. May 18, 2017 To Sep. 30, 2017	2nd FP Fr. Oct. 1, 2017 To Jun. 30, 2018	3rd FP Fr. Jul. 1, 2018 To Dec. 31, 2018	4th FP Fr. Jan. 1, 2019 To Jun. 30, 2019	5th FP Fr. Jul. 1, 2019 To Dec. 31, 2019
Rental revenue of renewable energy power plant					
Basic rent	-	7,267	7,619	8,085	7,580
Variable rent linked to actual output	-	4,627	3,978	5,215	3,317
Incidental income	-	-	2	-	2
Total of rental revenue of renewable energy power plant (A)	-	11,895	11,600	13,300	10,901
Expense for rental of renewable energy power plant					
Tax and public dues	-	-	-	1,298	1,296
(Property tax)	-	-	-	1,298	1,296
(Other and public dues)	-	-	-	-	-
Other expenses	-	768	1,081	990	1,590
(Management entrustment expenses)	-	768	922	883	876
(Repair and maintenance costs)	-	-	-	-	600
(Utilities expenses)	-	-	-	-	-
(Insurance expenses)	-	-	158	106	113
(Land rent)	-	-	-	-	-
(Other rental expense)	-	-	-	-	-
Depreciation expenses	-	3,492	4,191	4,191	4,191
(Structures)	-	272	327	327	327
(Machinery and equipment)	-	3,220	3,864	3,864	3,864
(Tools, furniture and fixtures)	-	-	-	-	-
Total of expense for rental of renewable energy power plant (B)	-	4,261	5,272	6,479	7,077
Income from rental of renewable energy power plant (A-B)	-	7,633	6,328	6,820	3,823

S-15 CS Tsuyama-shi Power Plant

Accounting Item	1st FP Fr. May 18, 2017 To Sep. 30, 2017	2nd FP Fr. Oct. 1, 2017 To Jun. 30, 2018	3rd FP Fr. Jul. 1, 2018 To Dec. 31, 2018	4th FP Fr. Jan. 1, 2019 To Jun. 30, 2019	5th FP Fr. Jul. 1, 2019 To Dec. 31, 2019
Rental revenue of renewable energy power plant					
Basic rent	-	21,830	22,253	24,444	22,141
Variable rent linked to actual output	-	13,233	10,447	12,668	12,485
Incidental income	-	-	-	-	-
Total of rental revenue of renewable energy power plant (A)	-	35,064	32,701	37,113	34,627
Expense for rental of renewable energy power plant					
Tax and public dues	-	-	-	3,901	3,898
(Property tax)	-	-	-	3,901	3,898
(Other and public dues)	-	-	-	-	-
Other expenses	-	2,371	3,156	10,045	2,982
(Management entrustment expenses)	-	2,371	2,846	2,727	2,704
(Repair and maintenance costs)	-	-	-	7,096	-
(Utilities expenses)	-	-	-	-	-
(Insurance expenses)	-	-	310	221	278
(Land rent)	-	-	-	-	-
(Other rental expense)	-	-	-	-	-
Depreciation expenses	-	10,640	12,768	12,946	12,949
(Structures)	-	290	348	365	376
(Machinery and equipment)	-	10,095	12,114	12,276	12,267
(Tools, furniture and fixtures)	-	254	304	304	304
Total of expense for rental of renewable energy power plant (B)	-	13,011	15,924	26,893	19,829
Income from rental of renewable energy power plant (A-B)	-	22,052	16,776	10,219	14,797

S-16 CS Ena-shi Power Plant

Accounting Item	1st FP Fr. May 18, 2017 To Sep. 30, 2017	2nd FP Fr. Oct. 1, 2017 To Jun. 30, 2018	3rd FP Fr. Jul. 1, 2018 To Dec. 31, 2018	4th FP Fr. Jan. 1, 2019 To Jun. 30, 2019	5th FP Fr. Jul. 1, 2019 To Dec. 31, 2019
Rental revenue of renewable energy power plant					
Basic rent	-	-	14,524	26,398	25,611
Variable rent linked to actual output	-	-	7,383	15,982	12,203
Incidental income	-	-	-	-	-
Total of rental revenue of renewable energy power plant (A)	-	-	21,908	42,381	37,815
Expense for rental of renewable energy power plant					
Tax and public dues	-	-	-	4,344	4,344
(Property tax)	-	-	-	4,344	4,344
(Other and public dues)	-	-	-	-	-
Other expenses	-	-	2,561	4,306	4,007
(Management entrustment expenses)	-	-	1,827	3,115	2,801
(Repair and maintenance costs)	-	-	-	-	-
(Utilities expenses)	-	-	-	-	-
(Insurance expenses)	-	-	138	252	273
(Land rent)	-	-	595	938	933
(Other rental expense)	-	-	-	-	-
Depreciation expenses	-	-	9,226	14,510	14,510
(Structures)	-	-	374	589	589
(Machinery and equipment)	-	-	8,790	13,823	13,823
(Tools, furniture and fixtures)	-	-	61	97	97
Total of expense for rental of renewable energy power plant (B)	-	-	11,788	23,161	22,862
Income from rental of renewable energy power plant (A-B)	-	-	10,120	19,219	14,953

S-17 CS Daisen-cho Power Plant (A and B)

Accounting Item	1st FP Fr. May 18, 2017 To Sep. 30, 2017	2nd FP Fr. Oct. 1, 2017 To Jun. 30, 2018	3rd FP Fr. Jul. 1, 2018 To Dec. 31, 2018	4th FP Fr. Jan. 1, 2019 To Jun. 30, 2019	5th FP Fr. Jul. 1, 2019 To Dec. 31, 2019
Rental revenue of renewable energy power plant					
Basic rent	-	-	211,123	327,901	385,926
Variable rent linked to actual output	-	-	29,966	247,066	121,853
Incidental income	-	-	-	-	-
Total of rental revenue of renewable energy power plant (A)	-	-	241,089	574,967	507,780
Expense for rental of renewable energy power plant					
Tax and public dues	-	-	-	59,954	59,954
(Property tax)	-	-	-	59,954	59,954
(Other and public dues)	-	-	-	-	-
Other expenses	-	-	34,450	54,498	53,885
(Management entrustment expenses)	-	-	23,490	36,805	36,009
(Repair and maintenance costs)	-	-	140	-	-
(Utilities expenses)	-	-	-	-	-
(Insurance expenses)	-	-	2,511	4,622	5,019
(Land rent)	-	-	8,308	13,070	12,856
(Other rental expense)	-	-	-	-	-
Depreciation expenses	-	-	136,406	214,526	214,565
(Structures)	-	-	3,088	4,863	4,902
(Machinery and equipment)	-	-	132,820	208,879	208,879
(Tools, furniture and fixtures)	-	-	497	782	782
Total of expense for rental of renewable energy power plant (B)	-	-	170,857	328,979	328,404
Income from rental of renewable energy power plant (A-B)	-	-	70,232	245,988	179,375

S-18 CS Takayama-shi Power Plant

Accounting Item	1st FP Fr. May 18, 2017 To Sep. 30, 2017	2nd FP Fr. Oct. 1, 2017 To Jun. 30, 2018	3rd FP Fr. Jul. 1, 2018 To Dec. 31, 2018	4th FP Fr. Jan. 1, 2019 To Jun. 30, 2019	5th FP Fr. Jul. 1, 2019 To Dec. 31, 2019
Rental revenue of renewable energy power plant					
Basic rent	-	-	4,937	11,075	9,720
Variable rent linked to actual output	-	-	1,841	5,290	4,625
Incidental income	-	-	-	-	-
Total of rental revenue of renewable energy power plant (A)	-	-	6,779	16,365	14,346
Expense for rental of renewable energy power plant					
Tax and public dues	-	-	-	2,007	2,006
(Property tax)	-	-	-	2,007	2,006
(Other and public dues)	-	-	-	-	-
Other expenses	-	-	891	1,411	1,393
(Management entrustment expenses)	-	-	828	1,296	1,269
(Repair and maintenance costs)	-	-	-	-	-
(Utilities expenses)	-	-	-	-	-
(Insurance expenses)	-	-	62	114	123
(Land rent)	-	-	-	-	-
(Other rental expense)	-	-	-	-	-
Depreciation expenses	-	-	3,494	5,496	5,496
(Structures)	-	-	218	344	344
(Machinery and equipment)	-	-	3,267	5,139	5,139
(Tools, furniture and fixtures)	-	-	8	12	12
Total of expense for rental of renewable energy power plant (B)	-	-	4,386	8,915	8,895
Income from rental of renewable energy power plant (A-B)	-	-	2,393	7,450	5,450

S-19 CS Misato-machi Power Plant

Accounting Item	1st FP	2nd FP	3rd FP	4th FP	5th FP
	Fr. May 18, 2017 To Sep. 30, 2017	Fr. Oct. 1, 2017 To Jun. 30, 2018	Fr. Jul. 1, 2018 To Dec. 31, 2018	Fr. Jan. 1, 2019 To Jun. 30, 2019	Fr. Jul. 1, 2019 To Dec. 31, 2019
Rental revenue of renewable energy power plant					
Basic rent	-	-	-	10,733	13,005
Variable rent linked to actual output	-	-	-	6,273	5,628
Incidental income	-	-	-	-	-
Total of rental revenue of renewable energy power plant (A)	-	-	-	17,006	18,634
Expense for rental of renewable energy power plant					
Tax and public dues	-	-	-	-	-
(Property tax)	-	-	-	-	-
(Other and public dues)	-	-	-	-	-
Other expenses	-	-	-	877	2,230
(Management entrustment expenses)	-	-	-	877	1,315
(Repair and maintenance costs)	-	-	-	-	645
(Utilities expenses)	-	-	-	-	-
(Insurance expenses)	-	-	-	-	269
(Land rent)	-	-	-	-	-
(Other rental expense)	-	-	-	-	-
Depreciation expenses	-	-	-	5,056	7,594
(Structures)	-	-	-	117	176
(Machinery and equipment)	-	-	-	4,896	7,345
(Tools, furniture and fixtures)	-	-	-	41	72
Total of expense for rental of renewable energy power plant (B)	-	-	-	5,934	9,824
Income from rental of renewable energy power plant (A-B)	-	-	-	11,072	8,809

S-20 CS Marumori-machi Power Plant

Accounting Item	1st FP	2nd FP	3rd FP	4th FP	5th FP
	Fr. May 18, 2017 To Sep. 30, 2017	Fr. Oct. 1, 2017 To Jun. 30, 2018	Fr. Jul. 1, 2018 To Dec. 31, 2018	Fr. Jan. 1, 2019 To Jun. 30, 2019	Fr. Jul. 1, 2019 To Dec. 31, 2019
Rental revenue of renewable energy power plant					
Basic rent	-	-	-	17,989	28,330
Variable rent linked to actual output	-	-	-	11,768	6,694
Incidental income	-	-	-	-	-
Total of rental revenue of renewable energy power plant (A)	-	-	-	29,758	35,025
Expense for rental of renewable energy power plant					
Tax and public dues	-	-	-	-	-
(Property tax)	-	-	-	-	-
(Other and public dues)	-	-	-	-	-
Other expenses	-	-	-	3,730	8,421
(Management entrustment expenses)	-	-	-	1,376	2,666
(Repair and maintenance costs)	-	-	-	-	346
(Utilities expenses)	-	-	-	-	-
(Insurance expenses)	-	-	-	-	782
(Land rent)	-	-	-	2,354	4,625
(Other rental expense)	-	-	-	-	-
Depreciation expenses	-	-	-	8,847	17,036
(Structures)	-	-	-	261	503
(Machinery and equipment)	-	-	-	8,464	16,297
(Tools, furniture and fixtures)	-	-	-	121	234
Total of expense for rental of renewable energy power plant (B)	-	-	-	12,578	25,457
Income from rental of renewable energy power plant (A-B)	-	-	-	17,179	9,567

S-21 CS Izu-shi Power Plant

Accounting Item	1st FP	2nd FP	3rd FP	4th FP	5th FP
	Fr. May 18, 2017 To Sep. 30, 2017	Fr. Oct. 1, 2017 To Jun. 30, 2018	Fr. Jul. 1, 2018 To Dec. 31, 2018	Fr. Jan. 1, 2019 To Jun. 30, 2019	Fr. Jul. 1, 2019 To Dec. 31, 2019
Rental revenue of renewable energy power plant					
Basic rent	-	-	-	-	17,832
Variable rent linked to actual output	-	-	-	-	8,750
Incidental income	-	-	-	-	-
Total of rental revenue of renewable energy power plant (A)	-	-	-	-	26,582
Expense for rental of renewable energy power plant					
Tax and public dues	-	-	-	-	-
(Property tax)	-	-	-	-	-
(Other and public dues)	-	-	-	-	-
Other expenses	-	-	-	-	3,786
(Management entrustment expenses)	-	-	-	-	2,270
(Repair and maintenance costs)	-	-	-	-	-
(Utilities expenses)	-	-	-	-	-
(Insurance expenses)	-	-	-	-	-
(Land rent)	-	-	-	-	1,516
(Other rental expense)	-	-	-	-	-
Depreciation expenses	-	-	-	-	15,742
(Structures)	-	-	-	-	732
(Machinery and equipment)	-	-	-	-	14,755
(Tools, furniture and fixtures)	-	-	-	-	254
Total of expense for rental of renewable energy power plant (B)	-	-	-	-	19,528
Income from rental of renewable energy power plant (A-B)	-	-	-	-	7,053

b. Details of Investment in Operating Rights for Public Facilities

Not applicable.

c. Details of Investment in Real Estate

The real estate that CSIF holds are to be provided for the use of renewable energy power generation facilities and described in “(3) Details of Assets / a. Details of Power Generation Facilities / (i)Summary” above.

d. Details of Investment in Securities

Not applicable.

(4) Other Assets

Assets related to the power plants are described in “(3) Details of Assets / a. Details of Power Generation Facilities / (iii) Operational Results of Each Power Generation Facilities (in JPY thousand)” and other assets as of December 31, 2019 are as follows.

Category	Type	Contracted Amount (Note 1)	Contracted Amount Over 1 year (Note 1)	Fair Value (Note 2)
Transaction Outside of Market	Interest Rate Swap	21,411,430	20,187,606	-
Total		21,411,430	20,187,506	-

(Note 1) The contracted amount is based on notional amount.

(Note 2) As the transaction is booked based on special treatment under the financial instrument accounting standard, the fair value is omitted.

(5) Location of Assets by Country

There is no asset in the countries outside Japan as of December 31, 2019.

4. Capital Expenditures for Assets under Management

(1) Scheduled Capital Expenditures

The following table shows capital expenditures for renewable energy power generation facilities, etc. owned by CSIF during the following fiscal periods. The amount includes the portion which is to be treated as the expense during the period.

Name of infrastructure assets, etc.	Location	Purpose	Projected period	Projected amount (million yen)		
				Total amount	Amount paid during 5th FP	Amount paid by prior FP
CS Mashiki-machi Power Plant	Mashiki-machi, Kumamoto	Building works for curtailment control	From February 2020 To September 2020	32	-	-

(2) Capital Expenditures during the Period

The following table shows capital expenditures for renewable energy power generation facilities, etc. owned by CSIF during the fiscal period under review.

Name of infrastructure assets, etc. (Location)	Purpose	Implementation period	Amount paid (thousand yen)
CS Isa-shi Dai-san Power Plant (Isa-shi, Kagoshima)	Inclination correction works for junction box	From November 1, 2019 To December 2, 2019	3,366
CS Tsuyama-shi Power Plant (Tsuyama-shi, Okayama)	Land curing works	From August 5, 2019 To August 30, 2019	1,720
Other plants			970
		Total	6,056

(3) Cash Reserved for Long-term Maintenance Plan

Not applicable.

5. Summary of Expenses and Debts

(1) Summary of Expenses

Fiscal Period	4th FP	5th FP
	From January 1, 2019 To June 30, 2019	From July 1, 2019 To December 31, 2019
Asset Management Fee	55,979	52,213
Administrative Service Fee	18,945	18,542
Directors' Compensation	2,400	2,400
Other Operating Expenses	56,752	56,184
Total	134,076	129,340

(2) Summary of Debts

	Category / Lender	Borrowing Date	Beginning Balance	Ending Balance	Average Interest Rate (%) (Note 1)	Repayment Date	Repayment Method	Use	Abstract
Long-term	Shinsei Bank, Ltd.	October 31, 2017	2,201	2,140	0.84500 (Note 2)	October 31, 2027	Partial amortization	(Note 3)	Unsecured and no guarantee
	Mizuho Bank, Ltd.		1,375	1,337					
	Sumitomo Mitsui Banking Corporation		1,375	1,337					
	MUFG Bank, Ltd.		917	891					
	Resona Bank, Ltd.		1,650	1,605					
	Orix Bank Corporation		917	891					
	The Hiroshima Bank, Ltd.		1,650	1,605					
	Nanto Bank, Ltd.		1,650	1,605					
	The Oita Bank, Ltd.		825	802					
	The Shonai Bank, Ltd.		825	802					
	The Mie Bank, Ltd.		183	178					
	The Tochigi Bank, Ltd.		825	802					
	Sumitomo Mitsui Banking Corporation	February 1, 2018	820	-	0.57636	February 1, 2021	Partial amortization (Note 4)	(Note 3)	Unsecured and no guarantee
	Shinsei Bank, Ltd.	September 6, 2018	1,647	1,603	1.04200 (Note 2)	September 6, 2028	Partial amortization	(Note 3)	Unsecured and no guarantee
	Sumitomo Mitsui Banking Corporation		1,647	1,603					
	MUFG Bank, Ltd.		1,903	1,851					
	Nanto Bank, Ltd.		951	925					
	The Ashikaga Bank, Ltd.		975	948					
	The Hiroshima Bank, Ltd.		487	474					
	Shinsei Bank, Ltd.	March 29, 2019	680	661	0.57636	March 29, 2022	Partial amortization	(Note 3)	Unsecured and no guarantee
	Shinsei Bank, Ltd.		-	1,000	0.52085	November 29, 2021	Partial amortization	(Note 3	Unsecured and no guarantee
	MUFG Bank, Ltd.		-	700					
	The Ashikaga Bank, Ltd.		-	500					
	The Shonai Bank, Ltd.		-	1,000					
	Nanto Bank, Ltd.		-	500					
	The Hiroshima Bank, Ltd.		-	800					
	MUFG Bank, Ltd.		-	300	0.26738	Earlier date of November 29, 2021 or interest payment date immediately after refund of consumption tax	Bullet	(Note 3	Unsecured and no guarantee
			23,513	26,873					

(Note 1) Average interest rate are based on actual number of days and weighted average. The number are rounded down.

(Note 2) For the debts with interest rate swap for hedging interest rate risk, the average interest rate incorporates the effect of such interest rate swap.

(Note 3) The uses of the debt proceeds are the purchase of power plants.

(Note 4) The balance had been repaid on November 7, 2019 by utilizing the proceeds of the 1st investment corporation bond issuance.

(3) Investment Corporation Bond

Name of Investment Corporation Bond	Issue date	Beginning balance (million yen)	Ending Balance (million yen)	Interest rate (%)	Redemption date	Redemption method	Purpose	Abstract
Canadian Solar Infrastructure Investment Corporation / The 1st Unsecured Bond	November 6, 2019	-	1,100	0.71	November 6, 2024	Bullet	(Note)	Unsecured and no guarantee
Total		-	1,100					

(Note) The purpose is repayment of the debt whose maturity is approaching, payment of future acquisition cost of specified assets, payment of repair cost and capital expenditure, and working capital.

(4) Short-term Investment Corporation Bond

Not applicable.

(5) Unit Acquisition Right

Not applicable.

6. Sales and Purchases during the Period

(1) Summary for Sales and Purchases of Infrastructure Assets, Infrastructure-related Assets, Real Estate and Asset-backed Securities

Asset No.	Name	Purchase		Sales			
		Date	Amount (in JPY mln) (Note)	Date	Amount (in JPY mln)	Book Value (in JPY mln)	Profit / Loss (in JPY mln)
S-21	CS Izu-shi Power Plant	November 29, 2019	4,569	-	-	-	-
Total			4,569	-	-	-	-

(Note) "Amount" is the purchase price based on the purchase contract and excludes costs such as property tax and consumption tax.

(2) Summary for Sales and Purchases of Other Assets

Not applicable.

(3) Valuation of Specified Assets

a. Real Estate (appraisal value)

Purchase or Sales	Name	Transaction Date	Purchase Price (in JPY mln) (Note 1)	Appraisal Value (Note 2)	Valuation Date
Purchase	CS Izu-shi Power Plant	November 29, 2019	231	231	June 30, 2019
Total		-	231	231	-

(Note 1) "Purchase Price" denotes the contracted price for land ownership right or land surface right.

(Note 2) Daiwa Real Estate Appraisal Co., Ltd. Is the appraiser.

b. Infrastructure Asset

Purchase or Sales	Name	Transaction Date	Purchase Price (in JPY mln) (Note 1)	Asset Value (Note 2)	Valuation Date
Purchase	CS Izu-shi Power Plant	November 29, 2019	4,569	4,443 – 4,789	November 29, 2019
Total		-	4,569	4,443 – 4,789	-

(Note 1) "Purchase Price" denotes the contracted price on the purchase agreement.

(Note 2) "Asset Value" includes the appraisal value of the real estate mentioned in "a. Real Estate (appraisal value)" above.

(Note 3) The investigation of the asset value is conducted by Grant Thornton Taiyo LLC based on the guideline No.23 published by JICPA.

c. Other

There has been no transaction other than stated in "a. Real Estate (appraisal value)" and "b. Infrastructure Asset" above.

(4) Transactions with Interested Parties

a. Sales and Purchases

Category	Purchase / Sale Amount (Note 2)			
	Purchase Amount (in JPY thousand)		Sales Amount (in JPY thousand)	
Total	4,569,000		-	
Breakdown of Transactions with Interested Parties (Note 1)				
LOHAS CLEAN ENERGIES WORLD K.K.	4,569,000	(100.0%)	-	(-%)
Total	4,569,000	(100.0%)	-	(-%)

(Note 1) The definition of "Interested Parties" is depending on the relevant law.

(Note 2) The amounts are based on the amount stated in the purchase and sales agreement of the assets.

(Note 3) The parties above were the interested parties at the time of purchase of the assets. But, after the purchase, they were no longer the interested parties.

b. Lease

Not applicable.

c. Commission Paid

Not applicable.

(5) Asset Manager's Transaction Related to Asset Manager's Other Business

Asset Manager doesn't conduct any of the type1 and type2 financial instrument exchange business, real estate transaction business and specified joint real estate ventures. There was no applicable transaction during the period.

7. Summary of Accounts

(1) Summary of Assets, Liabilities, Capital and Income/Loss

Please see the balance sheet, statement of income, statement of changes in unitholders' equity, note and statement of cash distribution.

(2) Change in Calculation Method of Depreciation

Not applicable.

(3) Change in Valuation Method of Infrastructure Assets and Real Estate

Not applicable.

(4) Company Setting Investment Trust Beneficial Securities

Not applicable.

8. Other

(1) Notification

a. Unitholders' Meeting

No unitholders' meeting was held during the FP.

b. Board of Executives Meeting

Summary of new contract and change for major contract of the fund which was approved by the board of executives meeting for the FP.

Date of Approval	Subject of Approval	Summary
October 23, 2019	Appointment of administrator for investment corporation bond	Regarding the comprehensive resolution concerning the issuance of investment corporation bond, which was approved on the same date, the candidate companies were approved for the administrator for the investment corporation bond, and the decision-making authority for other necessary matters was left to the executive officers.

(2) Treatment of Amount and Ratio with Fractional Point

Unless otherwise described, the amounts are rounded down and the ratio are rounded up or down.

Balance Sheet

(Unit : thousand yen)

	4th Period (June, 2019)	5th Period (December 31, 2019)
Assets		
Current Assets		
Cash and bank deposit	2,466,624	2,474,056
Operating accounts receivable	426,756	268,927
Prepaid expenses	71,805	157,523
Consumption taxes receivable	-	329,815
Other current assets	215	860
Total current assets	2,965,401	3,231,182
Fixed Assets		
Property and equipment		
Structures	835,726	1,040,844
Accumulated depreciation	(45,417)	(63,543)
Structures, net	790,308	977,300
Machinery and equipment	38,610,034	42,726,985
Accumulated depreciation	(2,191,437)	(3,002,153)
Machinery and equipment ,net	36,418,597	39,724,832
Tools, furniture and fixtures	521,176	592,249
Accumulated depreciation	(32,570)	(43,368)
Tools, furniture and fixtures, net	488,605	548,881
Land	4,466,771	4,469,653
Total property and equipment	42,164,283	45,720,667
Intangible assets		
Leasehold rights	512,411	753,139
Software	2,746	2,353
Total intangible assets	515,158	755,492
Investments and other assets		
Long-term prepaid expenses	307,424	316,119
Deferred tax assets	12	12
Long term deposits	7,800	-
Guarantee deposits	21,021	37,790
Total investment and other assets	336,258	353,922
Total fixed assets	43,015,700	46,830,082
Deferred Assets		
Investment corporation bond issuance cost	-	8,536
Total deferred assets	-	8,536
Total Assets	45,981,101	50,069,801

Liabilities		
Current liabilities		
Accounts payable – operating	26,344	32,988
Current portion of long-term loans payable	1,286,149	1,512,196
Accounts payable – other	83,003	67,471
Accrued expenses	112,673	102,033
Income taxes payable	868	860
Consumption tax payable	49,904	8,317
Deposits received	1,750	1,562
Total current liabilities	1,560,694	1,725,429
Non-current liabilities		
Investment corporation bond	-	1,100,000
Long-term loan payable	22,227,007	25,360,810
Total non-current liabilities	22,227,007	26,460,810
Total liabilities	23,787,702	28,186,239
Net assets		
Unitholders' equity		
Unit holders' capital	22,050,175	22,050,175
Deduction from unitholders' capital	(567,281)	(700,678)
Unitholders' capital (net value)	21,482,893	21,349,496
Surplus		
Unappropriated retained earnings (Accumulated deficit)	710,506	534,065
Total surplus	710,506	534,065
Total unitholders' equity	22,193,399	21,883,561
Total net assets	*1 22,193,399	*1 21,883,561
Total liabilities and net assets	45,981,101	50,069,801

Statement of Income

(Unit: thousand yen)

	4th period (from January 1, 2019 to June 30, 2019)	5th period (from July 1, 2019 to December 31, 2019)
Operating revenues		
Rental revenues of renewable energy power generation facilities, etc.	*1 2,185,392	*1 2,088,116
Total operating revenues	2,185,392	2,088,116
Operating expenses		
Rental expenses of renewable energy power generation facilities, etc.	*1 1,234,114	*1 1,261,805
Asset management fee	55,979	52,213
Administrative service fees	18,945	18,542
Director's compensation	2,400	2,400
Taxes and duties	399	772
Other operating expenses	56,352	55,412
Total operating expenses	1,368,191	1,391,146
Operating income or loss	817,201	696,970
Non-operating incomes		
Interest income	15	13
Insurance income	27,146	-
Interest on refund	1,355	-
Total non-operating income	28,517	13
Non-operating expenses		
Interest expenses	106,345	107,285
Interest on investment corporation bond		1,176
Amortization of investment corporation bond issuance cost	-	263
Borrowing-related expenses	28,083	53,389
Total non-operating expenses	134,428	162,115
Ordinary income	711,290	534,868
Income before income taxes	711,290	534,868
Income taxes - current	870	862
Income tax - deferred	0	0
Total income taxes	870	862
Net income	710,419	534,005
Retained earnings (deficit) brought forward	86	59
Unappropriated retained earnings (Accumulated deficit)	710,506	534,065

Statements of Changes in Unitholders' Equity

4th Fiscal Period (From January 1, 2019 to June 30, 2019)

(Unit: thousand yen)

	Unitholders' equity						Total net assets
	Unitholders' capital			Surplus		Total unitholders' equity	
	Unitholders' capital	Deduction from unitholders' capital	Unitholders' capital(net)	Capital surplus or loss	Total surplus		
Balance as of January 1, 2019	22,050,175	(147,209)	21,902,965	412,298	412,298	22,315,263	22,315,263
Changes of items during the period							
Distribution in excess of earnings	-	(420,072)	(420,072)	-	-	(420,072)	(420,072)
Dividend of surplus	-	-	-	(412,211)	(412,211)	(412,211)	(412,211)
Net Income	-	-	-	710,419	710,419	710,419	710,419
Total changes of items during the period	-	(420,072)	(420,072)	298,208	298,208	(121,864)	(121,864)
Balance as of June 30, 2018	*1 22,050,175	(567,281)	21,482,893	710,506	710,506	22,193,399	22,193,399

5th Fiscal Period (From July 1, 2019 to December 31, 2019)

(Unit: thousand yen)

	Unitholders' equity						Total net assets
	Unitholders' capital			Surplus		Total unitholders' equity	
	Unitholders' capital	Deduction from unitholders' capital	Unitholders' capital(net)	Capital surplus or loss	Total surplus		
Balance as of January 1, 2019	22,050,175	(567,281)	21,482,893	710,506	710,506	22,193,399	22,193,399
Changes of items during the period							
Distribution in excess of earnings	−	(133,396)	(133,396)	−	−	(133,396)	(133,396)
Dividend of surplus	−	−	−	(710,446)	(710,446)	(710,446)	(710,446)
Net Income	−	−	−	534,005	534,005	534,005	534,005
Total changes of items during the period	−	(133,396)	(133,396)	(176,441)	(176,441)	(309,837)	(309,837)
Balance as of June 30, 2018	*1 22,050,175	(700,678)	21,349,496	534,065	534,065	21,883,561	21,883,561

Notes

Summary of Significant Accounting Policies(from July 1, 2019 to December 31, 2019)

1.Method of depreciation and amortization of non-current assets	(1) Property and equipment The straight-line method is adopted. In addition, the useful lives of major property and equipment are as shown below: Structures ..... 22 - 25 years Machinery and equipment ..... 22 - 25 years Tools, furniture and fixtures ..... 22 - 25 years (2) Intangible assets The straight-line method is adopted. In addition, the useful life is as shown below: Software ..... 5 years (3) Long-term prepaid expenses The straight-line method is adopted.
2.Method of deferred assets amortization	Investment corporation bond issuance cost The straight-line method over the period until the redemption date is adopted.
3.Standards for revenue and expense recognition	Accounting for fixed assets tax With respect to fixed assets tax, city planning tax and depreciable assets tax, among other taxes, on the infrastructure assets held, of the tax amount assessed and determined, the amount corresponding to the calculation period is accounted as rental expenses. In addition, reimbursement such as fixed assets tax, which is paid to the seller and other persons on the acquisition of infrastructure assets and other assets ("the amount equivalent to the fixed assets taxes and other taxes") is not recognized as rental expenses but included in the acquisition cost of the concerned infrastructure assets and other assets. In the fiscal period under review, the amount equivalent to the fixed assets tax and other taxes included in the acquisition cost of infrastructure assets and other assets is 504 thousand yen.
4.Method of hedge accounting	(1) Method of hedge accounting Special treatment is adopted for the interest rate swap that meets the requirements for special treatment. (2) Hedging instruments and hedged items: ・Hedging instruments……Interest rate swap transaction ・Hedged items….Interest rate on loans (3) Policy for hedging CSIF conducts derivative transactions to hedge risks as set forth in the CSIF's Articles of Incorporation according to the rules for risk management. (4) Method of evaluation of effectiveness of hedging The interest rate swap meets the requirements for special treatment, and thus the evaluation of effectiveness is omitted.
5.Other significant matters serving as the basis for preparation of financial statements	Accounting for Consumption tax Consumption tax and local consumption tax are excluded from the corresponding transaction amount.

Notes to Balance Sheet

*1 Minimum net assets stipulated in Article 67, Paragraph 4 of the Act on Investment Trusts and Investment Corporations

(Unit: thousand yen)

As of June 30, 2019	As of December 31, 2019
50,000	50,000

Notes to Statement of Income

*1 Breakdown of profits and losses from the rental business of renewable energy power generation facilities, etc.

(Unit: thousand yen)

	From January 1, 2019 to June 30, 2019	From July 1, 2019 to December 31, 2019
A. Operating revenue from the rental business of renewable energy power generation facilities, etc.		
Rental revenue of renewable energy power generation facilities, etc.		
(Basic rent)	1,478,843	1,567,010
(Variable rent linked to actual output)	706,346	520,930
(Incidental income)	202	176
Total operating revenue from the rental business of renewable energy power generation facilities, etc.	2,185,392	2,088,116
B. Operating expenses from the rental business of renewable energy power generation facilities, etc.		
Rental expenses of renewable energy power generation facilities, etc.		
(Management entrustment expenses)	144,616	146,524
(Repair and maintenance costs)	8,560	1,768
(Taxes and duties)	217,138	217,112
(Utilities expenses)	-	-
(Insurance expenses)	17,023	19,571
(Depreciation expenses)	813,047	839,638
(Land rent)	33,727	37,190
(Other rental expenses)	-	–
Total operating expenses from the rental business of renewable energy power generation facilities, etc.	1,234,114	1,261,805
C. Profits and losses from the rental business of renewable energy power generation facilities, etc. (A-B)	951,278	826,311

Notes to Statements of Changes in Unitholders' Equity

*1 Total number of authorized investment units and the total number of investment units issued and outstanding

	From January 1, 2019 To June 30, 2019	From July 1, 2019 To December 31, 2019
Total number of authorized investment units	10,000,000 unit	10,000,000 unit
Total number of investment units issued and outstanding	231,190 unit	231,190 unit

Notes on Tax Effect Accounting

1.Breakdown of deferred tax assets and deferred tax liabilities by major cause

(Unit: thousand yen)

	Fiscal period ended June 30, 2019	Fiscal period ended December 31, 2019
Accrued business tax not deductible from taxable income	12	12
Total deferred tax assets	12	12
Net amount of deferred tax assets	12	12

2.Breakdown of each major item that causes a significant difference between the effective statutory tax rate and the rate of the burden of corporate tax and other taxes after the application of tax effect accounting

(Unit: thousand yen)

	Fiscal period ended June 30, 2019	Fiscal period ended December 31, 2019
Effective statutory tax rate	31.51%	31.51%
(Adjustment)		
Dividends paid deductible for tax purpose	(31.47) %	(31.46) %
Loss carried forward and deducted for the period	-	-
Others	0.08%	0.11%
Rate of burden of corporate tax and other taxes after the application of tax effect accounting	0.12%	0.16%

Notes on Financial Instruments

For the 4th fiscal period (From January 1, 2019 to June 30, 2019)

1.Situation of financial instruments

(1) Policy for financial instruments

CSIF procures funds for acquiring new assets or repaying loans through loans from financial institutions or issuing investment units. The basic policy is to build stable and sound financial operations to maintain and increase earnings in the medium to long term and grow the size and value of assets

.

(2) Details of the financial instruments and their risks and the risk management system

Long-term loans payables are one of the means to procure the funds for the acquisition of managed assets and are exposed to interest rate fluctuation risk and liquidity risk, among other risks. However, this risk is deducted through the appropriate balancing of the loan period and the interest rate type, and diversification of lenders, and the appropriate management of various types of indexes, especially the general application of the upper limit of the ratio of interest-bearing, which is 60%.

(3) Supplementary explanation on fair value of financial instruments

The fair values of financial instruments are values based on market prices, or if there are no market prices, values are reasonably calculated. Since certain assumptions are used for the calculation of fair values, they may change if different assumptions are used.

2. Matters relating to fair values of financial instruments

The table below shows the book value and fair values of financial instruments as of June 30, 2019 and the difference between them. Financial instruments whose fair values are extremely difficult to estimate are not included in the table.

(Unit: thousand yen)

	Book value	Fair value	Difference
(1) Cash and deposits	2,466,624	2,466,624	-
(2) Operating accounts receivable	426,756	426,756	-
(3) Long term deposits	7,800	7,800	-
Total assets	2,901,181	2,901,181	-
(4) Current portion of long-term loans payable	1,286,149	1,287,698	1,548
(5) Long-term loans payable	22,227,007	22,491,852	264,844
Total liabilities	23,513,157	23,779,551	266,393
(6) Derivative transaction	-	-	-

(Note 1) Methods used for estimating the fair values of financial instruments and matters related to derivative transactions

Assets

(1) Cash and deposits (2) Operating accounts receivable

These financial instruments are settled in the short term, and their fair values are deemed to approximate their book value. Therefore, the book values are used as the values.

(3) Long-term deposits

This financial instrument refers to time deposits. With no significant difference between the expected interest rate for a new deposit and a contractual interest rate, their fair values are very close to their book values. Therefore, the book values are used.

Liabilities

(4) Current portion of long-term loans payable (5) Long-term loans payable

With respect to long-term loans payable at variable interest rates, the condition that the interest rates are renewed every certain period is applied to loans, and thus the market value is considered to be close to the book value. Accordingly, the book value is used. In addition, for the long-term loans payable at variable interest rates subject to the special treatment of interest rate swap (refer to (6) 2. below), the fair value is measured by discounting the total sum of the principal and interest treated together with the said interest rate swap as one at the interest rate that is applied when the similar loan is obtained and that is reasonably estimated.

(6) Derivative transaction

1. Those to which hedge accounting is not applied

Not applicable.

2. Those to which hedge accounting is applied

Method of hedge accounting	Type of derivative transactions and other matters	Major items hedged	Contract amount and other amounts		Fair value	Method of calculation of said market value
				Longer than one year		
Special treatment of interest rate swap	Interest rate swap transaction Fixed payment/variable receipt	Long-term loans payable	22,012,204	20,811,569	(Note)	-

(Note) Those that are subject to special treatment of interest rate swap are treated together with the current portion of long-term loans payable and the long-term loans payable to be hedged as one, and thus their fair value is presented together with the fair value of (Note 1) (4) Current portion of long-term loans payable and (5) Long-term loans payable in “Notes on financial instruments 2.Matters relating to fair values of financial instruments, among other matters”

(Note 2) Scheduled redemption amounts of monetary receivables after the closing date (June 30, 2019)

(Unit: thousand yen)

	Within one year	Longer than one year, within two years	Longer than two years, within three years	Longer than three years, within four years	Longer than four years, within five years	Longer than five years
(1) Cash and deposits	2,466,624	-	-	-	-	-
(2) Operating accounts receivable	426,756	-	-	-	-	-
(3) Long-term deposits	-	7,800	-	-	-	-
Total	2,893,381	7,800	-	-	-	-

(Note 3) Scheduled redemption amount of loans payables after the closing date (June 30, 2019)

(Unit: thousand yen)

	Within one year	Longer than one year, within two years	Longer than two years, within three years	Longer than three years, within four years	Longer than four years, within five years	Longer than five years
(4) Current portion of long-term loans payable	1,286,149	-	-	-	-	-
(5) Long-term loans payable	-	2,053,702	1,862,492	1,286,533	1,285,273	15,739,005
Total	1,286,149	2,053,702	1,862,492	1,286,533	1,285,273	15,739,005

For the 5th fiscal period (From July 1, 2019 to December 31, 2019)

1.Situation of financial instruments

(1) Policy for financial instruments

CSIF procures funds for acquiring new assets or repaying loans through loans from financial institutions or issuing investment units. The basic policy is to build stable and sound financial operations to maintain and increase earnings in the medium to long term and grow the size and value of assets

.

(2) Details of the financial instruments and their risks and the risk management system

Long-term loans payables are one of the means to procure the funds for the acquisition of managed assets and are exposed to interest rate fluctuation risk and liquidity risk, among other risks. However, this risk is deducted through the appropriate balancing of the loan period and the interest rate type, and diversification of lenders, and the appropriate management of various types of indexes, especially the general application of the upper limit of the ratio of interest-bearing, which is 60%.

(3) Supplementary explanation on fair value of financial instruments

The fair values of financial instruments are values based on market prices, or if there are no market prices, values are reasonably calculated. Since certain assumptions are used for the calculation of fair values, they may change if different assumptions are used.

2. Matters relating to fair values of financial instruments

The table below shows the book value and fair values of financial instruments as of December 31, 2019 and the difference between them. Financial instruments whose fair values are extremely difficult to estimate are not included in the table.

(Unit: thousand yen)

	Book value	Fair value	Difference
(1) Cash and deposits	2,474,056	2,474,056	-
(2) Operating accounts receivable	268,927	268,927	–
Total assets	2,742,983	2,742,983	–
(3) Current portion of long-term loans payable	1,512,196	1,513,923	1,726
(4) Long-term loans payable	25,360,810	25,651,566	290,756
(5) Investment corporation bond	1,100,000	1,100,000	–
Total liabilities	27,973,006	28,265,489	292,482
(6) Derivative transaction	-	-	-

(Note 1) Methods used for estimating the fair values of financial instruments and matters related to derivative transactions

Assets

(1) Cash and deposits (2) Operating accounts receivable

These financial instruments are settled in the short term, and their fair values are deemed to approximate their book value. Therefore, the book values are used as the values.

Liabilities

(3) Current portion of long-term loans payable (4) Long-term loans payable

With respect to long-term loans payable at variable interest rates, the condition that the interest rates are renewed every certain period is applied to loans, and thus the market value is considered to be close to the book value. Accordingly, the book value is used. In addition, for the long-term loans payable at variable interest rates subject to the special treatment of interest rate swap (refer to (6) 2. below), the fair value is measured by discounting the total sum of the principal and interest treated together with the said interest rate swap as one at the interest rate that is applied when the similar loan is obtained and that is reasonably estimated.

(5) Investment corporation bond

Fair value is based on market value.

(6) Derivative transaction

1. Those to which hedge accounting is not applied

Not applicable.

2. Those to which hedge accounting is applied

Method of hedge accounting	Type of derivative transactions and other matters	Major items hedged	Contract amount and other amounts		Fair value	Method of calculation of said market value
				Longer than one year		
Special treatment of interest rate swap	Interest rate swap transaction Fixed payment/variable receipt	Long-term loans payable	21,411,430	20,187,606	(Note)	-

(Note) Those that are subject to special treatment of interest rate swap are treated together with the current portion of long-term loans payable and the long-term loans payable to be hedged as one, and thus their fair value is presented together with the fair value of (Note 1) (3) Current portion of long-term loans payable and (4) Long-term loans payable in “Notes on financial instruments 2.Matters relating to fair values of financial instruments, among other matters” .

(Note 2) Scheduled redemption amounts of monetary receivables after the closing date (December 31, 2019)

(Unit: thousand yen)

	Within one year	Longer than one year, within two years	Longer than two years, within three years	Longer than three years, within four years	Longer than four years, within five years	Longer than five years
(1) Cash and deposits	2,474,056	-	-	-	-	-
(2) Operating accounts receivable	268,927	-	-	-	-	-
Total	2,742,983	-	-	-	-	-

(Note 3) Scheduled redemption amount of loans payables after the closing date (December 31, 2019)

(Unit: thousand yen)

	Within one year	Longer than one year, within two years	Longer than two years, within three years	Longer than three years, within four years	Longer than four years, within five years	Longer than five years
(3) Current portion of long-term loans payable	1,512,196	-	-	-	-	-
(4) Long-term loans payable	-	5,836,435	1,860,238	1,292,889	1,254,936	15,116,310
(5) Investment corporation bond	-	-	-	-	1,100,000	-
Total	1,512,196	5,836,435	1,860,238	1,292,889	2,354,936	15,116,310

Notes on Investment and Rental Property

CSIF has renewable energy power generation facilities, etc. The book value change during the period and fair value at the end of the period are as shown below.

(Unit: thousand yen)

		Fiscal period ended June 30, 2019	Fiscal period ended December 31, 2019
Book value (Note 2)			
	Beginning balance	42,077,910	42,676,695
	Change during the period (Note 3)	598,784	3,797,111
	Ending balance	42,676,695	46,473,806
Fair value at the end of the period (Note 4)		50,026,000	51,498,500

(Note 1) The real estate that CSIF holds is real estate to be provided for the use of renewable energy power generation facilities, and thus with respect to the book value and the fair value, the amount of the renewable energy power generation facilities and real estate are stated together as one.

(Note 2) The book value is the amount at acquisition cost less the accumulated depreciation.

(Note 3) The change during the period ended June 30, 2019 primarily consisted of the increase due to acquisition of two photovoltaic power generation facilities (1,357,292 thousand yen), and the decrease due to depreciation expenses (813,047 thousand yen). And the change during the period ended December 31, 2019 primarily consisted of the increase due to acquisition of one photovoltaic power generation facility (4,629,532 thousand yen), and the decrease due to depreciation expenses (839,638 thousand yen).

(Note 4) The fair value is the total sum of the intermediate values according to Article 41, paragraph 1 of the CSIF's Articles of Incorporation on the basis of the appraised value in the range stated in the valuation report with the date of the value opinion on June 30, 2019 and December 31, 2019, which was obtained from PricewaterhouseCoopers Sustainability LLC or Ernst & Young Transaction Advisory Services Co., Ltd..

In addition, profits and losses from the renewable energy power generation facilities, etc. for the fiscal period ended June 30, 2019 (the 4th period) and the fiscal period ended December 31, 2019 (the 5th period) are as stated in the "Notes to statement of income" above.

Notes on Restriction for Asset Management

Not applicable.

Notes on Related Party Transaction

For prior period (from January 1, 2019 to June 30, 2019)

Attribute	Name	Address	Capital (in JPY thousand)	Business	Number of Units Held (Held)	Relationship		Transaction	Transaction Amount (in JPY thousand) (Note 1) (Note 2)	Account	Ending Balance (in JPY thousand) (Note 1)
						Concurrent Position of Executive	Business Relationship				
Interested Party of Asset Manager	Univergy 01 G.K.	0F Shinjuku Mitsui Bldg., Nishi-shinjuku 2-1-1, Shinjuku-ku, Tokyo JAPAN	0	Development, Acquisition, Construction and Operation of Renewable Energy Power Plant	-	Not applicable	Purchase of Solar Power Plant	Acquisition of Solar Power Plant	470,000	-	-
Interested Party of Asset Manager	CLEAN ENERGIES SOLUTIONS G.K.	Hippo Aza Higashiyama 8-1, Marumori-machi, Igu-gun, Miyagi, JAPAN	100	Development, Acquisition, Construction and Operation of Renewable Energy Power Plant	-	Not applicable	Purchase of Solar Power Plant	Acquisition of Solar Power Plant	850,000	-	-
Interested Party of Asset Manager	Canadian Solar O&M Japan K.K.	0F Shinjuku Mitsui Bldg., Nishi-shinjuku 2-1-1, Shinjuku-ku, Tokyo JAPAN	0	Operation and Maintenance	-	Not applicable	Outsourcing of Operation and Maintenance	Payment of O&M Fee	144,616	Accounts Payable	26,344

(Note 1) The amounts exclude consumption taxes.

(Note 2) The condition of transactions are referring to market prices etc.

For current period (from July 1, 2019 to December 31, 2019)

Attribute	Name	Address	Capital (in JPY thousand)	Business	Number of Units Hold (Held)	Relationship		Transaction	Transaction Amount (in JPY thousand) (Note 1) (Note 2)	Account	Ending Balance (in JPY thousand) (Note 1)
						Concurrent Position of Executive	Business Relationship				
Interested Party of Asset Manager	LOHAS CLEAN ENERGIES WORLD K.K.	50F Shinjuku Mitsui Bldg., Nishi-shinjuku 2-1-1, Shinjuku-ku, Tokyo JAPAN	100	Development, Acquisition, Construction and Operation of Renewable Energy Power Plant	-	Not applicable	Purchase of Solar Power Plant	Acquisition of Solar Power Plant	4,569,000	-	-
Interested Party of Asset Manager	Canadian Solar O&M Japan K.K.	0F Shinjuku Mitsui Bldg., Nishi-shinjuku 2-1-1, Shinjuku-ku, Tokyo JAPAN	0 (Note 3)	Operation and Maintenance	-	Not applicable	Outsourcing of Operation and Maintenance	Payment of O&M Fee	146,305	Accounts Payable	32,988

(Note 1) The amounts exclude consumption taxes.

(Note 2) The condition of transactions are referring to market prices etc.

(Note 3) Capital amount was increased to 100,000 thousand yen on January 21, 2020.

Notes on Per Unit Information

Prior fiscal period From January 1,2019 to June 30, 2019	Current fiscal period From July 1, 2019 December 31, 2019
Net assets per unit 95,996 yen Net income per unit 3,072 yen Net income per unit is calculated by dividing net income by the average number of investment units during the period. With respect to diluted profit per unit for the period, there are no dilutive investment units, and thus the statement is omitted.	Net assets per unit 94,656 yen Net income per unit 2,309 yen Net income per unit is calculated by dividing net income by the average number of investment units during the period. With respect to diluted profit per unit for the period, there are no dilutive investment units, and thus the statement is omitted.

(Note) The basis of calculation of net income (net loss) per unit is as follows.

	Prior fiscal period From January 1, 2019 to July 31, 2019	Current fiscal period From July 1, 2019 December 31, 2019
Net income (Net loss) (Thousand yen)	710,419	534,005
Amount not attributable to common unit holders (Thousand yen)	-	-
Net income (Net loss) attributable to Common unit holders (Thousand yen)	710,419	534,005
Average number of investment units during the period (Units)	231,190	231,190

Notes on Subsequent Event after the Balance Sheet Date

For the 4th fiscal period (From January 1, 2019 to June 30, 2019)

Not applicable.

For the 5th fiscal period (From July 1, 2019 to December 31, 2019)

Not applicable.

Statement of Cash Distribution

	Fiscal Period under Review (From January 1, 2019 to June 30, 2019)	Fiscal Period under Review (From July 1, 2019 to December 31, 2019) Unit: Yen
I Unappropriated retained earnings (accumulated deficit)	710,506,353 133,396,630	534,065,162 309,794,600
II Distributions in excess of retained earnings		
Deduction from unitholders' capital	843,843,500	843,843,500
III Cash distributions	(3,650)	(3,650)
(Cash distributions per unit)	710,446,870	534,048,900
Profit distributions	(3,073)	(2,310)
(Profit distributions per unit)	133,396,630	309,794,600
Distributions in excess of retained earnings		
(Distributions in excess of retained earnings)		
IV. Retained earnings (deficit) carried forward	(577) 59,483	(1,340) 16,262
Calculation method for cash distributions	In accordance with Articles 47, Paragraph 1 of Canadian Solar Infrastructure Fund, Inc. ("CSIF") s Articles of Incorporation, the amount of cash distributions shall be the amount of profit in excess of an amount equivalent to 90% of distributable profits, as stipulated in Article 67-15 of the Act on Special Measures Concerning Taxation. Based on this policy, CSIF decided to make distributions of ¥710,506,353 which is the entire amount equivalent to the unappropriated retained earnings for the fiscal period under review of ¥710,446,870 excluding fractions of the distribution per unit that are less than ¥1. CSIF distributes cash in excess of retained earnings every fiscal period based on the cash distribution policy prescribed in Article 47, Paragraph 2 of CSIF's Articles of Incorporation. Based on this policy, CSIF decided to make cash distributions in excess of earnings (return of capital categorized as a distribution of the reduction in capital for Japanese tax purposes) in the amount of ¥133,396,630 which is equivalent to 16.4% of the amount of depreciation expenses recorded for the fiscal period under review of ¥813,434,738. Accordingly, the distribution per unit is ¥3,650.	In accordance with Articles 47, Paragraph 1 of Canadian Solar Infrastructure Fund, Inc. ("CSIF") s Articles of Incorporation, the amount of cash distributions shall be the amount of profit in excess of an amount equivalent to 90% of distributable profits, as stipulated in Article 67-15 of the Act on Special Measures Concerning Taxation. Based on this policy, CSIF decided to make distributions of ¥534,065,162 which is the entire amount equivalent to the unappropriated retained earnings for the fiscal period under review of ¥534,048,900 excluding fractions of the distribution per unit that are less than ¥1. CSIF distributes cash in excess of retained earnings every fiscal period based on the cash distribution policy prescribed in Article 47, Paragraph 2 of CSIF's Articles of Incorporation. Based on this policy, CSIF decided to make cash distributions in excess of earnings (return of capital categorized as a distribution of the reduction in capital for Japanese tax purposes) in the amount of ¥309,794,600 which is equivalent to 36.9% of the amount of depreciation expenses recorded for the fiscal period under review of ¥840,031,795. Accordingly, the distribution per unit is ¥3,650.

(Note) Distributions in excess of retained earnings per unit will generally be based on the cash distribution policy prescribed in CSIF's Articles of Incorporation and the Asset Manager's asset management guideline.

CSIF intends to make cash distributions of NCF within the FCF generated from the renewable energy power generation facilities. The amount available for distribution shall be calculated by multiplying NCF by the payout ratio.

Further, CSIF intends to make distributions in excess of retained earnings for each fiscal period in order to realize such policy.

CSIF's forecasts (including revised forecasts) for each fiscal period are based on the assumption of the Forecast Power Generation (P50) provided in the independent technical report which is used as a basis for calculating rents for renewable energy power generation facilities and if actual NCF calculated based on actual power generation during the applicable

fiscal period exceeds forecast NCF, CSIF's policy is to set "forecast NCF multiplied by the payout ratio" as the upper limit of the amount of cash distributions for the applicable fiscal period. .

On the other hand, if actual NCF is less than forecast NCF, CSIF's policy is to set "actual NCF multiplied by the payout ratio" as the amount of cash distributions for the applicable fiscal period.

Based on this policy, CSIF decided to make distributions for the previous fiscal period of ¥843,843,500 which is equivalent to 48.0% of forecast NCF amount for the fiscal period under review of ¥1,758,007,291. Of this, ¥133,396,630 which is the amount less of distributions of profit of ¥710,446,870 is distributions in excess of retained earnings.

Based on this policy, CSIF decided to make distributions for the current fiscal period of ¥843,843,500 which is equivalent to 82.0% of forecast NCF amount for the fiscal period under review of ¥1,029,345,000. Of this, ¥309,794,600 which is the amount less of distributions of profit of ¥534,048,900 is distributions in excess of retained earnings.

Statement of Cash Flow

(unit: thousand yen)

	4th period (From January 1, 2019 to June 30, 2019)	5th period (From July 1, 2019 to December 31, 2019)
Cash flows from operating activities		
Income (Loss) before income taxes	711,290	534,868
Depreciation cost	813,434	840,031
Investment corporation bond issuance expenses	-	263
Interest income	(15)	(13)
Interest expenses	106,345	108,461
Decrease (Increase) in operating accounts receivable	(217,843)	157,829
Decrease (Increase) in consumption taxes receivable	793,148	(329,815)
Decrease (Increase) in consumption taxes payable	49,904	(41,587)
Decrease (Increase) in prepaid expenses	35,909	(85,718)
Decrease (Increase) in long-term prepaid expenses	17,075	(8,695)
Increase (Decrease) in operating accounts payable	1,053	6,644
Increase (Decrease) in accounts payable - other	26,686	(15,532)
Increase (Decrease) in accrued expenses	39,839	(11,331)
Other, net	(3,024)	(833)
Sub-total	2,373,805	1,154,572
Interest received	15	13
Interest paid	(106,961)	(107,769)
Income taxes paid	(859)	(870)
Net cash provided by (used in) operating activities	2,265,998	1,045,945
Cash flows from investing activities		
Purchases of property and equipment	(1,387,663)	(4,396,022)
Purchases of intangible fixed assets	(18,294)	(240,727)
Payment of guarantee deposits	-	(16,769)
Net cash provided by (used in) investing activities	(1,405,958)	(4,653,519)
Cash flows from financing activities		
Proceeds from long-term loans payable	700,000	4,800,000
Repayment of long-term loans payable	(1,483,938)	(1,440,151)
Proceeds from issuance of investment corporation bond	-	1,100,000
Payments for investment corporation bond issuance expenses	-	(8,800)
Dividends paid	(412,211)	(710,446)
Surplus earning distribution paid	(420,072)	(133,396)
Net cash provided by (used in) financing activities	(1,616,222)	3,607,205
Net increase (decrease) in cash and cash equivalents	(756,182)	(368)
Cash and cash equivalents at the beginning of the fiscal period	3,222,807	2,466,624
Cash and cash equivalents at the end of the fiscal period	*1 2,466,624	*1 2,466,256

Summary of Significant Accounting Policies

	From January 1, 2019 To June 30, 2019	From July 1, 2019 To December 31, 2019
Scope of funds in statemen of cash flows	Funds (cash and cash equivalents) in statement of cash flows consist of cash on hand, demand deposits and short-term investments with a maturity of three months or less at the date of acquisition that can readily be converted into cash and that are subject to insignificant risks of changes in value.	Funds (cash and cash equivalents) in statement of cash flows consist of cash on hand, demand deposits and short-term investments with a maturity of three months or less at the date of acquisition that can readily be converted into cash and that are subject to insignificant risks of changes in value.

Notes to Statement of Cash Flows

*1 Relationship between the ending balance of cash and cash equivalents and the amounts on the balance sheet

From January 1, 2019 To June 30, 2019		From July 1, 2019 To December 31, 2019	
*1 Relationship between the ending balance of cash and cash equivalents and the amounts on the balance sheet		*1 Relationship between the ending balance of cash and cash equivalents and the amounts on the balance sheet	
	(as of June 30, 2019) (unit: thousand yen)		(as of December 31, 2019) (unit: thousand yen)
Cash and deposits	2,466,624	Cash and deposits	2,474,056
Term deposits over three months	-	Term deposits over three months	(7,800)
Cash and cash equivalents	2,466,624	Cash and cash equivalents	2,466,256